

RSM

RSM RUS, LLC

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March 14, 2016 No. RSM-1542

Auditor's report on the financial statements for 2015

To the shareholders of Lenenergo, Power Industry and Electrification Public Joint Stock Company

Audited entity:

Lenenergo, Power Industry and Electrification Public Joint Stock Company

(abbreviated name **Lenenergo, PJSC**).

Address: 19624, Saint Petersburg, Ploshchad Konstitutsii, 1;

Primary state registration number 1027809170300.

Auditor:

RSM RUS, Limited Liability Company.

Address: 119285, Moscow, ul. Pudovkina, 4;

Tel. (495) 363-28-48; fax (495) 981-41-21;

Primary state registration number 1027700257540;

RSM RUS, Limited Liability Company, is a member of Association Sodruzhestvo (Self-Regulatory Organization (SRO) of Auditors, Non-Profit Partnership (membership certificate No. 6938, primary entry registration number 11306030308)), address: 119192, Moscow, Michurinsky pr-t, 21, bldg.4

We have audited the accompanying financial statements of Lenenergo PJSC, which comprise the balance sheet as at 31 December 2015, the statements of profit (loss), changes in equity and cash flows for the year then ended, and notes to the balance sheet and profit and loss statement.

Responsibility of the audited entity for the financial statements

Management of Lenenergo PJSC is responsible for preparation and fair presentation of the financial statements in accordance with the Russian financial reporting rules, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

RSM RUS is a member of the RSM network and trades as RSM. RSM is the trade name used by the members of the RSM network. All members of the RSM network are independent accounting and consulting firms, each of which practices in its own right. The RSM network is not itself a separate corporate entity of any description in any jurisdiction.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the federal auditing standards. Those standards require that we comply with the applicable ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the entity's management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Lenenergo PJSC as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with the Russian financial reporting rules.

Chairperson of the Management Board

Auditor qualification certificate No. 05-000015 issued for an indefinite term pursuant to Resolution No. 24 dated 15 November 2011 of the Self-Regulatory Organization of Auditors Russian Collegium of Auditors, Non-Profit Partnership.

Primary entry registration number in the Register of Auditors and Audit Organizations: 29605011647

(Signed)

N. A. Dantser

Seal: (RSM RUS, Limited Liability Company, MOSCOW, Principal State Registration Number (OGRN) 1027700257540, Taxpayer Identification Number (INN) 7722020834)

Head of audit

Auditor qualification certificate No. 05-000224 issued for an indefinite term pursuant to Resolution No. 45 dated 14 November 2012 of the Self-Regulatory Organization of Auditors Russian Collegium of Auditors, Non-Profit Partnership.

Primary entry registration number in the Register of Auditors and Audit Organizations: 21005002912.

(Signed)

E. F. Shibanova

Balance Sheet
At 31 December 2015

Company Lenenergo, PJSC
 Taxpayer identification number _____
 Business type _____
 Company / ownership type joint-stock company / joint ownership
private business / foreign ownership
 Measurement unit: RUB thousand
 Location (address) 196247, Russia, Saint Petersburg, Ploshchad Konstitutsii, 1

OKUD form
 Date (day, month, year) _____
 OKPO _____
 INN _____
 OKVED _____
 OKOPF / OKFS _____
 OKEI _____

Codes		
0710001		
31	12	2015
00107131		
7803002209		
40.10.2		
1 22 47	34	
384		

Notes	Description	Line code	At 2015 (1)	At 2014 (2)	At 2013 (3)
ASSETS					
I. NON-CURRENT ASSETS					
5.1.1.-5.2.2.	Intangible assets	1110	183,709	214,363	105,301
5.2.2.	including pending transactions to acquire intangible assets	1111	58,614	83,407	33,137
5.2.1.-5.2.2.	Research and development results	1120	5,247	14,299	83,401
5.2.2.	including expenses for research and development in progress	1121			
	Intangible exploration assets	1130			
	Tangible exploration assets	1140			
5.3.1.-5.3.6.	Fixed assets	1150	134,606,501	139,479,145	124,823,286
	land plots and environmental facilities	1151	109,219	107,416	79,465
	buildings, machinery and equipment, structures	1152	121,019,639	127,462,247	112,321,552
	other types of fixed assets	1153	54,789	62,085	24,305
5.3.5.	construction in progress	1154	13,335,252	10,558,780	11,753,400
5.3.6.	advances issued for capital construction and acquisition of fixed assets	1155	34,962	1,008,111	457,875
	raw and other materials for use in the creation of fixed assets*	1156	52,640	280,506	186,689
5.3.1.	Income-bearing investments in tangible assets	1160	-	-	-
	property for leasing	1161			
	property on tenancy contract basis	1162			
5.4.1.-5.4.3.	Financial investments	1170	18,077,957	2,605,008	897,795
	investments in subsidiaries	1171	16,135,313	897,791	897,791
	investments in affiliates	1172			4
	investments in other companies	1173	52,818	3,500	
	loans granted to companies for a term exceeding 12 months	1174			
	financial investments	1175	1,889,826	1,703,717	
5.7.2.	Deferred tax assets	1180	3,666,044	3,342,825	979,858
	Other non-current assets	1190	478,923	567,138	632,215
	Total Section I	1100	157,018,381	146,222,778	127,521,856
II. CURRENT ASSETS					
5.5.1.-5.5.2.	Inventories	1210	687,203	681,106	584,059
	raw materials, supplies and other similar assets	1211	687,203	681,106	584,059
	work-in-progress costs	1212			
	finished products and goods for resale	1213			
	goods shipped	1214			
	other inventories and costs	1215			
	Value added tax on assets purchased	1220	744,171	941,111	494,588
5.6.1.-5.6.4.	Accounts receivable	1230	7,399,020	12,519,884	9,782,364
	due after 12 months following the reporting date	1231	502,467	752,712	323,534
	buyers and customers	123101	25,408	202,527	2,983
	promissory notes receivable	123102			
	advances issued	123103	3,851	3,852	32,880
	other accounts receivable	123104	473,208	546,333	287,671
	due within 12 months following the reporting date	1232	6,896,553	11,767,172	9,458,830
	buyers and customers	123201	4,110,681	6,866,073	5,894,969
	promissory notes receivable	123202			
	dividends receivable from subsidiaries and affiliates	123203			
	contributions to the share capital receivable from members (founders)	123204			
	advances issued	123205	98,720	1,051,051	540,122
	other accounts receivable	123206	2,687,152	3,850,048	3,023,739
5.4.1.-5.4.3.	Financial investments (excluding cash equivalents)	1240	3,867,000	3,056,539	6,284,109
	loans granted to companies for a term not exceeding 12 months	1241			
	other short-term financial investments	1242	3,867,000	3,056,539	6,284,109
F.4	Cash and cash equivalents	1250	24,417,087	1,166,511	3,370,400
	cash on hand	1251		95	106
	settlement accounts	1252	24,414,528	1,165,075	3,369,454
	foreign currency accounts	1253			
	other cash	1254	2,559	1,341	840
	Other current assets	1260	550,165	181,460	82,417
	Total Section II	1200	37,664,646	18,546,611	20,597,937
	BALANCE	1600	194,683,027	164,769,389	148,119,793

Notes	Description	Line code	At 2015 (1)	At 2014 (2)	At 2013 (3)
LIABILITIES					
III. CAPITAL AND RESERVES					
3.1.	Share capital (joint-stock capital, owners' equity, partners' contributions)	1310	1,752,079	1,752,079	1,228,326
3.1.	Capital (before registration of changes)	1311	47,817,779		
3.1.	Treasury shares redeemed from shareholders	1320			
5.3.1., 5.1.1.	Non-current assets revaluation	1340	51,125,173	51,259,380	51,433,062
3.1.	Additional capital (excluding revaluation)	1350	14,067,153	14,067,153	11,416,960
3.1.	Reserve capital	1360	184,249	184,249	184,249
3.1.	Retained earnings (uncovered loss)	1370	(1,610,309)	4,177,883	12,078,295
	of previous years	1371	4,306,187	12,145,727	11,653,428
	of the reporting period	1372	(5,916,496)	(7,967,844)	424,867
	Total Section III	1300	113,336,124	71,440,744	76,340,892
IV. NON-CURRENT LIABILITIES					
5.6.7.-5.6.8.	Borrowings	1410	25,100,000	48,188,440	29,406,037
	bank loans repayable after 12 months following the reporting date	1411	22,700,000	42,188,440	23,406,037
	loans repayable after 12 months following the reporting date	1412	2,400,000	6,000,000	6,000,000
5.7.2.	Deferred tax liabilities	1420	4,076,108	3,805,388	2,568,663
5.7.1.	Estimated liabilities	1430			
5.6.5.-5.6.6.	Other liabilities	1450	2,744,661	3,213,499	1,906,733
	Total Section IV	1400	31,920,769	55,207,327	33,881,433
V. CURRENT LIABILITIES					
5.6.7.-5.6.8.	Borrowings	1510	13,356,305	1,580,979	3,970,003
	bank loans repayable within 12 months following the reporting date	1511	7,064,332	1,477,788	3,868,188
	loans repayable within 12 months following the reporting date	1512	6,291,973	103,191	101,815
5.6.5.-5.6.6.	Accounts payable	1520	32,513,111	32,570,045	32,917,612
	suppliers and contractors	1521	18,171,351	19,002,101	13,991,689
	promissory notes payable	1522			
	wages payable	1523	283,808	226,929	234,879
	payables to state extra-budgetary funds	1524	105,888	86,304	75,606
	taxes payable	1525	305,529	225,400	642,283
	advances received	1526	11,550,614	11,030,377	13,800,034
	dividends payable to members (founders)	1527			
	other accounts payable	1528	2,095,921	1,998,934	4,173,121
	Deferred income	1530			
5.7.1.	Estimated liabilities	1540	3,556,718	3,970,294	1,009,853
	Other liabilities	1550			
	Total Section V	1500	49,426,134	38,121,318	37,897,468
	BALANCE	1700	194,683,027	164,769,389	148,119,793

CEO (Signed) R. N. Berdnikov
(Signature) (Printed full name)

Chief Accountant (Signed)
(Signature)

G. V. Kuznetsova

March 10, 2016

**Profit and Loss Statement
for 12 months of 2015**

Company Lenenergo, PJSC
 Taxpayer identification number _____
 Business type _____ private business / foreign ownership
 Company / ownership type _____ joint-stock company
 Measurement unit: RUB thousand

Codes		
OKUD form	0710002	
Date (day, month, year)	31	12 2015
OKPO	00107131	
INN	7803002209	
OKVED	40.10.2	
OKOPF / OKFS	1 22 47	34
OKEI	384	

Notes	Description	Code	For 2015	For 2014
			(1)	(2)
1	2	3	4	5
	Revenue	2110	43,726,661	44,722,108
	including			
	revenue from power transmission	2111	40,684,173	36,261,449
	revenue from grid connection	2112	2,865,376	8,248,994
	revenue from organizing the functioning and development of the UES of Russia as related to distribution grid facilities	2113		
	revenue from resale of electric power and capacity	2114		
	income from shareholdings in other companies	2115		
	lease income	2116		
	revenue from sale of other industrial products, goods, works, services	2117	177,112	211,665
	revenue from sale of other non-industrial products, goods, works, services	2118		
2.1.	Cost of sales	2120	(44,060,478)	(39,256,552)
	including			
	cost of power transmission	2121	(43,560,443)	(38,756,444)
	cost of grid connection	2122	(435,207)	(390,068)
	cost of organizing the functioning and development of the UES of Russia as related to distribution grid facilities	2123		
	cost of resale of electric power and capacity	2124		
	cost of shareholdings in other companies	2125		
	cost of lease services	2126		
	cost of other industrial products, goods, works, services	2127	(64,828)	(110,040)
	cost of other non-industrial products, goods, works, services	2128		
	Gross profit (loss)	2100	(333,817)	5,465,556
2.1.	Selling and distribution expenses	2210		
2.1.	Management expenses	2220		
	Profit (loss) from sales	2200	(333,817)	5,465,556
	Income from shareholdings in other companies	2310	759	560
	Interest receivable	2320	1,004,758	1,344,860
	Interest payable	2330	(3,778,445)	(2,765,976)
5.11.	Other income	2340	36,745,408	3,622,513
5.11.	Other expenses	2350	(40,167,197)	(16,460,876)
	Profit/(loss) before tax	2300	(6,528,534)	(8,793,363)
2.3.	Current income tax	2410	(3,715)	(481,718)
2.3.	including constant tax liabilities (assets)	2421	958,143	1,017,805
2.3.	Changes in deferred tax liabilities	2430	(270,720)	(1,236,725)
2.3.	Changes in deferred tax assets	2450	618,284	2,362,967
2.3.	Other	2460	268,189	180,995
	Net profit (loss)	2400	(5,916,496)	(7,967,844)

Notes	Description	Code	For 2015	For 2014
			(1)	(2)
5.1.1.	FOR REFERENCE			
5.3.1.	Result of non-current assets revaluation not included in the net profit (loss) of the period	2510		
3.2.	Result of other operations not included in the net profit (loss) of the period	2520		
	Total profit/loss for the period	2500	(5,916,496)	(7,967,844)
2.2.	Basic earnings (loss) per share	2900	(3.5667)	(6.7598)
2.2.	Diluted earnings (loss) per share	2910		

CEO (Signed) R. N. Berdnikov Chief Accountant G. V. Kuznetsova (Signed)
 (Signature) (Printed full name) (Signature)

March 10, 2016

**Statement of Changes in Equity
for 2015**

Company Lenenergo, PJSC
 Taxpayer identification number _____
 Business type/industry power industry
 Company / ownership type joint-stock company
 Measurement unit: RUB thousand

Codes		
OKUD form	0710003	
Date (day, month, year)	31	12 2015
OKPO	00107131	
INN	7803002209	
OKVED	40.10.2	
OKOPF / OKFS	1 22 47	34
OKEI	384	

3.1. Flow of capital

Description	Cod e	Share capital	Capital (before registration of changes)	Treasury shares redeemed from shareholders	Additional capital	Reserve capital	Retained earnings (uncovered loss)	Total
Amount of capital at 31 December 2013 (1)	3100	1,228,326	-	-	62,850,022	184,249	12,078,295	76,340,892
For 2014 (2)								
Capital increase - total:	3210	523,753		-	2,650,194	-	(7,967,844)	(4,793,897)
including:								
net profit	3211	X		X	X	X	(7,967,844)	(7,967,844)
property revaluation	3212	X		X		X		-
income directly attributed to capital increase	3213	X		X		X		-
additional share issue	3214	523,753			2,650,194	X	X	3,173,947
share par value increase	3215			X	X	X		X
corporate entity restructuring	3216							-
Capital reduction - total:	3220	-		-	-	-	(106,251)	(106,251)
including:								
loss	3221	X		X	X	X		-
property revaluation	3222	X		X		X		-
expenses directly attributed to capital reduction	3223	X		X		X	(22)	(22)
share par value decrease	3224				X	X		-
decrease in the number of shares	3225				X	X		-
corporate entity restructuring	3226							-
dividends	3227	X		X	X	X	(106,229)	(106,229)
Change in additional capital	3230	X		X	(173,683)	X	173,683	X
Change in reserve capital	3240	X		X	X			X
Amount of capital at 31 December 2014 (2)	3200	1,752,079	-	-	65,326,533	184,249	4,177,883	71,440,744
For 2015 (3)								
Capital increase - total:	3310	-	47,817,779	-	-	-	(5,915,020)	41,902,759
including:								
net profit	3311	X		X	X	X	(5,916,496)	(5,916,496)
property revaluation	3312	X		X		X		-
income directly attributed to capital increase	3313	X		X		X	1,476	1,476
additional share issue	3314		47,817,779			X	X	47,817,779
share par value increase	3315			X	X	X		X
corporate entity restructuring	3316							-
Capital reduction - total:	3320	-		-	-	-	(7,379)	(7,379)
including:								
loss	3321	X		X	X	X		-
property revaluation	3322	X		X		X		-
expenses directly attributed to capital reduction	3323	X		X		X	(7,379)	(7,379)
share par value decrease	3324			X	X	X		-
decrease in the number of shares	3325				X	X		-
corporate entity restructuring	3326							-
dividends	3327	X		X	X	X		-
Change in additional capital	3330	X		X	(134,207)	X	134,207	X
Change in reserve capital	3340	X		X	X			X
Amount of capital at 31 December 2014 (3)	3300	1,752,079	47,817,779	-	65,192,326	184,249	(1,610,309)	113,336,124

3.2. Adjustments due to changes in accounting policy and error correction

Description	Code	At 31 December 2013	Changes in capital for 2014		At 31 December 2015
			from net profit	from other factors	
Capital - total					
before adjustments	3400	76,340,892	(4,726,465)	(173,683)	71,440,744
adjustment due to:					
changes in accounting policy	3410	-	-	-	-
error correction	3420	-	-	-	-
after adjustments	3500	76,340,892	(4,726,465)	(173,683)	71,440,744
including:					
retained earnings (uncovered loss):					
before adjustments	3401	12,078,295	(7,900,412)		4,177,883
adjustment due to:					
changes in accounting policy	3411				-
error correction	3421				-
after adjustments	3501	12,078,295	(7,900,412)	-	4,177,883
other capital items for which adjustments were made: (by items)					
before adjustments	3402	64,262,597	3,173,947	(173,683)	67,262,861
Share capital	34021	1,228,326	523,753		1,752,079
Capital (before registration of changes)		-			-
Treasury shares redeemed from shareholders	34022	-			-
Additional capital	34023	62,850,022	2,650,194	(173,683)	65,326,533
Reserve capital	34024	184,249		-	184,249
adjustment due to:					
changes in accounting policy	3412				-
error correction	3422				-
after adjustments	3502	64,262,597	3,173,947	(173,683)	67,262,861

3.3. Net assets

Description	Code	At 31 December 2015	At 31 December 2014	At 31 December 2013
Net assets	3600	113,336,124	71,440,744	76,340,892

CEO (Signed) R. N. Berdnikov
(Signature) (Printed full name)

Chief Accountant (Signed) G. V. Kuznetsova
(Signature)

March 10, 2016

**Statement of Cash Flows
for 12 months of 2015**

Company Lenenergo, PJSC
 Taxpayer identification number _____
 Business type/industry power industry
 Company / ownership type _____
 Measurement unit: RUB thousand

	Codes		
OKUD form	0710004		
Date (day, month, year)	31	12	2015
OKPO	00107131		
INN	7803002209		
OKVED	40.10.2		
OKOPF / OKFS	1 22 47	34	
OKEI	384		

Description	Code	For 2015	For 2014
1	2	3	4
Cash flows from current transactions			
Proceeds - total	4110	46,502,111	42,536,434
including:			
from sale of products, goods, works, and services	4111	43,832,286	42,162,482
<i>including from sale of products, goods, works, and services to parent companies, subsidiaries and affiliates</i>	411101	11,959	890
from lease payments, license fees, royalties, commission fees, and other similar payments	4112	60,884	47,439
<i>including from lease payments, license fees, royalties, commission fees, and other similar payments from parent companies, subsidiaries and affiliates</i>	411201	17,543	18,472
from resale of financial investments	4113		
<i>including from resale of financial investments to parent companies, subsidiaries and affiliates</i>	411301		
other proceeds	4119	2,608,941	326,513
<i>including other proceeds from parent companies, subsidiaries and affiliates</i>	411901	595	25
Payments - total	4120	(37,892,981)	(34,898,030)
including:			
to suppliers (contractors) for raw and other materials, work, services	4121	(25,601,319)	(23,099,971)
<i>including to suppliers (contractors) for raw and other materials, work, services of parent companies, subsidiaries and affiliates</i>	412101	(13518411)	(1,199,889)
employee compensations	4122	(4,949,313)	(5,006,193)
interest on debt obligations	4123	(3,637,870)	(2,755,704)
<i>including interest on debt obligations to parent companies, subsidiaries and affiliates</i>	412301		
corporate income tax	4124		(760,871)
other payments	4129	(3,704,479)	(3,275,291)
<i>including other payments to parent companies, subsidiaries and affiliates</i>	412901	(54,087)	(96,268)
Balance of cash flows from current transactions	4100	8,609,130	7,638,404
Cash flows from investment transactions			
Proceeds - total	4210	34,990,316	5,022,874
including:			
from sale of non-current assets (except for financial investments)	4211	52	17,471
<i>including from sale of non-current assets (except for financial investments) to parent companies, subsidiaries and affiliates</i>	421101		
from sale of shares (equity interests) in other companies	4212		
<i>including from sale of shares (equity interests) in other companies to parent companies, subsidiaries and affiliates</i>	421201		
from repayment of loans granted, from sale of debt securities (money claims to third persons)	4213	30	4,328,131
<i>including from repayment of loans granted, from sale of debt securities (money claims to third persons) of parent companies, subsidiaries and affiliates</i>	421301		
dividends, interest on debt financial investments and similar proceeds from	4214	34,990,234	677,272
<i>including dividends, interest on debt financial investments and similar proceeds from equity investments in other companies from parent companies, subsidiaries and affiliates</i>	421401	32,000,759	624
other proceeds	4219		
<i>including other proceeds from parent companies, subsidiaries and affiliates</i>	421901		
Payments - total	4220	(8,263,821)	(31,283,738)
including:			
in connection with purchase, creation, modernization, reconstruction and preparation for operation of non-current assets	4221	(5,799,190)	(19,080,629)
<i>including payments to parent companies, subsidiaries and affiliates in connection with purchase, creation, modernization, reconstruction and preparation for operation of non-current assets</i>	422101		
in connection with purchase of shares (equity interests) in other companies	4222		(3,500)
<i>including payments to parent companies, subsidiaries and affiliates in connection with purchase of shares (equity interests) in other companies</i>	422201		
in connection with purchase of debt securities (money claims to third persons), provision of loans to third persons	4223	(1,305,024)	(11,403,935)
<i>including payments to parent companies, subsidiaries and affiliates in connection with purchase of debt securities (money claims to third persons), provision of loans to third persons</i>	422301		
interest on debt obligations included in the cost of investment asset	4224	(1,159,607)	(795,674)
<i>including interest on debt obligations included in the cost of investment asset to parent companies, subsidiaries and affiliates</i>	422401		
other payments	4229		
<i>including other payments to parent companies, subsidiaries and affiliates</i>	422901		
Balance of cash flows from investment transactions	4200	26,726,495	(26,260,864)

Description	Code	For 2015	For 2014
Cash flows from financial transactions			
Proceeds - total	4310	3,016,517	22,856,557
including:			
obtaining loans and borrowings	4311	2,436,260	22,682,403
<i>including obtaining loans and borrowings from parent companies, subsidiaries and affiliates</i>	431101		
monetary contributions of owners (members)	4312		
<i>including monetary contributions of owners (members) of parent companies, subsidiaries and affiliates</i>	431201		
from issue of shares, increase of equity interests	4313	580,257	174,154
<i>including from issue of shares, increase of equity interests of parent companies, subsidiaries and affiliates</i>	431301	580,257	173,832
from issue of bonds, promissory notes and other debt securities, etc.	4314		
<i>including from issue of bonds, promissory notes and other debt securities, etc. of parent companies, subsidiaries and affiliates</i>	431401		
other proceeds	4319		
<i>including other proceeds from parent companies, subsidiaries and affiliates</i>	431901		
Payments - total	4320	(15,101,566)	(6,437,986)
including:			
to owners (members) in connection with redemption of their shares (equity interests) in the company or in connection with cessation of their membership	4321		
<i>including to owners (members) in connection with redemption of their shares (equity interests) in the company or in connection with cessation of their membership in parent companies, subsidiaries and affiliates</i>	432101		
dividends and other payments related to distribution of profit for the benefit of owners (members)	4322		(106,253)
<i>including dividends and other payments related to distribution of profit for the benefit of owners (members) of parent companies, subsidiaries and affiliates</i>	432201		
in connection with repayment (redemption) of promissory notes and other debt securities, repayment of loans and borrowings	4323	(13,925,022)	(6,313,440)
<i>including in connection with repayment (redemption) of promissory notes and other debt securities, repayment of loans and borrowings to parent companies, subsidiaries and affiliates</i>	432301		
other payments	4329	(1,176,544)	(18,293)
<i>including other payments to parent companies, subsidiaries and affiliates</i>	432901		
Balance of cash flows from financial transactions	4300	(12,085,049)	16,418,571
Balance of cash flow for the reporting period	4400	23,250,576	(2,203,889)
Balance of cash and cash equivalents at the beginning of the reporting period	4450	1,166,511	3,370,400
Balance of cash and cash equivalents at the end of the reporting period	4500	24,417,087	1,166,511
Effect of exchange rate fluctuations against the ruble	4490		

CEO (Signed)
(Signature)

R. N. Berdnikov
(Printed full name)

Chief Accountant (Signed)
(Signature)

G. V. Kuznetsova

March 10, 2016

3.4. Calculation of estimated net asset value of the joint stock company

Description		Balance sheet line code	At 31 December 2015 (8)	At 31 December 2014 (7)	At 31 December 2013 (6)
1		2	3	4	5
I.	Assets				
1.	Intangible assets	1110	183,709	214,363	105,301
2.	Research and development results	1120	5,247	14,299	83,401
3.	Intangible exploration assets	1130	-	-	-
4.	Tangible exploration assets	1140	-	-	-
5.	Fixed assets	1150	134,606,501	139,479,145	124,823,286
6.	Income-bearing investments in tangible assets	1160	-	-	-
7.	Long-term and short-term financial	1170+1240	21,944,957	5,661,547	7,181,904
8.	Other non-current assets ²	1180+1190	4,144,967	3,909,963	1,612,073
9.	Inventories	1210	687,203	681,106	584,059
10.	Value added tax on assets purchased	1220	744,171	941,111	494,588
11.	Accounts receivable ³	1230	7,399,020	12,519,884	9,782,364
12.	Cash and cash equivalents	1250	24,417,087	1,166,511	3,370,400
13.	Other current assets ¹	1260	550,165	181,460	82,417
14.	Total assets taken for calculation (sum of items 1-13)		194,683,027	164,769,389	148,119,793
II.	Liabilities				
15.	Long-term borrowings	1410	25,100,000	48,188,440	29,406,037
16.	Deferred tax liabilities	1420	4,076,108	3,805,388	2,568,663
17.	Estimated liabilities	1430+1540	3,556,718	3,970,294	1,009,853
18.	Other non-current liabilities	1450	2,744,661	3,213,499	1,906,733
19.	Short-term borrowings	1510	13,356,305	1,580,979	3,970,003
20.	Accounts payable ⁴	1520	32,513,111	32,570,045	32,917,612
21.	Other current liabilities ⁵	1550	-	-	-
22.	Total liabilities taken for calculation (sum of items 15-21)		81,346,903	93,328,645	71,778,901
23.	Net asset value of the joint-stock company (total assets taken for calculation (item 14) minus total liabilities taken for calculation (item 22))		113,336,124	71,440,744	76,340,892

CEO
(Signed) R. N. Berdnikov
(Signature) *(Printed full name)*

Chief Accountant
(Signed) G. V. Kuznetsova
(Signature)

March 10, 2016

Notes to the Balance Sheet and Profit and Loss Statement of Lenenergo PJSC for 2015

These notes in text form are an integral part of the annual accounting (financial) statements of Lenenergo PJSC for 2015 prepared in accordance with the laws of the Russian Federation.

All amounts are expressed in thousands of rubles. Negative values are shown in parentheses.

1. GENERAL INFORMATION

Registered address of the Company: 196247, Saint Petersburg, Ploshchad Konstitutsii, 1.

Postal address of the Company: 196247, Saint Petersburg, Ploshchad Konstitutsii, 1.

Taxpayer Identification Number (INN) (Taxpayer Registration Reason Code (KPP)): 7803002209 (781001001).

Primary State Registration Number (OGRN): 1027809170300.

Date of state registration: 22 January 1993, certificate number 2084. Agency in charge of the state registration: Registration Chamber of the Mayor's Office of Saint Petersburg. The period of the Company's duration is perpetual.

Currently, the Company operates in two constituent entities of the Russian Federation: Saint Petersburg and Leningrad Region.

The main objective of the Company is generation of profit. The Company may engage in the following activities to generate profit:

- electric power transmission;
- activities related to the operation of power grids;
- connection of additional capacity to consumers;
- other activities not prohibited by the laws of the Russian Federation.

The Company's average annual headcount during the reporting period in 2015 was 6,027 employees (in 2014: 6,210 employees).

The Board of Directors and the executive body of the Company are as follows:

The Company's Board of Directors was elected by the decision of the Annual General Meeting of Shareholders on 22 June 2015 and comprises 13 members. At 31 December 2015, the Board of Directors of the Company includes:

No.	Full name	Position (when nominated)
1	Egor Vyacheslavovich Prokhorov	Chairperson of the Board of Directors, Lenenergo PJSC. Deputy Director General for Finance, Rosseti PJSC
2	Vasily Vladislavovich Nikonov	Deputy Chairperson of the Board of Directors, Lenenergo PJSC. Director of Energy Department, Rosneft Oil JSC
3	Sergey Yuryevich Lebedev	Deputy Chairperson of the Board of Directors, Lenenergo PJSC. Director of Strategic Development Department, Rosseti PJSC
4	Pavel Nikolayevich Snikkars	Director of Power Industry Development Department, Ministry of Power Industry of Russia
5	Yury Kazbekovich Zafesov	Director of Procurement Department, Rosseti PJSC
6	Svetlana Semenovna Zholnerchik	Senior Advisor, Rosseti PJSC
7	Andrey Sergeevich Kolyada	Head of Share Capital, Department of Corporate Governance, Shareholder and Investor Relations, Rosseti PJSC

No.	Full name	Position (when nominated)
8	Evgenia Evgenyevna Rozova	Deputy Chairperson, Saint Petersburg Energy and Building Services Committee
9	Dmitry Viktorovich Koptin	Chairperson, Saint Petersburg Tariff Committee
10	Andrey Sergeevich Bondarchuk	Chairperson, Saint Petersburg Energy and Building Services Committee
11	Vladimir Vladimirovich Sofyin	Director of Technological Development and Innovation Department, Rosseti PJSC
12	Khasan Mushtafayevich Likhov	Deputy Director General for Special Projects, Rosseti PJSC
13	Aleksandr Sergeevich Kalinin	President of All-Russian Non-Governmental Organization of Small and Medium Business OPORA ROSSII

At 31 December 2015, the Management Board of Lenenergo PJSC includes:

№	Full name	Position in Lenenergo PJSC
1	Roman Nikolayevich Berdnikov	Chairperson of the Management Board, Acting Director General, Lenenergo PJSC
2	Maksim Sergeevich Artemyev	First Deputy Director General - Chief Engineer, Lenenergo PJSC
3	Aleksandr Dmitriyevich Nikonov	Deputy Director General for Security, Lenenergo PJSC
4	Maksim Anatolyevich Ivanov	First Deputy Director General for Capital Construction and Investment Activities, Lenenergo PJSC

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of annual accounting (financial) statements

The Company conducts its accounting in accordance with Federal Law No. 402-FZ "On Accounting" dated 6 December 2011, Regulations on Accounting and Accounting Statements in the Russian Federation approved by Order of the Ministry of Finance of the Russian Federation No. 34n dated 29 July 1998) (as amended on 30 December 1999, 24 March 2000, 18 September 2006, 26 March 2007, 25 October 2010, and 24 December 2010), and the current Accounting Regulations. Accounting (financial) statements of the Company for 2015 were prepared in accordance with the same Law and regulations, the Company's Accounting Policy approved by Order No. 836 dated 31.12.2013 as supplemented and amended by Order No. 132 dated 27.03.2015, No. 183 dated 24.04.2015, No. 310 dated 08.07.2015, No. 626 dated 31.12.2015, on the basis of consolidated balance-sheet data of the Company's branches.

Accounting (financial) statements of the Company are compiled on the basis of standard forms recommended for application by Order No. 66n dated 2 July 2010 of the Ministry of Finance of the Russian Federation (as amended on 06.04.2019) "On the Forms of Accounting Statements of Organizations".

If the Company has no data on the relevant assets, liabilities, income, expenses, business operations, for which indicators (lines, columns) are provided for in standard forms, such indicators (rows, columns) are not included in the Company's forms.

Director general, deputies to director general and directors of branches of the Company are responsible for the organization of accounting and fair presentation of the accounting statements of the Company, compliance with laws when conducting business operations, and ensuring statutory audit.

Chief accountant - head of accounting and tax records and reporting department of the Company - is responsible for maintaining accounting records, preparation of financial statements, development of accounting policies, and provision of full and reliable accounting statements to internal and external users.

Accounting (financial) statements of the Company for 2015 were compiled without derogation from the principles and rules of accounting, which may occur if such rules do not allow presenting fairly the property status and financial performance of the Company.

In preparing the balance sheet, the following assumptions were made to clarify the presentation of assets and liabilities for individual significant items in the statements:

Balance sheet indicator	Line code	Data presentation in the statements
I. NON-CURRENT ASSETS		
Other non-current assets	1190	Net presentation of accounts payable (60.01) and accounts receivable (76.01.1) for insurance payments
Long-term accounts receivable (other)	123104	VAT on advances received (76.AB) for long-term advances received, line 123206
Short-term accounts receivable (other)	123206	Net presentation of accounts payable (60.01) and accounts receivable (76.02) for claims
IV. NON-CURRENT LIABILITIES		
Other liabilities	1450	Net presentation of accounts payable (60.01) and accounts receivable (76.01.1) for insurance payments
V. CURRENT LIABILITIES		
Accounts payable (suppliers and contractors)	1521	Net presentation of accounts payable (60.01) and accounts receivable (76.01.1) for insurance payments
		Net presentation of accounts payable (60.01) and accounts receivable (76.02) for claims
		Presentation of contractor payments under agency contracts (76.11)

Each significant indicator is disclosed in the accounting (financial) statements of the Company. An indicator shall be considered significant, if separate non-disclosure thereof in the Balance Sheet and the Profit and Loss Statement could influence the economic decisions of users taken on the basis of the reporting information.

Uncertainty of estimates

The key assumptions concerning future events and other sources of uncertainty of estimates at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year are as follows:

- financial investments;
- deferred taxes;
- provision for doubtful debts;
- provision for upcoming payment of leave allowances;
- provision for payment of annual remunerations;
- provision for bonuses related to the commissioning of new facilities;
- provisions made for contingencies:
 - provision for claims;
 - provision for legal proceedings.

Fixed assets

Fixed assets include assets held for the performance of work, provision of services or for administrative needs of Lenenergo PJSC for a period exceeding 12 months and with a value exceeding 40,000 rubles.

In accordance with clauses 7, 8 of RAS 6/01 “Accounting for Fixed Assets”, fixed assets are recognized in accounting records at initial cost. The initial cost of fixed assets acquired for a fee is the amount of actual costs incurred by the company for the acquisition, construction and manufacturing thereof, excluding the value added tax and other refundable taxes (except as provided for in the laws of the Russian Federation).

The Company revalues fixed assets to determine the current (replacement) value so as to ensure that the cost of fixed assets at which they are carried in accounting records and statements is not significantly different from the current (replacement) cost, on a regular basis but not more than once a year.

Revaluation of groups of fixed assets is carried out in accordance with the procedure established by law on the basis of the relevant administrative documents of Lenenergo PJSC.

Fixed assets put into operation before 1 January 2002 were depreciated using the straight-line method according to the standard rates approved by Decree of the Government of the USSR No. 1072 dated 22 October 1990.

Fixed assets acquired starting from 1 January 2002 and till December 31, 2017 were depreciated at the rates based on useful lives determined in accordance with the Classification of Fixed Assets Included in Depreciation Groups approved by Decree of the Government of the Russian Federation No. 1 dated 1 January 2002.

In accordance with clause 20 of RAS 6/01 “Accounting for Fixed Assets”, useful lives of fixed assets (in years) that have been used to calculate depreciation are presented in Appendix 5.3.2.

Depreciation charges in respect of fixed assets are recognized in the accounting records of the reporting period to which they relate and accrue regardless of the Company performance in the reporting period (RAS 6/01).

The initial cost of fixed assets at which they are recognized in accounting records may change in the event of completion, additional equipment, reconstruction, modernization, partial liquidation or revaluation of fixed assets (clause 14 of RAS 6/01).

In accordance with clause 11 of RAS 6/01 “Accounting for Fixed Assets”, fixed assets received under contracts providing for performance of obligations (payment) in kind are valued as follows:

- The initial cost of fixed assets received under contracts providing for performance of obligations (payment) in kind is the value of assets transferred or to be transferred by the company. The value of assets transferred or to be transferred by the company is established based on the price at which the company determines the value of similar assets in comparable circumstances.
- If the value of assets transferred or to be transferred by the company cannot be established, the cost of fixed assets received by the company under contracts providing for performance of obligations (payment) in kind is determined based on the price at which similar fixed assets are acquired in comparable circumstances.

Intangible assets

In accordance with clause 6 of RAS 14/2007 “Accounting for Intangible Assets”, intangible assets are recognized in accounting records at initial cost. The initial cost of intangible assets is the amount (expressed in monetary terms) equal to the amount of payment in cash or in another form or to the amount of accounts payable paid or accrued by the company on acquisition, creation of an asset or ensuring conditions for the intended use of the asset.

The actual (initial) cost of an intangible asset acquired under contracts providing for performance of obligations (payment) in kind is determined based on the value of assets transferred or to be transferred by the company. If the value of assets transferred or to be transferred by the company under such contracts cannot be determined, the cost of the intangible asset received by the company is determined based on the price at which similar intangible assets are acquired in comparable circumstances.

In accordance with clause 28 of RAS 14/2007 “Accounting for Intangible Assets”, intangible assets with a definite useful life are depreciated using the straight-line method.

Lenenergo PJSC establishes useful life for each type of intangible assets that are subject to depreciation upon their initial recognition based on the expected useful life of the asset during which the Company can receive economic benefits. The useful life of an intangible asset is determined by a specially created commission.

Intangible assets are tested annually for the need to adjust their useful lives and depreciation method. In the event of a significant change in the period during which the company intends to use the asset, the useful life of such asset shall be adjusted.

During the reporting period, the Company did not identify any factors indicating that the useful lives need to be adjusted or any factors causing impairment.

Depreciation charges in respect of intangible assets are recognized in the accounting records of the reporting period to which they relate and accrue regardless of the Company performance in the reporting period (clause 33 of RAS 14/2007).

Useful lives of intangible assets for the purpose of depreciation accrual are as follows:

Intangible assets	Useful life
"lenenergo.ru" website	11 months
IS Alpha	60 months
Electronic archive	60 months
Electronic databases	60 months
Trademark	120 months
R&D	12 months

Intangible asset “Lenenergo website” was not written off after full repayment of the cost due to its use to receive economic benefits and for advertising and information distribution purposes.

Inventories

In accordance with clause 2 of RAS 5/01 “Inventory Accounting”, inventories are assets used as raw and other materials for the primary activity of the Company (performance of work, provision of services) or for administrative needs.

In accordance with clauses 5, 6 of RAS 5/01 “Inventory Accounting”, inventories are stated at the actual cost of acquisition. The actual cost of inventories acquired for a fee is the amount of actual costs incurred by the company for the acquisition thereof, excluding the value added tax and other refundable taxes (except as provided for in the laws of the Russian Federation).

Inventories released for production or otherwise disposed of are valued on the first-in-first-out basis.

The cost of tools, appliances and household supplies is charged to expense in full when they are transferred to operation. To ensure their integrity, quantitative accounting is carried out.

In accordance with clause 24 of RAS 5/01 “Inventory Accounting”, at the end of the reporting year inventories are reported in the balance sheet at cost determined by the above inventory assessment methods.

Accounting and release of special clothing are carried out on the basis of the standard “Occupational Safety Management System in Lenenergo PJSC”:

- Standard norms of free release of special clothing, special footwear and other personal protective equipment;
- Norms for equipment of workplaces with inventory (duty) protective equipment;
- Procedure for providing employees with special clothing, footwear and other personal protective equipment.

Accounts receivable

Accounts receivable that were not repaid within the period established by contract and are not secured by respective guarantees are recognized as a doubtful debt. A provision for doubtful debts is created based on the results of reconciliation of accounts receivable.

The amount of the provision is determined separately for each doubtful debt depending on the financial position (solvency) of the debtor and estimated probability of debt repayment in whole or in part.

The Company creates a provision for doubtful debts if it is more likely than not that outflow of the Company's economic resources will be required or the inflow of economic benefits will reduce as a result of non-payment of the respective debt.

The Company creates provisions for doubtful debts in the event of recognizing doubtful accounts receivable. The amounts of such provisions are charged to the company's profits or losses.

Income

Revenues are recognized in accounting records in the amount (expressed in monetary terms) equal to the amount of the received cash and other assets and/or the amount of receivables (subject to the provisions of clause 3 of RAS 9/99 "Company Income" No. 32n (as amended on 30 December 1999, 30 March 2001, 18 September 2006, 27 November 2006). If the received amount covers only a part of the revenue, the recognized revenue will be determined as the amount of receipts and receivables (to the extent not covered by the receipts).

Revenues are recognized by the Company in the accounting records when all of the following conditions are met (clause 12 of RAS 9/99):

- the company has the right to receive such revenues arising from a particular contract or duly confirmed otherwise;
- the amount of revenue can be determined;
- increased economic benefits are expected as a result of a particular transaction;
- ownership (possession, use and disposal) of products (goods) has passed to the buyer from the organization, or services have been accepted by the customer (services have been provided);
- expenses, which were or will be incurred in connection with such transaction, can be determined.

The list of revenues recognized as income from ordinary activities of the Company:

- revenue from power transmission;
- revenue from grid connection;
- revenue from industrial work and services.

Revenue from the performance of particular work, provision of particular service, sale of particular product is recognized in the accounting records as and when they are completed, if the completion of work, service, product can be determined.

Income of the company not related to the sale of products, performance of work, provision of services, sale of goods is not recognized as income from ordinary activities and is to be reported as part of other income in accordance with the requirements of RAS 9/99.

Revenue from sale of products and goods, including revenues related to performance of work, is recognized in accordance with the assumption of temporary certainty of the facts of business activity (on shipment) and issue of settlement documents for payment. Revenue is accounted for by type of activity.

Revenue from sales is recorded in the Profit and Loss Statement less value added tax, discounts, and other similar mandatory payments.

Income for the reporting year is recorded in the Profit and Loss Statement separately for ordinary types of activities and other income and expenses with itemization by the types and amounts and comparison with the previous year.

Expenses

The Company accounts for expenses in accordance with Accounting Regulation "Company Expenses" RAS 10/99 approved by Order of the Ministry of Finance of the Russian Federation No. 33n dated 6 May 1999.

In accordance with clause 17 of RAS 10/99 "Company Expenses", expenses are recognized in the accounting records irrespective of the intention to receive revenues, sundry or other income and irrespective of the form in which expenses are incurred (in specie, in kind or otherwise).

In accordance with clause 18 of RAS 10/99 "Company Expenses", expenses are recognized in the reporting period in which they occurred irrespective of the time of actual payment or other form in which they were incurred.

Management expenses are not shown separately from general expenses by primary activities, and selling and distribution expenses are not separated.

Expenses for the reporting year are recorded in the Profit and Loss Statement separately for ordinary types of activities and other income and expenses with itemization by the types and amounts and comparison with the previous year.

Accounting for loan and borrowing costs

The Company accounts for loan and borrowing costs in accordance with the Accounting Regulation "Accounting for Loan and Borrowing Costs" RAS 15/2008 approved by Order of the Ministry of Finance of the Russian Federation No. 107n dated 6 October 2008.

Accounts payable on loans and borrowings received are recognized taking into account interest payable at the end of the reporting period.

Interest payable to lenders is accrued on a monthly basis. Accrued interest is recognized separately.

Accrued coupon yield on bonds is recognized as other expenses in the reporting periods to which such accruals relate. Accruals are also made monthly.

Additional borrowing and loan costs (cost of information and consulting services, etc.) are accounted separately and recorded as other expenses as they arise.

Accounting of transactions related to issue of bonds is carried out in accordance with the requirements of RAS 15/01 "Accounting for Loans and Borrowings".

Interest on loans and borrowings directly attributable to the acquisition and/or construction of an investment asset is included in the cost of such asset and repaid by depreciation accrual, except to the extent that no asset depreciation is provided for in the accounting rules.

Cash and cash equivalents

Cash assets of Company include non-cash money in ruble current accounts of the Executive Office, in special accounts, excluding deposit accounts, and cash in transit.

Accounting of cash flows among the Company's current accounts is kept on account 57 "Transfers in transit".

Net presentation of cash flows

Cash flows are shown in the Cash Flow Statement on a net basis when they relate to operations of the Company's counterparties rather than operations of the Company itself and/or when receipts from any persons stipulate appropriate payments to other persons.

For the purpose of compiling the Cash Flow Statement in accordance with the requirements of RAS 23/2011 "Cash Flow Statement", the balanced version of indirect taxes is recorded in the line "Other payments" of the Cash Flow Statement and is not distributed by types of activity (current, investment, and financial transactions). Payments to sellers and receipts from buyers are shown excluding VAT.

Asset valuation methods

In accordance with clause 1, Article 11 of Federal Law No. 402-FZ, valuation of assets and liabilities is made for the reflection thereof in the accounting records and accounting (financial) statements in monetary terms.

Valuation of assets purchased for a fee is carried out by summing up expenses actually incurred for their purchase; donated assets - at the market value on the date of recognition of such assets; assets produced in-house - at the production cost.

Reporting segments

The Company identified the following operating segments:

- Power transmission services;
- Power grid connection services.

Distribution of income and expenses between operating segments using the direct method is carried out at the level of primary activities. Distribution of other income and expenses between operating segments is not carried out due to inexpediency and the lack of necessary basis.

Division by geographical segments is carried out in management accounting using the methods described in Section 4 of Accounting Policies "Methodical aspects of accounting policies for the management accounting purposes".

For the purpose of reporting information on geographical characteristics, the Company performs separate accounting within management accounting for constituent entities of the Russian Federation where it carries out regulated activities.

Other

Expenses incurred in the reporting period but relating to subsequent reporting periods are shown in the accounting records and reported in the balance sheet in accordance with the terms of asset recognition established by legal regulations on accounting and are written off in accordance with the procedure established for writing off the cost of assets of this type.

On disposal of an asset recognized as financial investment (except for those specified in clauses 27, 30 of RAS 19/02), for which no current market value is determined, its value is determined as the initial cost of each reporting unit.

Expenses on each R&D operation performed are written off as normal business expenses using the straight-line method based on the expected useful life of such item starting from the actual application of the obtained results. Useful life of R&D item is determined by a commission specially created by order of the Director General or the Branch Manager (within the limits of his/her powers) at the time of recognition of the work result but not exceeding 5 years.

Expenses recognized as deferred expenses are recorded at specially opened account 76.07 "Deferred Assets" and reported in the balance sheet in other non-current assets or other current assets depending on the maturity.

Deferred assets include:

- payments related to voluntary and compulsory insurance of property and employees;
- non-exclusive rights to use computer software and databases, provided that the duration of such rights is established in the contract;

- costs of creating databases and bringing them to the level of commercial operation, based on license agreements;
- payments for the right to use intellectual property items made in the form of a fixed single payment are written off in accordance with the duration of the right specified in the contract;
- other expenses which result in income generation by the Company in future periods.

Deferred assets are written off on the straight line basis depending on their destination in the manner prescribed in the contract or on the one-time basis if the duration is not specified in the contract.

If laws and regulations do not establish the accounting methods applied by the Company, the relevant method shall be developed in the course of the accounting policy compilation based on the current statutory provisions on accounting and the International Financial Reporting Standards (clause 7 of RAS 1/2008).

Changes in accounting policies

Effects of changes in the accounting policy that have had or could have a significant influence on the financial position of the Company, its financial performance and/or cash flows are reflected in accounting statements retrospectively, except when monetary valuation of such effects with regard to the periods preceding the reporting period cannot be made with sufficient reliability.

In the event of changes in the requirements established by laws or federal or industry standards, development or selection of new accounting methods, significant changes in the Company's operating environment that result in new business operations for which no accounting methods are determined in the accounting policy, a supplement to the accounting policy is drawn up. An accounting policy supplement is executed as a supplement to the Accounting Policy Regulations and is not treated as a new revision thereof.

Changes to the Accounting Policy of Lenenergo PJSC for 2015 include a more detailed description of the aspects of accounting and accounting policy form structuring that are typical for the Company and mainly relate to the Uniform Corporate Accounting Principles (UCAP) implemented in the parent company by Order of Rossiyskie Seti PJSC No. 547 dated 2 September 2013 "On approval of accounting regulations of Rosseti PJSC Group":

- the description of capital construction cost allocation in the section "Accounting of capital investments" was clarified;
- in the section "Settlements with debtors and creditors", the procedure for creating, recording, and recovery of the provision for doubtful debts and write-off of receivables against the provision for doubtful debts was clarified;
- a description of deposit classification as short-term and long-term financial investments depending on the term of deposit was introduced;
- a procedure for the creation of a provision for deposit impairment based on calculation of the present value of the deposit was approved.

Amendments to the Accounting policy of Lenenergo PJSC for 2016 include a more detailed description of the aspects of accounting for fixed assets and clarifications of the other accounting principles typical for the Company and are connected with the implemented regulatory documents of Rosseti PJSC related to the revision of the corporate standard – Uniform Corporate Accounting Principles (UCAP) according to the Russian accounting standards (RAS).

3. RESTATEMENT OF COMPARATIVES

The Company did not make any adjustments to the reporting forms for 2015 related to comparative data for the previous reporting periods (2014-2013).

4. INTANGIBLE ASSETS

The structure of intangible assets at the beginning and at the end of the reporting period and the flow thereof are presented in Table 5.1.1 "Availability and flow of intangible assets" of the Notes to the Balance Sheet of the Company.

At 31 December 2015, the Company had no intangible assets with indefinite useful lives.

The Company incurred expenses to acquire non-exclusive rights and licenses. In accounting records, these expenses are recognized on account 76.07 "Deferred assets", they are long-term and included in Section I of the Balance Sheet "Non-current assets" (line "Other current assets").

In 2015, the Company incurred costs on acquisition (creation) of intangible assets to the total amount of RUB 21,940 thousand.

5. RESULTS OF RESEARCH AND DEVELOPMENT (R&D)

During the reporting period, the Company applies the straight line method to write-off expenses on R&D over the useful lives of the results of research, development and engineering works (R&D) specified in the following table:

Types of R&D	Useful life
Development of signal transfer device of relay protection and automation equipment (STD RPAE) for power lines 6-110 kV	36 months
Standard "Production asset management"	36 months
Research on grid equipment operation modes with different methods of neutral grounding and development of guidelines on how to choose the neutral grounding in power grids 6-35 kV	36 months

The structure of R&D at the beginning and at the end of the reporting period and the flow thereof are presented in Table 5.2.1 "Availability and flow of R&D results" and Table 5.2.2 "R&D in progress and non-formalized and uncompleted transactions on acquisition of intangible assets" of the Notes to the Balance Sheet of the Company.

In 2015, the Company did not incur R&D costs.

6. FIXED ASSETS

The flow and availability of fixed assets and related accumulated depreciation are presented in Table 5.3.1 "Availability and flow of fixed assets" of the Notes to the Balance Sheet of the Company.

At 31 December 2015, the carrying amount of fully depreciated fixed assets excluding depreciation was RUB 51,537 thousand (31 December 2014: RUB 45,763 thousand; 31 December 2013: RUB 45,939 thousand).

At 31 December 2019, Lenenergo PJSC had no fixed assets pledged as security for bank loans.

Loan and borrowing costs of RUB 1,196,694 thousand (2014: RUB 809,817 thousand) were capitalized during the reporting period.

Fixed assets include items which consumer properties do not change over time, i.e. are not subject to depreciation. Information on the carrying amount of such items at 31 December is presented in the table below:

Fixed asset items	2015	2014	2013
Land plots	109,219	107,416	79,465
Total	109,219	107,416	79,465

Information on changes in the cost of fixed assets at which they are recognized in accounting records (completion, additional equipment, reconstruction, partial liquidation and revaluation of fixed asset items) is presented in Table 5.3.3 of the Notes to the Balance Sheet.

Information on the flow and availability of construction-in-progress items and uncompleted transactions on acquisition, upgrading, etc. of fixed assets is presented in Table 5.3.5 of the Notes to the Balance Sheet.

7. FINANCIAL INVESTMENTS

Information on the availability and flow of financial investments in the reporting period is presented in Table 5.4.1 of the Notes to the Balance Sheet.

At 31 December, the value of financial investments was as follows:

	2015	2014	2013
Equity financial investments for which no current market value is determined less the provision for impairment in the amount of (2015: RUB 0; 2014: RUB 49 318; 2013: RUB 49 318) thousand.	16,188,131	901,291	897,795
Debt financial investments for which no current market value is determined	5,756,826	6,463,973	6,284,109
<i>Including:</i>			
Non-current portion	1,889,826	1,703,717	-
Current portion	3,867,000	4,760,256	6,284,109

7.1. Equity financial investments

Equity financial investments recognized in the balance sheet of the Company at 31 December 2019 and classified as long-term investments in subsidiaries, affiliates and other companies amounted to RUB 16,188,131 thousand.

Name	Type of shares	Quantity	Equity interest in the share capital	Year of investment	Value at 31 December 2015	Value at 31 December 2014	Value at 31 December 2013
CJSC Kurortenergo	Ordinary Preference	1,599 77	98.13%	2010	517,140	517,140	517,140
CJSC Tsarskoye Selo Energy Company	Ordinary Preference	7,229 1,272	96.96%	2010	372,313	372,313	372,313
PJSC Northwest Energy Management Company	Ordinary Preference	74,180,864 38,063,689	12.51%	2005	49,381	-	-
CJSC Lennergospetsremont	Ordinary	1,000	100%	1999	7,338	7,338	7,338
JSC Energy Service Company Lenenergo	Ordinary	1,000,000	100%	2011	1,000	1,000	1,000
CJSC Akvatron	Ordinary	2	1.33%	1991	-	-	-
PJSC Federal Test Center	Ordinary	3,500	1%	2014	3,500	3,500	-
JSC Petrodvoret's Power Grid	Ordinary	6,232	60.1%	2015	800,000	-	-

Name	Type of shares	Quantity	Equity interest in the share capital	Year of investment	Value at 31 December 2015	Value at 31 December 2014	Value at 31 December 2013
SPb ES JSC	Ordinary	357,692	100%	2015	14,437,522		
Total					16,188,131	901,291	897,795

On 23.12.2015, the city of Saint Petersburg represented by the Saint Petersburg Property Relations Committee, as part of measures to increase the share capital of Lenenergo PJSC, transferred to Lenenergo PJSC shares in SPb ES JSC and JSC Petrodvorets Power Grid as payment for additional ordinary shares of Lenenergo PJSC.

At 31 December 2015, the provision for impairment of financial investments relating to the shares of Northwest Energy Management Company PJSC in the amount of RUB 49,318 thousand was reversed as a result of improvement of the financial and economic condition of Northwest Energy Management Company PJSC in 2015.

7.2. Debt financial investments

The Company has debt financial investments represented by deposits. At 31 December 2015, the Company's deposits in the credit institutions amounted to RUB 14,487,000 thousand (31 December 2014: RUB 13,367,045 thousand, 31 December 2013: RUB 6,284,109 thousand).

Breakdown of deposits at 31 December 2015 is presented below:

Deposits by maturity	Interest rate (from/to)	Maturity date	Amount, RUB thousand
Bank Tavrishesky (JSC)	0.51	09 April 2035	10,620,000
VTB Bank (PJSC)	10.8	11 January 2016 18 January 2016	3,867,000
Total			14,487,000

At 31 December 2015, debt financial investments for which the current market value is not determined were measured at estimated value. The estimated value of debt financial investments of the Company is determined as the amount of economic benefits that the Company expects to receive from these financial investments in the ordinary course of business. At the beginning of 2015, the Central Bank of the Russian Federation decided to launch a financial rehabilitation procedure in respect of Bank Tavrishesky. One of the conditions for the financial rehabilitation was the placement by the Company of a subordinated deposit for a period of 20 years at a non-market interest rate (0.5%).

Currently, State Corporation Deposit Insurance Agency (DIA) of the Russian Federation exercises full control over the process of financial rehabilitation of Bank Tavrishesky. The Bank attracted funds of the DIA, which helps to improve financial performance and reduce risks of non-performance of its obligations to creditors. Analysis of the financial activities and statistical data of Bank Tavrishesky over the past year indicates the leveling of negative trends that could affect the Bank's financial stability in the future.

Despite the circumstances referred to in the previous paragraph, management of the Company, while observing the principle of prudence to assess the probability of the Bank's failure to perform its obligations, assumes the probability of losing money on these financial investments. In this context, a provision for impairment of financial investments in the amount of difference between the carrying value and the estimated value of such investments is recognized in accounting statements at 31 December 2015 and 31 December 2014. The total amount of the provision at 31 December 2014 was RUB 8,606,789 thousand, at 31 December 2015 – RUB 8,730,174 thousand

Due to the possibility of negative trends in the non-fulfillment by the Bank of its obligations, deferred tax asset in the amount of RUB 1,731,221 thousand was recognized in the accounting statements, which will be refunded if the subordinated deposit is written off as irrecoverable debt for its recognition for tax purposes as bad debt within non-operating expenses in accordance with the Tax Code of the Russian Federation.

At 31 December 2019, the Company had no loans granted.

8. INVENTORIES

Information on the availability and flow of inventories in the reporting period is presented in Table 5.5.1 of the Notes to the Balance Sheet.

At 31 December 2015, there were no inventories in pledge.

9. ACCOUNTS RECEIVABLE

Information on the availability and flow of accounts receivable in the reporting period is presented in Table 5.5.1 of the Notes to the Balance Sheet.

At 31.12.2015, total accounts receivable of the Company amounted to RUB 7,399,020 thousand, which is RUB 5,120,864 thousand less than at the beginning of the year when total accounts receivable amounted to RUB 12,519,884 thousand.

Total amount of accounts receivable included:

- long-term receivables in the amount of RUB 502,467 thousand (6.01% of total accounts receivable);
- short-term receivables in the amount of RUB 6,896,553 thousand (93.99% of total accounts receivable).

No.	Accounts receivable	Balance sheet line code	At 31 December 2015	At 31 December 2014	At 31 December 2013
1	Total	1230	7,399,020	12,519,884	9,782,364
1.1	Long-term accounts receivable	1231	502,467	752,712	323,534
1.1.1	Buyers and customers on grid connection	123101	25,408	202,527	2,983
1.1.2	Advances issued	123205	3,851	3,852	32,880
1.1.3	Other long-term receivables, including:	123206	473,208	546,333	287,671
	Petroestate LLC		71,721	71,721	71,721
	VAT on long-term advances received		399,093	469,980	211,962
	<i>Other</i>		2,394	4,632	3,988
1.2	Short-term accounts receivable	1232	6,896,553	11,767,172	9,458,830
1.2.1	Buyers and customers, including:	123201	4,110,681	6,866,073	5,894,969
1.2.1.1	Non-contractual power consumption		523,967	724,941	554,592
1.2.1.2	Buyers and customers on grid connection		713,954	1,672,721	2,102,797
1.2.1.3	Buyers and customers on power transmission		2,771,021	4,351,298	3,151,084
1.2.1.4	Income from lease		62,480	30,776	34,101
1.2.1.5	Buyers and customers on other activities		39,259	86,337	52,395
1.2.2	Advances issued	123205	98,720	1,051,051	540,122

1.2.2.1	To suppliers of materials		1,641	4,344	4,309
1.2.2.2	To repair companies		-	15,403	125
1.2.2.3	To service providers		97,079	1,031,304	535,688
1.2.3	Other debtors	123206	2,687,152	3,850,048	3,023,739
1.2.3.1	Excess payment of taxes		417,764	1,076,297	379,176
1.2.3.2	Sundry debtors		2,269,388	2,773,751	2,644,563
	VAT on short-term advances received		399,094	1,695,860	2,241,606
	under contracts with PJSC Non-Governmental Pension Fund of Power Industry		250,606	142,603	139,750
	<i>Other sundry debtors, including:</i>		1,619,688	931,055	258,699
	Interest accrued under deposit agreements		49,847	748,366	-

10. CASH AND CASH EQUIVALENTS

At 31 December, cash included:

	2015	2014	2013
Cash in hand and at bank, RUB	24,414,528	1,165,170	3,369,560
Cash equivalents	2,559	1,341	840
Total	24,417,087	1,166,511	3,370,400

At 31 December 2015, the Company has the ability to raise the following additional funds in the total amount of RUB 4,009,777 thousand:

- RUB 3,000,000 thousand under revolving loan facilities opened to the Company;
- RUB 1,009,777 thousand of loan resources in the form of an overdraft.

In 2015, the Company allocated RUB 8,263,821 thousand for innovation and modernization of production.

11. OTHER ASSETS

At 31 December, other assets included the following (RUB thousand):

Types of assets	2015		2014		2013	
	Non-current	Current	Non-current	Current	Non-current	Current
Expenses on acquisition of non-exclusive rights and licenses	57,050	-	77,737	-	86,405	-
Expenses on purchase of capacity by the Company from grid companies for further grid connection of customers	396,524	-	475,623	-	537,167	-
Expenses on insurance of property and employees	25,349	-	13,778	-	8,643	-
VAT on advances issued for capital construction and acquisition of fixed assets	-	6,293	-	181,460	-	82,417
Shortages and losses due to impairment of assets (account 94)	-	543,872	-	-	-	82,417
Total	478,923	550,165	567,138	181,460	632,215	82,417

12. SHARE CAPITAL

At 31 December 2015, share capital of the Company is fully paid and amounts to RUB 1,752,079 thousand. At 31 December 2015, the number of shares issued and fully paid was 1,752,079 thousand shares (31 December 2014: 1,752,079 thousand shares, 31 December 2013: 1,228,325 thousand shares). The par value of each ordinary and preference share is RUB 1.

Ordinary registered uncertificated shares, qty	1,658,814,839
Class A preference registered uncertificated shares, qty	93,264,311

At 31 December 2015, the Company has no shares issued but not paid or paid partially. The Company has no treasury shares at the reporting date. SPb ES JSC, a subsidiary of Lenenergo PJSC, owns 300 ordinary registered uncertificated shares of Lenenergo PJSC and 200 Class A preference registered uncertificated shares of Lenenergo PJSC (0.00003% of the share capital).

	Number of outstanding shares		Share capital (RUB thousand)
	Preference shares	Ordinary shares	
At 31 December 2013	93,264,311	1,135,061,313	1,228,326
Issue of shares	-	523,753,526	
At 31 December 2014	93,264,311	1,658,814,839	1,752,079
At 31 December 2015	93,264,311	1,658,814,839	1,752,079

On 10 September 2013, additional issue of 926,876,304 ordinary shares of Lenenergo PJSC was registered.

Through the exercise of their preemptive right, Rosseti PJSC acquired 495,049,505 ordinary shares to the amount of RUB 3 billion, other shareholders acquired 18,904,97 ordinary shares to the amount of RUB 114 thousand.

Through open subscription, PJSC Rossetti acquired 28,685,116 ordinary shares to the amount of RUB 173,832 thousand.

On 16 October 2014, the Report of Additional Issue was registered.

As a result of the additional issue, 523,753,526 ordinary shares to the amount of RUB 3,173,946 thousand were placed.

On 15 January 2015, due to expiration of 3 months following the date of state registration of the report of additional issue of ordinary registered shares of JSC Lenenergo, the individual number of the additional issue - 003D (state registration number: 1-01-00073-A-003D) (Notice of the Bank of Russia No. 52-4/290 dated 01.16.2015) was cancelled by the decision of the Bank of Russia.

On 24 November 2015, the Extraordinary General Meeting of Shareholders decided to increase the share capital of the Company through an additional issue of shares. On 3 December 2015, additional issue of 18,882,455,451 ordinary shares of Lenenergo PJSC was registered (state registration number: 1-01-00073-A-004D) (Notice of the Bank of Russia No. 52-4/16085 dated 14.12.2015).

The major shareholders, Rosseti PJSC and the city of Saint Petersburg represented by the Saint Petersburg Property Relations Committee, participated in the additional issue of shares through the exercise of their preemptive right.

Information on participation of the major shareholders in the additional issue through the exercise of their preemptive right at 31.12.2015:

Shareholder	Shares purchased		Form of payment	Date of application
	Quantity, psc.	Value, RUB million		
Rosseti PJSC	4,577,968,527	32,000	Securities: Federal loan bonds (FLB) of issues 29006RMFS, 29007RMFS, 29008RMFS, 29009RMFS, 29010RMFS: in the quantity of 32,000,000 bonds at par value of RUB 1,000.	24.12.2015
	83,012,447	580.257	Cash.	29.12.2015
Saint Petersburg represented by the Property Relations Committee	2,179,903,032	15,237,522	Securities: 1) 357,692 ordinary shares of SPb ES JSC. The estimated value of shares amounted to RUB 14,437,522,196 and was determined by the Board of Directors of Lenenergo PJSC based on the share market value evaluation report. 1) 6,232 ordinary shares of Petrodvorets Power Grid JSC. The estimated value of shares amounted to RUB 800,000,000 and was determined by the Board of Directors of Lenenergo PJSC based on the share market value evaluation report.	22.12.2015

Cash and securities received by the Company as a result of the exercise of the preemptive right for acquisition of shares of Lenenergo PJSC in the amount of RUB 47,817,779 thousand, due to the possibility of recognizing capital increase upon payment of the additional issue before the state registration of the issue itself, are shown as a separate line "Capital (before registration)" in the balance sheet section "Capital and reserves", without separation of the amount of share capital increase and share premium.

Information on shareholders owning 1% or more of the Company voting shares at 19.10.2015*:

Name	% of ordinary shares	% of share capital
Rosseti PJSC	68.12	64.49
Saint Petersburg represented by the Property Relations Committee	18.18	17.22
IDGC of the Urals JSC	4.89	5.93
ENERGYO SOLUTIONS RUSSIA (CYPRUS) LIMITED	2.26	2.17
VTB Bank (PJSC)	1.53	2.98
other	5.01	7.21
Total	100.00	100.00

*at the last record date

In 2015, the Annual General Shareholders' Meeting of the Company decided to pay no dividends on ordinary and preference shares for 2014.

13. BORROWINGS

At 31 December 2015, borrowings included (RUB thousand, by the principal amount):

	2015		2014		2013	
	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term
Bank loans	7,000,000	22,700,000	1,400,000	42,188,440	3,813,440	23,406,037
Bonds	6,000,000	2,400,000	-	6,000,000	-	6,000,000
Total	13,000,000	25,100,000	1,400,000	48,188,440	3,813,440	29,406,037
	38,100,000		49,588,440		33,219,477	

The amount of accrued interest for the use of loans and borrowings was RUB 4,948,802 thousand in 2015, RUB 3,558,496 thousand in 2014, RUB 2,585,857 thousand in 2013.

In 2015, the amount of loan and borrowing expenses included in other expenses and in investment assets was RUB 3,752,108 thousand and RUB 1,196,694 thousand, respectively; in 2014 - RUB 2,765,977 thousand and RUB 809,818 thousand, respectively; in 2013 - RUB 2,217,089 thousand and RUB 401,732 thousand, respectively.

At 31 December 2015, borrowings had the following structure by principal amount:

	Balance at 01.01.2015	Raised	Repaid	Reclassification	Balance at 31.12.2015
Short-term:	1,400,000	2,400,000	5,425,000	17,025,000	13,000,000
Loans	1,400,000	0	5,425,000	11,025,000	7,000,000
Borrowings	0	0	0	6,000,000	6,000,000
Long-term:	48,188,440	36,560	8,500,000	(17,025,000)	25,100,000
Loans	42,188,440	36,560	8,500,000	(11,025,000)	22,700,000
Borrowings	6,000,000	2,400,000	0	(6,000,000)	2,400,000
TOTAL	49,588,440	2,436,560	13,925,000	-	38,100,000

The weighted average interest rate at the end of the reporting period was 9.42% per annum.

In 2015, the Company repaid loans to the amount of RUB 13,925,000 thousand, including:

- RUB 1,400,000 thousand were repaid in accordance with the terms of loan agreements;
- RUB 12,525 thousand were repaid ahead of schedule due to high interest rate.

The schedule of payments on long-term borrowings (by principal amount) is presented below:

Year of repayment	Amount, RUB thousand
2016	-
2017	11,239,115
2018	13,860,885

All loans and borrowings were raised in Russian rubles, and were unsecured.

In 2015, the Company obtained loans and borrowings for innovation and modernization of production to the total amount of RUB 2,436,560 thousand. At 31 December 2015, RUB 2,436,560 thousand were utilized. The Company incurred expenses in the amount of RUB 24,000 thousand related to obtaining of loans and borrowings for the acquisition (creation) of investment assets under projects related to innovation and modernization of production.

14. ESTIMATED LIABILITIES

The flow of estimated liabilities is presented below:

	Provision for upcoming payment of leave allowances	Provision for payment of annual remunerations	Provision for legal proceedings	Other provisions	Total
At 31 December 2013	115,811	127,874	301,332	464,836	1,009,853
Recognized in the reporting period	377,501	106,514	310,246	4,367,467	5,161,728
Written off to record costs or accounts payable	(403,166)	(98,037)	(162,086)	(1,510,723)	(2,174,012)
Written off due to redundancy or termination of the conditions for recognition	-	(26,321)	(954)	-	(27,275)
At 31 December 2014	90,146	110,030	448,538	3,321,580	3,970,294
Recognized in the reporting period	324,252	127,315	626,558	1,565,576	2,643,701
Written off to record costs or accounts payable	329,185		291,444	2,436,648	3,057,277
Written off due to redundancy or termination of the conditions for recognition					
At 31 December 2015	85,213	237,345	783,652	2,450,508	3,556,718

At 31 December, estimated liabilities are analyzed as follows:

	2015	2014	2013
Total amount of provisions included:			
Long-term	-	-	-
Short-term	3,556,718	3,970,294	1,009,853
Total	3,556,718	3,970,294	1,009,853

Provisions for upcoming payment of employee leave allowances

The provision was created for the Company's upcoming payment of employees' leaves not utilized at 31 December 2015. It is expected that the balance of the provision at 31 December 2015 will be used in the first six months of 2020. The management believes that the actual payments of leave allowances will not exceed the amount of the provision reported in the accounting statements at 31 December 2015. At 31.12.2015, the amount of the provision was RUB 85,213 thousand.

Provision for upcoming payment of performance-based remunerations for the reporting period

The provision was created for the Company's upcoming payment of employees' performance-based remunerations for the reporting period that were not paid at 31 December 2015. At 31.12.2015, the amount of the provision was RUB 237,345 thousand.

Provision for legal proceedings

Provision for legal proceedings in progress at the reporting date includes arbitration cases resolved by the second instance court not in favour of Lenenergo PJSC and the likelihood of a favourable outcome for Lenenergo PJSC has been assessed as low. At 31 December 2015, the value of this type of liabilities was RUB 1,740,997 thousand, with a total of 26 cases, the largest of which are as follows:

- Zapelektromontazh LLC to the amount of RUB 957,346 thousand under the construction and assembly contract (bankruptcy stage),
- FGC UES PJSC to the amount of RUB 598,744 thousand under the power transmission contract,
- Petrodvorets Power Grid JSC to the amount of RUB 52,667 thousand under the power transmission contract,
- SPb ES JSC to the amount of RUB 42,609 thousand under the power transmission contract.

Net presentation of the provision for accounts receivable from Zapelektromontazh LLC:

At 31.12.2013, accounts receivable from Zapelektromontazh LLC to Lenenergo PJSC were recognized in the balance sheet based on enforceable court decisions rendered in favour of the Company:

- A56-71367/2011;
- under cases No. A56-21965/2012 and A56-17948/2012 consolidated in one case No. A56-17948/2012

Legal proceedings on case No. A21-8911/2013 for the bankruptcy of Zapelektromontazh LLC were started on 07.11.2013. As of the current date, the proceedings are in progress. Lenenergo PJSC was included in the list of creditors.

Taking into account the initiation of legal proceeding No. A21-8911/2013, the Company created a provision for doubtful debts to the amount of RUB 957,346,267.23:

- under contract No. 06-3849 to the amount of RUB 925,460,213.65;
- under contract No. 07-1221 to the amount of RUB 31,886,053.58.

At 31.12.2015, there are ongoing legal proceedings on a counter-claim of Zapelektromontazh LLC.

At the end of 2015, a management decision to reclassify the provision for Zapelektromontazh LLC from the provision for doubtful debts to the provision for other contingent liabilities (court cases) was made. The decision is based on the fact that the nature of the debt is associated with litigation arising from favourable decisions on debt recovery in favour of Lenenergo PJSC, but with the continuing bankruptcy proceedings, considering also that the Company continues to assess the probability of foreclosure as low.

Since these receivables and the provision for them have mixed aspects of two types of provisions, the Company continues to apply the requirement of clause 35 of RAS 4/99 "Accounting statements" and reports accounts receivable net of the amount of the created provision in the statements for 2015.

Other provisions

Provision for other contingent liabilities includes a provision for bonuses related to the commissioning of facilities and a provision for disputes that have not been settled out of court.

A provision for bonuses related to the commissioning of facilities was created in respect of facilities commissioned in 2014, 2015. At 31.12.2015, the amount of the provision was RUB 146,442 thousand.

A provision for disputes that have not been settled out of court and remain pending at the reporting date includes claims under consideration and claims considered by arbitration courts of the first instance wherein a decision was not issued in favour of Lenenergo PJSC and the likelihood of a favourable outcome for Lenenergo PJSC has been assessed as low.

At 31 December 2015, the value of this type of liabilities was RUB 2,017,701 thousand, the largest of which are as follows:

- SPb ES JSC to the amount of RUB 1,080,372 thousand under the power transmission contract,
- Petrodvorets Power Grid JSC to the amount of RUB 290,414 thousand under the power transmission contract,
- Petroenergocontrol LLC to the amount of RUB 4,265 thousand under the power transmission contract,
- United Energy Company JSC to the amount of RUB 425,146 thousand under the power transmission contract,
- FGC UES PJSC to the amount of RUB 217,504 thousand under the power transmission contract.

Disputes with related grid companies arose in respect of the scope and value of power transmission services provided. In the balance sheet, the value of recognized estimated liability is reported in the section "Estimated liabilities". It is expected that court decisions on the claims will be made no later than the first half of 2015.

The amount of the provision for other liabilities not settled with counterparties is recognized as other expenses.

In 2015, a provision for other contingent liabilities was created in respect of tax risks based on the results of the field tax audit for 2012-2013. The amount of the provision included disagreements for which the likelihood of resolving disagreements with the tax body in favour of the Company has been assessed as low. At 31.12.2015, the amount of the provision was RUB 282,663 thousand.

The flow of provisions for estimated liabilities is presented in Table 5.7.1 "Estimated liabilities" of the Notes to the Balance Sheet.

15. ACCOUNTS PAYABLE

Information on the availability and flow of accounts payable in the reporting period is disclosed in Table 5.6.5 of the Notes to the Balance Sheet.

At 31 December 2015, total accounts payable of the Company amounted to RUB 32,513,111 thousand, which is RUB 236,934 thousand less than at the beginning of the year when total accounts payable amounted to RUB 32,570,045 thousand.

The total amount of accounts payable included:

- long-term payables in the amount of RUB 2,744,661 thousand (7.78% of total accounts payable);
- short-term payables in the amount of RUB 32,513,111 thousand (92.22% of total accounts payable).

Accounts payable are analyzed as follows:

No.	Accounts payable	Balance sheet line code	At 31 December 2015	At 31 December 2014	At 31 December 2013
1.1.	Long-term accounts payable	1450	2,744,661	3,213,499	1,906,733
	<i>Advances for grid connection</i>		2,616,280	3,080,959	1,770,333
1.2.	Accounts payable	1520	32,513,111	32,570,045	32,917,612
1.2.1.	Payables to suppliers and contractors	1521	18,171,351	19,002,101	13,991,689
	To construction companies	15211	5,566,908	9,385,036	6,693,461
	To repair companies	15212	400,449	545,674	617,470
	To other suppliers and contractors, including:	15213	12,203,994	9,071,391	6,680,758
	<i>for services of FGC UES PJSC</i>		5,981,978	4,672,356	3,728,705
	<i>for power transmission services of other grid companies</i>		5,052,675	2,903,969	1,574,624
	Sundry suppliers and contractors		1,169,341	1,495,066	1,377,429
	to other sundry suppliers and contractors, including:		613,695	705,097	643,107
	<i>Payable under grid connection contracts</i>		127,405	114,759	143,701
	<i>Payable under grid connection agency contracts</i>		16,699	14,003	12,377
	Suppliers of inventories other than fuels and lubricants		118,144	59,687	146,066
1.2.2.	Wages payable	1523	283,808	226,929	234,879
1.2.3.	Payables to extra-budgetary funds	1524	105,888	86,304	75,606
1.2.4.	Taxes payable	1525	305,529	225,400	642,283
1.2.5.	Advances received	1526	11,550,614	11,030,377	13,800,034
	for grid connection		11,481,825	10,948,173	13,773,589
	other advances received		68,789	82,204	26,445
1.2.6.	Other creditors	1528	2,095,921	1,998,934	4,173,121
	Settlements on legal proceedings		35,679	13,484	28,370
	ROSSETI PJSC (settlements on issue of shares)			-	3,000,000
	<i>Security received</i>		2,025,975	1,961,063	867,376
	<i>Other</i>		34,267	10,384	264,998

Table 5.6.6 of the Notes to the Balance Sheet provides breakdown of overdue accounts payable at 31 December 2013, 2014 and 2015 formed as a result of the analysis of contractual liabilities of the Company regarding debt payment.

Payables to state extra-budgetary funds

At 31 December, payables to state extra-budgetary funds are analyzed as follows:

	2015	2014	2013
Insurance contributions - total	85,238	85,238	74,072
including:			
Social Insurance Fund	-	-	350
Pension Fund	81,035	73,985	63,655
Compulsory Medical Insurance Fund	23,418	11,253	10,067
Compulsory Social Insurance Fund (compulsory insurance against industrial accidents and occupational diseases)	1,435	1,066	1,534
Total payables to state extra-budgetary funds	105,888	86,304	75,606

At 31 December, taxes payable include:

	2015	2014	2013
Corporate income tax	3,715	-	476,837
Value added tax	53,450	-	
Property tax	191,818	176,928	116,694
Personal income tax	53,330	46,265	46,538
Other	3,216	2,207	2,214
Total taxes payable	305,529	225,400	642,283

At 31 December 2015, 2014 and 2013, the Company had no overdue tax liabilities.

16. INCOME AND EXPENSES

Information on revenue (net) from sale of goods, products, works, services (excluding VAT, excise duties and other similar obligatory payments) (RAS 9/99), cost of goods, products, works, services sold, business and administrative expenses is presented below (RAS 10/99):

Activities	Revenue (net) from sale of goods, products, works, services (excluding VAT, excise duties and other similar payments)	Cost of goods, products, works, services sold	Gross profit/(loss)
from power transmission	40,684,173	43,560,443	(2,876,270)
from grid connection	2,865,376	435,207	2,430,169
from industrial work and services	177,112	64,828	112,284
Total for 2015	43,726,661	44,060,478	(333,817)
from power transmission	36,261,449	38,756,444	(2,494,995)
from grid connection	8,248,994	390,068	7,858,926
from industrial work and services	211,665	110,040	101,625
Total for 2014	44,722,108	39,256,552	5,465,556

Saint Petersburg Power Supply Company JSC is the buyer accounting for at least 10% of the total revenue of the Company from sales to third-party buyers. In 2015, total revenue from sale of power transmission services to Saint Petersburg Power Supply Company JSC amounted to RUB 30,223,833 thousand (excluding VAT). In 2014, it amounted to RUB 26,769,521 thousand (excluding VAT).

Revenue from the connection to the grid of Lenenergo PJSC received under contracts providing for payment in kind includes 25 companies and amounts to RUB 1,243,982 thousand (excluding VAT).

Information on the cost of goods (work, services) produced and sold in the reporting period broken down by cost elements is presented in Table 2.1 of the Notes to the Balance Sheet and Profit and Loss Statement.

Cost breakdown by cost elements (RUB thousand):

Cost elements	2015	2014
Production work and services provided by third-party companies	26,037,802	22,103,458
Depreciation	9,951,946	8,972,034
Labour costs	3,305,571	3,269,620
Repairs	966,879	1,234,108
Social security contributions	962,870	860,058
Material costs	401,738	404,795
Other expenses, including:	2,433,672	2,412,479
Taxes included in cost	990,927	744,676

Rentals	483,137	458,163
Insurance contributions	137,319	149,311
Sundry expenses	180,515	328,302
Other services of third-party companies	591,888	732,027
Total	44,060,478	39,256,552

In 2015, the cost of sales included general and administrative expenses to the amount of RUB 996,503 thousand, and in the comparable period of 2014 - RUB 1,671,647 thousand.

Significant reduction in general expenses in the reporting year results from the revision of the Company's method of recognizing direct and allocated direct costs and allocation of indirect general costs.

From 2015, the value of indirect general costs depends on the procedure for allocation of salaries of departments to direct salaries of core production staff established by the Personnel Management and Organizational Design Department in the reporting period.

17. OTHER INCOME AND EXPENSES

In 2015, the following other income and expenses were received and incurred:

Other income	2015	2014
Proceeds from the provision of the Company's assets for temporary use, for a fee	139,358	145,459
Proceeds from sale of fixed and other assets other than cash, products, goods	33,353,900	39,715
Fines and penalties for breach of contract terms	500,340	32,480
Donated assets	-	2,939
Profit of previous years revealed in the reporting year	199,528	45,209
Property recognized by results of inventory audit	54,546	78,298
Recovery of allowances due to redundancy or termination of the conditions for recognition	1,600,802	1,453,686
Accounts payable with expired period of limitation	4,291	24,147
Income from identified non-contractual power consumption	695,322	1,528,522
Cost of assets recognized after dismantling or disposal of property	16,042	33,277
Other	181,279	238,781
Total other income	36,745,408	3,622,513
Other expenses	2015	2014
Expenses related to sale, disposal or other write-off of fixed and other assets other than cash (except for foreign currency), goods, products	33,330,128	30,031
Expenses related to payment for services provided by credit institutions	919	5,278
Transfers to provisions for estimated liabilities / provisions for future expenses	4,162,712	4,936,865
Impairment of financial investments	226,149	8,606,789
Fines and penalties for breach of contract terms	143,343	103,959
Loss of previous years revealed in the reporting year	932,629	957,511
Expenses on identified non-contractual power consumption	194,078	263,825
Charity-related contributions	48,649	24,980
Accounts receivable with expired period of limitation	30,231	142,149
Disposal of assets without income	148,439	50,008
Legal expenses and enforcement costs	183,593	170,047
Expenses on sport events, cultural and educational activities	20,354	37,265
Financial assistance and other payments from profit	200,201	271,643
Cost of securities and financial investments servicing	52,949	12,614

Other income	2015	2014
Other	492,823	847,912
Total other expenses	40,167,197	16,460,876

As described above in Section 12 "Share Capital", Lenenergo PJSC received the following securities from its major shareholder Rosseti PJSC, participating in the additional issue of shares through the exercise of its preemptive right:

Federal loan bonds (FLB) of issues 29006RMFS, 29007RMFS, 29008RMFS, 29009RMFS, 29010RMFS: in the quantity of 32,000,000 bonds at par value of RUB 1,000.

The received securities were sold and cash received from the sale in the amount of RUB 32 billion are included in the accounts of settlements with other sundry debtors and creditors until the recognition of the issue and capital increase. This transaction is disclosed separately in the Profit and Loss Statement.

In accordance with the terms of the agreement for the purchase of shares of Lenenergo PJSC paid for by federal loan bonds, when selling the federal loan bonds the Company shall transfer to Rosseti PJSC the amount of the coupon yield received upon payment thereof.

The securities were sold by Lenenergo PJSC on 25.12.2015 under securities sale agreements Nos. 15-9288 and 15-9289 dated 25.12.2015. Coupon yield accrued on the federal loan bonds amounted to RUB 1,305,021 thousand. The accrued coupon income on securities for the period from 23.12.2015 to 25.12.2015 when the Company held them amounted to RUB 24,768 thousand. This amount is reported in other income in the Profit and Loss Statement.

18. CORPORATE INCOME TAX

In 2015, business activities resulted in accounting loss before tax in the amount of RUB 6,528,534 thousand and tax loss in the amount of RUB 1,382,881 thousand. Current income tax for the reporting year amounts to RUB 0. Deferred tax asset for the loss of the reporting year amounted to RUB 276,576 thousand. Contingent income tax gain amounted to RUB 1,305,707 thousand.

The total amount of tax assets and liabilities based on tax differences affecting the adjustment of contingent income tax gain was RUB 1,304,707 thousand:

- Permanent tax liability – RUB 958,143 thousand;
- Deferred tax asset – RUB 618,284 thousand;
- Deferred tax liability – RUB (270,720) thousand.

In 2015, the Company adjusted its liabilities on tax payments for previous years:

- The Company reduced tax accrued earlier for 2012, 2013 and 2014 in the amount of RUB 559,602 thousand based on the results of court decisions rendered not in favor of the Company and entered into force regarding settlement of disputes on power transmission with related grid companies.

In accordance with the accounting policy of Lenenergo PJSC for tax purposes, the Company calculates and pays taxes and fees in accordance with the tax legislation of the Russian Federation, tax legislation of the constituent entities of the Russian Federation, tax regulations of local governments.

For tax purposes, the Company recognizes revenue from sales as related to value added tax and profit tax on an accrual basis, other taxes – in accordance with the Tax Code of the Russian Federation, tax legislation of the Russian Federation and the constituent entities of the Russian Federation. Deferred tax assets and deferred tax liabilities are disclosed separately in the statements.

Reconciliation between income tax expenses and accounting profit is presented in Table 2.3 of the Notes to the Balance Sheet of the Company.

19. EARNINGS PER SHARE

The Company has no potential dilutive ordinary shares; accordingly, diluted earnings per share are equal to basic earnings per share.

	2015	2014
Weighted average number of outstanding ordinary shares (thousand)	1,658,815	1,178,707
Less weighted average number of own shares redeemed (thousand)	-	-
Weighted average number of outstanding ordinary shares (thousand)	1,658,815	1,178,707
Profit/(loss) for the year attributable to shareholders of the parent company	(5,916,496)	(7,967,844)
Basic and diluted earnings/(loss) per share (RUB)	(3.5667)	(6.7598)

20. NET ASSETS

Information on the net assets in the reporting period is presented in Table 3.4 of the Notes to the Balance Sheet and Profit and Loss Statement.

Change in the value of net assets of Lenenergo PJSC in the context of comparable reporting periods is as follows (RUB thousand):

- 113,336,124 at 31.12.2015, which is RUB 41,895,380 thousand more than in the previous reporting period;
- 71,440,744 at 31.12.2014, which is RUB 4,900,148 thousand less than in the previous reporting period when net assets amounted to RUB 76,340,892 thousand.

21. RELATED PARTIES

In the course of its financial and business operations, the Company conducts transactions with companies that are related parties.

The following related parties were identified for the purposes of these accounting (financial) statements in accordance with RAS 11/2008 "Information on Related Parties":

№	Full name of a corporate entity or given name, patronymic, surname of an individual	Corporate entity's registered address or individual's place of residence	Reason to consider a party to be related	Equity interest of the related party in the Company's share capital, %	Equity interest of the Company in the share capital of the related party, %
Parent company					
1.	ROSSETI Power Industry and Electrification Public Joint Stock Company	121353, Moscow, ul. Belovezhskaya, 4	The company has more than 50% of the total number of votes in the Company	64.49%	-
Subsidiaries					
2.	Lenenergospetsremont, Closed Joint Stock Company	199178, Saint Petersburg, 12th line, V.O., 43, lit. A	The Company holds more than 50% of the share capital of the company	-	100%
3.	Tsarskoye Selo Energy Company, Closed Joint Stock Company	196601, Saint Petersburg, Pushkin, ul. Glinki, 5	The Company holds more than 50% of the share capital of the company	-	96.95%
4.	Kurortenergo, Closed Joint Stock Company	197706, Saint Petersburg, Sestroretsk, ul. Kommunarov, 16	The Company holds more than 50% of the share capital of the company	-	98.13%
5.	Energy Service Company Lenenergo, Open Joint Stock Company	191124, Saint Petersburg, Sinopskaya naberezhnaya, 60-62, lit. A	The Company holds more than 50% of the share capital of the company	-	100%

№	Full name of a corporate entity or given name, patronymic, surname of an individual	Corporate entity's registered address or individual's place of residence	Reason to consider a party to be related	Equity interest of the related party in the Company's share capital, %	Equity interest of the Company in the share capital of the related party, %
6.	Saint Petersburg Power Grid, Joint Stock Company	Russian Federation, Saint Petersburg	The Company holds more than 50% of the share capital of the company	0.00003	100%
7.	Petrodvorets Power Grid, Open Joint Stock Company	198510, Russian Federation, Saint Petersburg, Petrodvorets, ul. Volodi Dubinina, 9	The Company holds more than 50% of the share capital of the company	-	60.1%
Key management personnel					
6.	Roman Nikolayevich Berdnikov	Saint Petersburg	The person is the sole executive body (Acting Director General), a member of the collegial executive body (Management Board) of the Company	-	-
7.	Egor Vyacheslavovich Prokhorov	-	The person is a member of the Board of Directors of the Company	-	-
8.	Aleksandr Sergeevich Kalinin	-	The person is a member of the Board of Directors of the Company	-	-
9.	Pavel Nikolayevich Snikkars	-	The person is a member of the Board of Directors of the Company	-	-
10.	Dmitry Viktorovich Koptin	-	The person is a member of the Board of Directors of the Company	-	-
11.	Andrey Sergeevich Bondarchuk	-	The person is a member of the Board of Directors of the Company	-	-
12.	Evgenia Evgenyevna Rozova	-	The person is a member of the Board of Directors of the Company	-	-
13.	Vladimir Vladimirovich Sofyin	-	The person is a member of the Board of Directors of the Company	-	-
14.	Andrey Sergeevich Kolyada	-	The person is a member of the Board of Directors of the Company	-	-
15.	Svetlana Semenovna Zholnerchik	-	The person is a member of the Board of Directors of the Company	-	-
16.	Khasan Mushtafayevich Likhov	-	The person is a member of the Board of Directors of the Company	-	-
17.	Yury Kazbekovich Zafesov	-	The person is a member of the Board of Directors of the Company	-	-

№	Full name of a corporate entity or given name, patronymic, surname of an individual	Corporate entity's registered address or individual's place of residence	Reason to consider a party to be related	Equity interest of the related party in the Company's share capital, %	Equity interest of the Company in the share capital of the related party, %
18.	Vasily Vladislavovich Nikonov	-	The person is a member of the Board of Directors of the Company	-	-
19.	Sergey Yuryevich Lebedev	-	The person is a member of the Board of Directors of the Company	-	-
20.	Maksim Sergeevich Artemyev	Saint Petersburg	The person is a member of the collegial executive body (Management Board) of the Company	-	-
21.	Maksim Anatolyevich Ivanov	Saint Petersburg	The person is a member of the collegial executive body (Management Board) of the Company	-	-
22.	Aleksandr Dmitriyevich Nikonov	Saint Petersburg	The person is a member of the collegial executive body (Management Board) of the Company	-	-
Other related parties					
23.	Tyumenenergo, Power Industry and Electrification Joint Stock Company	Russia, 628412 Tyumen Region, Khanty-Mansi Autonomous Okrug – Yugra, Surgut, ul. Universitetskaya, 4	The company is a member of the same group of persons as the Company	-	-
24.	Interregional Distribution Grid Company of the Volga, Public Joint Stock Company	Russia, 410031, Saratov, ul. Pervomayskaya, 42/44	The company is a member of the same group of persons as the Company	-	-
25.	Interregional Distribution Grid Company of the North Caucasus, Public Joint Stock Company	Russia, 357506 Stavropol Krai, Pyatigorsk, ul. Podstantsionnaya, 18	The company is a member of the same group of persons as the Company	-	-
26.	Interregional Distribution Grid Company of the North-West, Public Joint Stock Company	Russia, 188300, Leningrad Region, Gatchina, ul. Sobornaya, 31	The company is a member of the same group of persons as the Company	-	-
27.	Interregional Distribution Grid Company of Siberia, Public Joint Stock Company	Russia, 660021, Krasnoyarsk, ul. Bograda, 144 a	The company is a member of the same group of persons as the Company	-	-
28.	Interregional Distribution Grid Company of the South, Public Joint Stock Company	Russia, 344002, Rostov-on-Don, ul. Bolshaya Sadovaya, 49	The company is a member of the same group of persons as the Company	-	-

№	Full name of a corporate entity or given name, patronymic, surname of an individual	Corporate entity's registered address or individual's place of residence	Reason to consider a party to be related	Equity interest of the related party in the Company's share capital, %	Equity interest of the Company in the share capital of the related party, %
29.	Interregional Distribution Grid Company of the Urals, Public Joint Stock Company	Russia, 620026, Yekaterinburg, ul. Mamina-Sibiriyaka, 140	The company is a member of the same group of persons as the Company	5.93	-
30.	Moscow United Power Grid Company, Public Joint Stock Company	Russia, 115114, Moscow, 2 Paveletsky proezd, 3, str. 2	The company is a member of the same group of persons as the Company	-	-
31.	Interregional Distribution Grid Company of the Center and Volga Region, Public Joint Stock Company	Russia, 603950, Nizhny Novgorod, ul. Rozhdestvenskaya, 33	The company is a member of the same group of persons as the Company	-	-
32.	Interregional Distribution Grid Company of the Center, Public Joint Stock Company	Russia, 127018, Moscow, ul. 2 Yamskaya, 4	The company is a member of the same group of persons as the Company	-	-
33.	Yantarenergo, Power Industry and Electrification Joint Stock Company	Russia, 236000, Kaliningrad, ul. Teatralnaya, 34	The company is a member of the same group of persons as the Company	-	-
34.	Tomsk Distribution Company, Public Joint Stock Company	Russia, 634041, Tomsk, prospekt Kirova, 36	The company is a member of the same group of persons as the Company	-	-
35.	Kuban Power Industry and Electrification Public Joint Stock Company	Russia, 350033, Krasnodar, ul. Stavropolskaya, 2	The company is a member of the same group of persons as the Company	-	-
36.	Federal Grid Company of the Unified Energy System, Public Joint Stock Company	Russia, 117630, Moscow, ul. Akademika Chelomeya, 5a	The company is a member of the same group of persons as the Company	-	-
37.	Chechenenergo, Joint Stock Company	Russia, 364051, Chechen Republic, Grozny, Staropromyslovskoye shosse, 6	The company is a member of the same group of persons as the Company	-	-
38.	Kabardino-Balkarian Public Power Industry and Electrification Joint Stock Company	Russia, 360000, Kabardino-Balkar Republic, Nalchik, ul. Shchorsa, 6	The company is a member of the same group of persons as the Company	-	-
39.	Karachayevo-Cherkesskenenergo Public Joint Stock Company	Russia, 369000, Karachay-Cherkess Republic, Cherkessk, ul. Osmana Kasaeva, 3	The company is a member of the same group of persons as the Company	-	-

№	Full name of a corporate entity or given name, patronymic, surname of an individual	Corporate entity's registered address or individual's place of residence	Reason to consider a party to be related	Equity interest of the related party in the Company's share capital, %	Equity interest of the Company in the share capital of the related party, %
40.	Kalmenergosbyt, Joint Stock Company	Russia, 358000, Republic of Kalmykia, Elista, ul. Lermontova, 7a	The company is a member of the same group of persons as the Company	-	-
41.	Tyvaenergosbyt, Joint Stock Company	Russia, 667010, Tyva Republic, Kyzyl, ul. Zavodskaya, 2a	The company is a member of the same group of persons as the Company	-	-
42.	Dagestan Power Sales Company, Public Joint Stock Company	Russia, 367020, Republic of Dagestan, Makhachkala, ul. Dakhadaeva, 73	The company is a member of the same group of persons as the Company	-	-
43.	Research Engineering Center for Interregional Distribution Grid Companies, Joint Stock Company	Russia, 105062, Moscow, ul. Chaplygina, 6	The company is a member of the same group of persons as the Company	-	-
44.	VNIPIenergoprom Association, Open Joint Stock Company	Russia, 105094, Moscow, Semenovskaya nab., 2/1	The company is a member of the same group of persons as the Company	-	-
45.	Special Design Bureau of Heat Power Engineering Equipment VTI, Open Joint Stock Company	Russia, 115280, Moscow, pr. 3 Avtozavodskoy, 4, kor.1	The company is a member of the same group of persons as the Company	-	-
46.	Office of Fiber-Optic Communication Lines on Overhead Power Lines of Interregional Distribution Grid Companies, Joint Stock Company	Russia, 115184, Moscow, ul. Bolshaya Tatarskaya, 35, str. 6	The company is a member of the same group of persons as the Company	-	-
47.	Sevkavkazenergo, Power Industry and Electrification Public Joint Stock Company	Russia, 362040, Republic of North Ossetia - Alania, Vladikavkaz, ul. Tamaeva, 19	The company is a member of the same group of persons as the Company	-	-
48.	Ingushenergo, Power Industry and Electrification Joint Stock Company	Russia, 386100, Republic of Ingushetia, Nazran, ul. Mutalieva, 23	The company is a member of the same group of persons as the Company	-	-
49.	Northwest Energy Management Company, Public Joint Stock Company	Russia, 191186, St. Petersburg, Marsovo Pole, 1	The company is a member of the same group of persons as the Company	-	-
50.	Krzhizhanovsky Power Engineering Institute, Open Joint-Stock Company	Russia, 119991, Moscow, Leninsky prospekt, 19	The company is a member of the same group of persons as the Company	-	-

№	Full name of a corporate entity or given name, patronymic, surname of an individual	Corporate entity's registered address or individual's place of residence	Reason to consider a party to be related	Equity interest of the related party in the Company's share capital, %	Equity interest of the Company in the share capital of the related party, %
51.	Property of the Unified Energy System Engineering Center, Joint Stock Company	125933, Moscow, Volokolamskoe shosse, 2	The company is a member of the same group of persons as the Company	-	-
52.	Federal Test Center, Public Joint Stock Company	Russia, 196608, Saint Petersburg, Pushkin, Oktyabrskiy bulvar, 50/30, lit. A	The company is a member of the same group of persons as the Company	-	1
53.	Pavel Nikolayevich Dyakov	Saint Petersburg	The individual is a member of the same group of persons as the Company	-	-
54.	Veronika Viktorovna Tarnorutskaya	Saint Petersburg	The individual is a member of the same group of persons as the Company	-	-
55.	Sergey Vladimirovich Krylov	Saint Petersburg	The individual is a member of the same group of persons as the Company	-	-
56.	Andrey Sergeyevich Smolnikov	Saint Petersburg	The individual is a member of the same group of persons as the Company	-	-
57.	Andrey Andreyevich Sizov	Saint Petersburg	The individual is a member of the same group of persons as the Company	-	-
58.	Oleg Mikhailovich Budargin	Moscow	The individual is a member of the same group of persons as the Company	-	-

In accordance with the Corporate Code of Conduct and the requirements of regulatory documents of the Federal Financial Market Service of Russia, information about affiliates of Lenenergo PJSC is disclosed and published on the website www.lenenergo.ru <<http://www.lenenergo.ru/>>.

In the reporting year, the Board of Directors approved the following related-party transactions:

Service contract for maintenance of the information acquisition and transmission system at power facilities between Lenenergo JSC and Northwest Energy Management Company JSC

Date of approval of the Contract by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo – Customer JSC;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of the information acquisition and transmission system (IATS), automated process control system (APCS) and automated dispatch control system (ADCS) at power facilities, and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as an Annex to the Contract.

Cost of services:

The cost of services provided under the Contract is 52,100,000 (Fifty two million one hundred thousand) rubles 00 kopecks, including VAT (18%) in the amount of 7,947,457 (Seven million nine hundred forty-seven thousand four hundred fifty seven) rubles 64 kopecks. The cost is determined in accordance with the Cost Calculation (Annex to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.01.2015 to 31.12.2015 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 January 2015.

Service contract for maintenance of auxiliary engineering systems between Lenenergo JSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of auxiliary engineering systems of Lenenergo JSC located at: Saint Petersburg, Ploshchad Konstitutsii, 1, and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 2,400,120 (Two million four hundred thousand one hundred twenty) rubles 00 kopecks, including VAT (18%) in the amount of 366,120 (Three hundred sixty six thousand one hundred twenty) rubles 00 kopecks.

The monthly cost of services provided under the Contract is 200,010 (Two hundred thousand ten) rubles 00 kopecks, including VAT (18%) in the amount of 30,510 (Thirty thousand five hundred ten) rubles 00 kopecks.

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.01.2015 to 31.12.2015 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 January 2015.

Service contract for maintenance of shared information display systems between Lenenergo JSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of shared information display systems of Lenenergo JSC (Grid Control Center, Kingisepp Power Grid, Novaya Ladoga Power Grid, 1 High-Voltage District of Saint Petersburg High-Voltage Power Grid, Pravoberezhny district of Cable Grid, Central district of Cable Grid, and South-West district of Cable Grid) (hereinafter – "services"), and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 7,710,000 (Seven million seven hundred ten thousand) rubles 00 kopecks, including VAT (18%) in the amount of 1,176,101 (One million one hundred seventy six thousand one hundred one) rubles 69 kopecks.

The cost is determined in accordance with the Cost Calculation (Annex 2 to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.01.2015 to 31.12.2015 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 January 2015.

Service contract for maintenance of the dispatcher communications record equipment and multi-channel automatic warning system at power facilities between Lenenergo JSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of the dispatcher communications record equipment and multi-channel automatic warning system at power facilities, and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 4,411,000 (Four million four hundred eleven thousand) rubles 00 kopecks, including VAT (18%) in the amount of 672,864 (Six hundred seventy two eight hundred sixty four) rubles 40 kopecks.

The cost is determined in accordance with the Cost Calculation (Annex 2 to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.01.2015 to 31.12.2015 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 January 2015.

Service contract for maintenance of grid infrastructure between Lenenergo JSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of grid infrastructure of JSC Lenenergo (hereinafter – "services"), and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 17,125,110 (Seventeen million one hundred twenty five thousand one hundred ten) rubles 00 kopecks, including VAT (18%) in the amount of 2,612,304 (Two million six hundred twelve thousand three hundred four) rubles 92 kopecks. The cost is determined in accordance with the Cost Calculation (Annex 2 to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.01.2015 to 31.12.2015 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 January 2015.

Service contract for adaptation of 1C information systems between Lenenergo JSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of JSC Lenenergo: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to adaptation of 1C information systems, and the Customer shall pay for such services

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 14,850,000 (Fourteen million eight hundred fifty thousand) rubles 00 kopecks, including VAT (18%) in the amount of 2,265,254 (Two million two hundred sixty five thousand two hundred fifty four) rubles 24 kopecks.

The cost is determined in accordance with the Cost Calculation (Annex 2 to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on request from 01.02.2015 to 31.01.2016 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 February 2015.

Service contract for maintenance of VHF radio communications equipment between Lenenergo JSC and Northwest Energy Management Company JSC

Date of approval of the Contract by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of VHF radio communications equipment, and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 2,964,000 (Two million nine hundred sixty four thousand) rubles 00 kopecks, including VAT (18%) in the amount of 452,135 (Four hundred fifty two one hundred thirty five) rubles 59 kopecks. The cost is determined in accordance with the Cost Calculation (Annex 2 to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.02.2015 to 31.01.2016 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 February 2015.

Service contract for provision of telephone communication services and dispatcher communications recording between Lenenergo JSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide telephone communication services and dispatcher communications recording for the needs of JSC Lenenergo, and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 35,650,000 (Thirty five million six hundred fifty thousand) rubles 00 kopecks, including VAT (18%) in the amount of 5,438,135 (Five million four hundred thirty eight thousand one hundred thirty five) rubles 59 kopecks

The cost is determined in accordance with the Cost Calculation (Annex 2 to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.02.2015 to 31.01.2018 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 February 2015.

Service contract for maintenance of corporate applications and teamwork tools between Lenenergo JSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of JSC Lenenergo: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related maintenance of corporate applications and teamwork tools, and the Customer shall pay for such services

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 44,170,053 (Forty four million one hundred seventy thousand fifty three) rubles 00 kopecks, including VAT (18%) in the amount of 6,737,804 (Six million seven hundred thirty seven thousand eight hundred four) rubles 70 (seventy) kopecks.

The cost is determined in accordance with the Cost Calculation (Annex 2 to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.02.2015 to 31.01.2016 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 February 2015.

Service contract for support and adaptation of the ALPHA Unified Information System between Lenenergo JSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to support and adaptation of the ALPHA Unified Information System for the needs of Lenenergo JSC, and the Customer shall pay for such services

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as Annex 1 to the Contract.

Cost of services:

The cost of services provided under the Contract is 28,930,000 (Twenty eight million nine hundred thirty thousand) rubles 00 kopecks, including VAT (18%) in the amount of 4,413,050 (Four million four hundred thirteen thousand fifty) rubles eighty five kopecks.

The cost is determined in accordance with the Cost Calculation (Annex 2 to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor on a monthly basis from 01.02.2015 to 31.01.2016 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing and approval by the management bodies of both Parties as a related-party transaction and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 February 2015.

Service contract between Lenenergo JSC and Power Grid Optical Networks Engineering JSC.

Date of approval of the Contract by the Board of Directors of JSC Lenenergo: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Parties to the Contract:

Lenenergo JSC – Customer;

Power Grid Optical Networks Engineering JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to standard maintenance of software ABB SCADA Network Manager (hereinafter – "services"), and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as an Annex to the Contract.

Cost of services and procedure of payment:

The cost of services provided under the Contract is 7,450,000 (Seven million four hundred fifty thousand) rubles, including VAT (18%) in the amount of 1,136,440 (One million one hundred thirty six thousand four hundred forty) rubles 68 kopecks.

Service delivery procedure:

The services under the Contract shall be provided and delivered by the Contractor on a monthly basis from 01.03.2015 to 29.02.2016 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing by both Parties and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination. The Contract shall apply to the relations between the Parties arisen from 01 March 2015.

Supplementary agreement No. 3 to Agreement on technological interaction between SO UES JSC and the Company to ensure the operating reliability of the UES of Russia No. SDU-10/2010 dated 01.02.2011.

Date of approval of the supplementary agreement by the Board of Directors of Lenenergo JSC: 13.03.2015 (Minutes No. 28 dated 17.03.2015).

Contract for provision of services related to arrangement and implementation of procurement procedures between Lenenergo JSC and Kurortenergo CJSC.

Date of approval of the Contract by the Board of Directors of JSC Lenenergo: 05.05.2015 (Minutes No. 33 dated 07.05.2015).

Parties to the Contract:

Lenenergo JSC – Contractor;

Kurortenergo CJSC – Customer.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to arrangement and implementation of procurement procedures to enable the Customer enter into contracts based on the results of procurement procedures (hereinafter – "Services"), and the Customer shall pay for such Services.

The services shall be provided at the Customer's Requests submitted during the term of the Contract on the terms specified in the Procurement Specifications.

Cost of services and procedure of payment:

The cost of services for one calendar month is fixed and amounts to 7,805 (Seven thousand eight hundred five) rubles 70 kopecks, including VAT (18%) in the amount of 1,190 (One thousand one hundred ninety) rubles 70 kopecks. The number of Requests executed in the respective month shall not affect the cost of services.

If there are no Requests in a calendar month, no payment shall be made in respect of such month.

Payment for the Services shall be made on a quarterly basis.

The maximum cost of all services provided under the Service Contract (for all Requests) shall not exceed 2% of the book value of assets of Lenenergo JSC at the last reporting date preceding the date of the Contract.

Service delivery time:

The Services shall be provided by the Contractor within the time frame established by the approved Request and the Procurement Specification, unless otherwise provided for by applicable law and internal documents that regulate procurement activities of the Parties.

Term of the Contract:

The Contract shall become effective from the date of its signing by both Parties and shall remain in effect until 31.12.2015.

The Contract shall apply to the relations between the Parties arisen from 01.04.2015.

If a procurement procedure is conducted (announced/posted) as of the date specified in this paragraph, the Contract shall remain in effect until the completion/cancellation of such procurement.

The Contract shall be extended on the same terms for 1 (one) year unless either Party gives a written notice of Contract termination to the other Party 30 days prior to the expiration of the Contract.

Contract for provision of services related to arrangement and implementation of procurement procedures between Lenenergo JSC and Tsarskoye Selo Energy Company CJSC.

Date of approval of the Contract by the Board of Directors of JSC Lenenergo: 05.05.2015 (Minutes No. 33 dated 07.05.2015).

Parties to the Contract:

Lenenergo JSC – Contractor;

Tsarskoye Selo Energy Company CJSC – Customer.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to arrangement and implementation of procurement procedures to enable the Customer enter into contracts based on the results of procurement procedures (hereinafter – "Services"), and the Customer shall pay for such Services.

The services shall be provided at the Customer's Requests submitted during the term of the Contract on the terms specified in the Procurement Specifications.

Cost of services and procedure of payment:

The cost of services for one calendar month is fixed and amounts to 7,805 (Seven thousand eight hundred five) rubles 70 kopecks, including VAT (18%) in the amount of 1,190 (One thousand one hundred ninety) rubles 70 kopecks. The number of Requests executed in the respective month shall not affect the cost of services.

If there are no Requests in a calendar month, no payment shall be made in respect of such month.

Payment for the Services shall be made on a quarterly basis.

The maximum cost of all services provided under the Service Contract (for all Requests) shall not exceed 2% of the book value of assets of JSC Lenenergo at the last reporting date preceding the date of the Contract.

Service delivery time:

The Services shall be provided by the Contractor within the time frame established by the approved Request and the Procurement Specification, unless otherwise provided for by applicable law and internal documents that regulate procurement activities of the Parties.

Term of the Contract:

The Contract shall become effective from the date of its signing by both Parties and shall remain in effect until 31.12.2015.

The Contract shall apply to the relations between the Parties arisen from 01.04.2015.

If a procurement procedure is conducted (announced/posted) as of the date specified in this paragraph, the Contract shall remain in effect until the completion/cancellation of such procurement.

The Contract shall be extended on the same terms for 1 (one) year unless either Party gives a written notice of Contract termination to the other Party 30 days prior to the expiration of the Contract.

Contract for provision of services related to arrangement and implementation of procurement procedures between JSC Lenenergo and Lenenergo Energy Service Company JSC.

Date of approval of the Contract by the Board of Directors of JSC Lenenergo: 05.05.2015 (Minutes No. 33 dated 07.05.2015).

Parties to the Contract:

Lenenergo JSC – Contractor;

Lenenergo Energy Service Company JSC – Customer.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to arrangement and implementation of procurement procedures to enable the Customer enter into contracts based on the results of procurement procedures (hereinafter – "Services"), and the Customer shall pay for such Services.

The services shall be provided at the Customer's Requests submitted during the term of the Contract on the terms specified in the Procurement Specifications.

Cost of services and procedure of payment:

The cost of services for one calendar month is fixed and amounts to 7,805 (Seven thousand eight hundred five) rubles 70 kopecks, including VAT (18%) in the amount of 1,190 (One thousand one hundred ninety) rubles 70 kopecks. The number of Requests executed in the respective month shall not affect the cost of services.

If there are no Requests in a calendar month, no payment shall be made in respect of such month.

Payment for the Services shall be made on a quarterly basis.

The maximum cost of all services provided under the Service Contract (for all Requests) shall not exceed 2% of the book value of assets of JSC Lenenergo at the last reporting date preceding the date of the Contract.

Service delivery time:

The Services shall be provided by the Contractor within the time frame established by the approved Request and the Procurement Specification, unless otherwise provided for by applicable law and internal documents that regulate procurement activities of the Parties.

Term of the Contract:

The Contract shall become effective from the date of its signing by both Parties and shall remain in effect until 31.12.2015.

The Contract shall apply to the relations between the Parties arisen from 01.04.2015.

If a procurement procedure is conducted (announced/posted) as of the date specified in this paragraph, the Contract shall remain in effect until the completion/cancellation of such procurement.

The Contract shall be extended on the same terms for 1 (one) year unless either Party gives a written notice of Contract termination to the other Party 30 days prior to the expiration of the Contract.

Service contract for maintenance of the conference call system between Lenenergo PJSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 25.09.2015 (Minutes No. 13 dated 30.09.2015).

Parties to the Contract:

Lenenergo PJSC – Customer;
Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of the conference call system (hereinafter – "services"), and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as an Annex to the Contract.

Cost of services:

The cost of services provided under the Contract is 2,199,999 (Two million one hundred ninety nine thousand nine hundred ninety nine) rubles 72 kopecks, including VAT (18%) in the amount of 335,593 (Three hundred thirty five thousand five hundred ninety three) rubles 18 kopecks. The cost is determined in accordance with the Cost Calculation (Annex to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor from 15.06.2015 to 14.06.2016 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing by both Parties and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 15 June 2015.

Service contract for maintenance of the power supply systems of the dispatching and technological control system (DTCS) at power facilities between Lenenergo PJSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 25.09.2015 (Minutes No. 13 dated 30.09.2015).

Parties to the Contract:

Lenenergo PJSC – Customer;
Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of the power supply systems of the dispatching and technological control system (DTCS) at power facilities ("services"), and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as an Annex to the Contract.

Cost of services:

The cost of services provided under the Contract is 8,573,756 (Eight million five hundred seventy three thousand seven hundred fifty six) rubles 24 kopecks, including VAT (18%) in the amount of 1,307,861 (One million three hundred seven thousand eight hundred sixty one) RUB 12 kopecks.

The cost is determined in accordance with the Cost Calculation (Annex to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor from 15.06.2015 to 14.06.2016 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing by both Parties and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 15 June 2015.

Service contract for maintenance of the automated dispatch control system (ADCS) between Lenenergo PJSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 25.09.2015 (Minutes No. 13 dated 30.09.2015).

Parties to the Contract:

Lenenergo PJSC – Customer;
Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of the automated dispatch control system in districts serviced by Cable Grid, a branch of Lenenergo PJSC ("services"), and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as an Annex to the Contract.

Cost of services:

The cost of services provided under the Contract is 4,615,800 (Four million six hundred fifteen thousand eight hundred) rubles 00 kopecks, including VAT (18%) in the amount of 704,105 (Seven hundred four thousand one hundred five) rubles 08 kopecks.

The cost is determined in accordance with the Cost Calculation (Annex to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor from 01.07.2015 to 31.12.2015 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing by both Parties and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 July 2015.

Service contract for maintenance of the automated PC workstations, peripheral and office equipment between Lenenergo PJSC and Northwest Energy Management Company JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 25.09.2015 (Minutes No. 13 dated 30.09.2015).

Parties to the Contract:

Lenenergo PJSC – Customer;

Northwest Energy Management Company JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, provide services related to maintenance of the automated PC workstations, peripheral and office equipment (hereinafter – "services"), and the Customer shall pay for such services.

Requirements to the services, their scope, delivery time and final result are set forth in the Specifications enclosed as an Annex to the Contract.

Cost of services:

The cost of services provided under the Contract is 33,660,000 (Thirty three million six hundred sixty thousand) rubles 00 kopecks, including VAT (18%) in the amount of 5,134,576 (Five million one hundred thirty four thousand five hundred seventy six) rubles 27 kopecks.

The cost is determined in accordance with the Cost Calculation (Annex to the Contract).

Service delivery time:

The services shall be provided and delivered by the Contractor from 01.07.2015 to 30.06.2016 in accordance with the Specifications.

Term of the Contract:

The Contract shall become effective from the date of its signing by both Parties and shall remain in effect until the Parties perform all of their respective obligations or until the Contract termination.

The Contract shall apply to the relations between the Parties arisen from 01 July 2015.

Supplementary agreement No. 6 to immovable property lease agreement No. 09-1574 dated 31.03.2009 between Lenenergo PJSC and Tsarskoye Selo Energy Company CJSC.

Date of approval of the supplementary agreement by the Board of Directors of Lenenergo PJSC: 25.09.2015 (Minutes No. 13 dated 30.09.2015).

Supplementary agreement No. 6 to immovable property lease agreement No. 09-1575 dated 31.03.2009 between Lenenergo PJSC and Tsarskoye Selo Energy Company CJSC.

Date of approval of the supplementary agreement by the Board of Directors of Lenenergo PJSC: 25.09.2015 (Minutes No. 13 dated 30.09.2015).

Service contract for operational maintenance of electrical installations between Lenenergo PJSC and IDGC of North-West PJSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 09.11.2015 (Minutes No. 21 dated 12.11.2015).

Parties to the Contract:

IDGC of North-West PJSC – Enterprise;

Lenenergo PJSC – Customer.

Subject matter of the Contract:

The Customer provides and the Enterprise accepts for operational maintenance the following electrical installations owned by the Customer:

1. Cell OL-110 kV Milodezhskaya-1 at substation No. 31 110/35/6 (SS Rogavka) – 1 pc.
2. Overhead lines 110, 35 kV (double-chain) Milodezhskaya-1 and Tesovskaya-5 from pole 97(97) to substation No. 31 110/35/6 (SS Rogavka) – 22.8 km.

Requirements to the services, service delivery time are contained in the Specifications for operational maintenance of electrical installations annexed to the Contract.

Cost of services:

For operational maintenance of electrical installations, the Customer shall annually pay to the Enterprise 54,852 (fifty four thousand eight hundred fifty two) rubles 93 kopecks, including VAT 18% in the amount of 8,367.40 (eight thousand three hundred sixty seven) rubles 40 kopecks.

Term of the Contract:

The Contract shall become effective from the date of its signing by the Parties, shall apply to the relations of the Parties arisen from 01 January 2015, and shall remain in effect until 31 December 2015 (inclusive).

Supplementary agreement No. 9 to immovable property lease agreement No. 09-1289 dated 27.03.2009 between Lenenergo PJSC and Kurortenergo CJSC.

Date of approval of the supplementary agreement by the Board of Directors of Lenenergo PJSC: 09.11.2015 (Minutes No. 21 dated 12.11.2015).

Supplementary agreement No. 6 to immovable property lease agreement No. 09-1290 dated 27.03.2009 between Lenenergo PJSC and Kurortenergo CJSC.

Date of approval of the supplementary agreement by the Board of Directors of Lenenergo PJSC: 09.11.2015 (Minutes No. 21 dated 12.11.2015).

Framework agreement between Lenenergo PJSC and Lenenergo Energy Service Company JSC.

Date of approval of the framework agreement by the Board of Directors of Lenenergo PJSC: 09.11.2015 (Minutes No. 21 dated 12.11.2015).

Parties to the Agreement:

Lenenergo PJSC – Customer;

Lenenergo Energy Service Company JSC – Customer.

Subject matter of the Agreement:

1. The Parties express their intention to prepare and perform, within a period of one year after the date of the Agreement, a number of material acts and transactions to meet the Customer's needs for the implementation of a full range of design, survey works at construction and power grid facilities, including preparation of design estimates for external and internal power supply networks up to 35 kV ("Works").

2. The Works under contracts entered into in accordance with clause 2.2.4 of this decision shall be performed in accordance with the time limits established in such contracts. The final deadlines set out in such contracts can be later than the expiration date of the period specified in clause 2.2.1 of this decision.

3. The cost of Works is limited by the maximum amount of 700,000,000.00 (Seven million) rubles 00 kopecks (including all statutory taxes and fees), for the period specified in clause 2.2.1 of this decision, for all sites where the Works will be performed under the Contracts entered into in accordance with clause 2.2.4 of this decision, regardless of the choice of the winner.

The exact facility, scope, time, procedure of execution of works, cost of works, terms of payment shall be specified in the procurement documentation at the request of prices and contracts entered into in accordance with clause 2.2.4 of this decision.

4. If, by results of the request of prices, the Contractor's offer is recognized to be the best among the participants, the Customer will award contracts to the Contractor for: design work / design and survey works at the grid connection facilities to be performed in accordance with the investment program approved in accordance with applicable law, provided that the offer fully meets the Customer needs defined in the procurement documentation of the requests of prices.

Other terms:

The Agreement shall become effective from the date of its signing and shall remain in effect until the Parties perform all of their respective obligations or until the Agreement termination.

Contract between the Company and Research Engineering Center for Interregional Distribution Grid Companies JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 30.11.2015 (Minutes No. 23 dated 02.12.2015).

Parties to the Contract:

Customer – Lenenergo PJSC;

Contractor –Research Engineering Center for Interregional Distribution Grid Companies JSC.

Subject matter of the Contract:

The Customer requests and the Contractor undertakes, on its own behalf but at the expense of the Customer, to arrange for the procurement procedure for the supply of power transformers 35-220 kV for the needs of the Customer.

Actions related to the implementation of procurement procedures under the Contract shall be carried out by the Contractor in accordance with instructions of the Customer.

Price of the Contract:

The cost of services provided by the Contractor for the arrangement and implementation of one procurement procedure is determined in accordance with Annex No. 6 to the Contract.

Term of the Contract:

The Contract shall become effective from the date of its signing by the Parties and shall remain in effect for 36 (Thirty six) months. If 30 (thirty) days prior to the expiration of the Contract neither Party expresses its intention not to renew the Contract or to enter into a new Contract on other essential terms, the Contract shall be automatically renewed for the same period.

The Customer may withdraw from the Contract at any time by notifying the Contractor not later than 10 (Ten) days before the proposed date of termination of the Contract, without incurring penalties and having paid for the services actually rendered by the Contractor.

Contract between Lenenergo PJSC and Research Engineering Center for Interregional Distribution Grid Companies JSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 30.11.2015 (Minutes No. 23 dated 02.12.2015).

Parties to the Contract:

Lenenergo PJSC – Customer;

Research Engineering Center for Interregional Distribution Grid Companies JSC – Contractor.

Subject matter of the Contract:

The Contractor shall, at the request of the Customer, perform design and survey works for the Project "Reconstruction of substation 35/6 kV Gatchina (design and survey works)" to ensure approval of technical/design documentation (other documentation) delivered under the Contract by the relevant state bodies and local government bodies in accordance with the established procedure, including obtaining a positive state expert opinion in respect of the design documentation, and the Customer shall accept the Deliverables and pay for the Work in the manner and amount provided for in the Contract.

The composition and scope of Works, technical, economic, and other requirements for Works and Deliverables are defined in the Specifications.

Work performance time:

Start date of Works under the Contract – 30 July 2015.

Deadline for the completion of Works under the Contract – not later than 30 April 2016.

The start date and deadline for each step (if the Works are performed in stages) are specified in the Plan schedule.

The date of completion of Works under the Contract / stage shall be the date of signing of the Statement of Work Completion under the Contract / stage by the Parties.

Price of the Contract:

The Contract price is formed on the basis of the report on the results of the procurement procedure for contract award and is limited to the maximum of 8,920,796 rubles 08 kopecks (Eight million nine hundred twenty thousand seven hundred ninety six rubles and 08 kopecks), including VAT 18% in the amount of 1,360,799 rubles 40 kopecks (One million three hundred sixty thousand seven hundred ninety nine rubles and 40 kopecks).

The final price of Works is formed on the basis of As-Is Estimates for the actually performed and accepted Works and may be lower than the Contract price. No supplementary agreement on Contract price reduction is required in this case.

Term of the Contract:

The Contract shall become effective from the date of its signing by the Parties and shall remain in effect until the Parties perform their respective obligations thereunder.

The Contract shall apply to the relations between the Parties arisen from 30 July 2015.

Loan agreement between Lenenergo PJSC and Rosseti PJSC.

Date of approval of the Agreement by the Board of Directors of Lenenergo PJSC: 30.11.2015 (Minutes No. 23 dated 02.12.2015).

Supplementary agreement to service contract No. 15-331 dated 30.01.2015 for adaptation of 1C information systems between Lenenergo JSC and Northwest Energy Management Company JSC

Date of approval of the supplementary agreement by the Board of Directors of Lenenergo PJSC: 01.12.2015 (Minutes No. 24 dated 04.12.2015).

Contract for acquisition of additional shares of Lenenergo PJSC paid by federal loan bonds between Rosseti PJSC and Lenenergo PJSC, in terms of additional conditions (except for the terms of acquisition of additional shares of Lenenergo PJSC by Rosseti PJSC through the exercise of its preemptive right).

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 23.12.2015 (Minutes No. 28 dated 23.12.2015).

Contract for acquisition of additional shares of Lenenergo PJSC between Rosseti PJSC and Lenenergo PJSC, in terms of additional conditions (except for the terms of acquisition of additional shares of Lenenergo PJSC by Rosseti PJSC through the exercise of its preemptive right).

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 23.12.2015 (Minutes No. 28 dated 23.12.2015).

Settlement agreement on case No. A32-45648/2014 in the action of Lenenergo PJSC against Kubanenergo PJSC approved by the resolution of the Fifteenth Arbitration Appeal Court dated 04.09.2015.

Date of approval of the settlement agreement by the Board of Directors of Lenenergo PJSC: 28.12.2015 (Minutes No. 30 dated 31.12.2015).

Contract for maintenance and upkeep of equipment between Lenenergo PJSC and FGC UES PJSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 30.12.2015 (Minutes No. 31 dated 12.01.2016).

Parties to the Contract:

Contractor – FGC UES PJSC;

Customer – Lenenergo PJSC.

Subject matter of the Contract:

The Contractor shall, using its own resources, carry out maintenance and upkeep services (hereinafter – "services") of power equipment (hereinafter – "Equipment") owned by the Customer in accordance with the Specifications (Annex 1 to the Contract), and the Customer shall accept and pay for the services in accordance with the terms of the Contract.

The services shall be provided at the Contractor's site at: Leningrad Region, Tikhvin district, Tikhvin, ul. Tsentrolitovskaya, substation 330 kV No.261 Tikhvin-Liteyny.

The services shall be provided in accordance with the Rules of Technical Operation of Power Stations and Grids of the Russian Federation approved by Order of the Ministry of Energy of Russia No. 229 dated 19.06.2003, Regulations for Occupational Safety in Operation of Electrical Installations approved by Order of the Ministry of Social Protection of the Russian Federation No. 328n dated 24.07.2013, Rules for the Organization of Maintenance and Repair of Equipment, Buildings and Structures of Electric Power Stations and Grids SO 34.04.181-2003, Standard for the Prevention and Liquidation of Process-Related Failures, standard operating procedure for power switchings, standard operating procedure for operational messages and records, industry documents of FGC UES PJSC.

Cost of services and payment procedure under the Contract:

The total cost of services provided by the Contractor is determined in accordance with local estimates (Annex 2 to the Contract), represents the ceiling price and amounts to 427,045 (Four hundred twenty seven thousand forty five) rubles 98 kopecks, including VAT 18% in the amount of 65,142 (Sixty five thousand one hundred forty two) rubles 61 kopecks.

Term of the Contract:

The contract shall become effective from the date of its signing by the Parties and shall remain in effect until the Parties perform all of their respective obligations thereunder.

The Contract shall apply to the relations between the Parties arisen from 01.01.2015.

Contract for maintenance and upkeep of equipment between Lenenergo PJSC and FGC UES PJSC.

Date of approval of the Contract by the Board of Directors of Lenenergo PJSC: 30.12.2015 (Minutes No. 31 dated 12.01.2016).

Parties to the Contract:

Contractor –FGC UES PJSC;

Customer – Lenenergo PJSC.

Subject matter of the Contract:

The Contractor shall, using its own resources, carry out maintenance and upkeep services (hereinafter – "services") of power equipment (hereinafter – "Equipment") owned by the Customer in accordance with the Specifications (Annex 1 to the Contract), and the Customer shall accept and pay for the services in accordance with the terms of the Contract.

The services shall be provided at the Contractor's site at: Leningrad Region, Boksitigorsk district, Pikalevo urban settlement, Pikalevo, Leningradskoye shosse, 180, substation 220 kV No. 112 Pikalevskaya.

The services shall be provided in accordance with the Rules of Technical Operation of Power Stations and Grids of the Russian Federation approved by Order of the Ministry of Energy of Russia No. 229 dated 19.06.2003, Regulations for Occupational Safety in Operation of Electrical Installations approved by Order of the Ministry of Social Protection of the Russian Federation No. 328n dated 24.07.2013, Rules for the Organization of Maintenance and Repair of Equipment, Buildings and Structures of Electric Power Stations and Grids SO 34.04.181-2003, Standard for the Prevention and Liquidation of Process-Related Failures, standard operating procedure for power switchings, standard operating procedure for operational messages and records, industry documents of FGC UES PJSC.

Cost of services and payment procedure under the Contract:

The total cost of services provided by the Contractor is determined in accordance with local estimates (Annex 2 to the Contract), represents the ceiling price and amounts to 499,943 (Four hundred ninety nine thousand nine hundred forty three) rubles 57 kopecks, including VAT 18% in the amount of 76,262 (Seventy six thousand two hundred sixty two) rubles 58 kopecks.

Term of the Contract:

The contract shall become effective from the date of its signing by the Parties and shall remain in effect until the Parties perform all of their respective obligations thereunder.

The Contract shall apply to the relations between the Parties arisen from 01.01.2015.

Framework agreement between Lenenergo PJSC and Lenenergo Energy Service Company JSC.

Date of approval of the framework agreement by the Board of Directors of Lenenergo PJSC: 30.12.2015 (Minutes No. 31 dated 12.01.2016).

Parties to the Agreement:

Lenenergo PJSC – Customer;

Lenenergo Energy Service Company JSC – Customer.

Subject matter of the Agreement:

1. The Parties express their intention to perform a number of legally significant actions and transactions to ensure provision of legal services / legal support for cases in courts of all levels in the Russian Federation during the period of 1,096 days (three years) after the date of signing of the Agreement, provided that the Contractor becomes the winner at the request for quotations organized by the Customer.

2. During the period specified in clause 2.1 of the Agreement, the Customer shall invite the Contractor, alongside with other persons with whom a similar Framework agreement was signed by the results of a two-stage open competition, to participate in the procurement held by the competitive method – the request for quotations.

For each order for the provision of legal services / legal support or for several orders, separate request for quotation procedures shall be conducted and separate contracts shall be signed (hereinafter – the Contract).

The time frame of such procedure shall be determined independently by the Customer.

The initial (maximum) price of a lot (Contract), legal services / legal support delivery period under the Contract shall be determined by the Customer for each order(s).

Specifications for the provision of legal services / legal support under the Contract shall be developed by the Customer for each order.

2.1. The total cost of all legal services / legal support provided for all Contracts under the Agreement, regardless of the choice of the winner, shall not exceed the maximum amount of 200,000,000 (Two hundred million) rubles 00 kopecks (including all statutory taxes and fees), for the period specified in clause 2.1 of the Agreement.

3. During the period specified in clause 2.1 of the Agreement, the Contractor shall participate in the requests for quotations held by the Customer (including: submit its offer in the manner and on the terms determined by the request for quotation documentation), if it is invited to participate in the respective request.

4. If the Contractor fails to participate in a request for quotations, the Customer shall be entitled to refrain from inviting the Contractor to participate in subsequent requests for quotations, and the Customer shall be exempted from its obligation specified in clause 2.2 of the Agreement.

5. The Customer shall be entitled to refrain from inviting the Contractor to participate in the requests for quotations, if it is found that the Contractor no longer meets the requirements for the Contractor set forth in the Documentation on two-stage open competition for the right to enter into Framework agreements, including gaining a negative experience.

6. The Parties agree that, if the offer of the Contractor is recognized to be the best among other offers by the results of a request for quotations, the Customer shall sign a Contract for the provision of legal services which are the subject of the relevant request for quotations.

7. The Parties agree that the Contract signed as a result of the request for quotations will be concluded in the form established by the Customer for the relevant request for quotations.

Other terms:

The Agreement shall become effective from the date of its signing and shall remain in effect until the Parties perform all of their respective obligations thereunder.

Conditions and deadlines for the implementation (completion) of settlement of accounts on transactions shall be established in accordance with concluded contracts, settlements shall be effected in cashless form. Payments to organizations shall be made in rubles.

Balances and transactions between the Company and its related parties at 31 December are presented below:

	2015	2014	2013
Accounts receivable and advances issued	171,060	111,186	56,399
- parent company	-	821	33
- subsidiaries	96,276	26,574	22,797
- other related parties	74,783	83,791	33,569
Accounts payable	11,949,005	5,463,986	4,198,491
- parent company	5,755	4,813	4,813
- subsidiaries	5,405,054	227,025	134,182
- other related parties	6,538,197	5,232,147	4,059,496
Advances received	59,021	39,385	47,856
- parent company	-	-	-
- subsidiaries	57,822	38,186	47,392
- other related parties	1,199	1,199	464

Types and amount of transactions between the Company and its related parties:

	2015	2014
Sale of goods, work, services	3,375	46,915
- parent company	2,149	2,149
- subsidiaries	1,213	10,537
- other related parties	13	34,229
Purchase of goods, work, services	11,903,150	8,088,205
- parent company	101,459	91,356
- subsidiaries	5,255,872	1,404,885
- other related parties	6,545,818	6,591,964
Lease of property from related parties	611	1,208
- parent company	-	-
- subsidiaries	-	-
- other related parties	611	1,208
Lease of property to related parties	133,081	141,201
- parent company	-	-
- subsidiaries	133,081	140,578
- other related parties	-	623

	2015	2014
Financial operations - Proceeds from issue	32,000,000	173,832
- parent company	32,000,000	173,832
- subsidiaries	-	-
- other related parties	-	-
Financial operations - Acquisition of equity interest in the Company	33,280,256	3,500
- parent company	33,280,256	-
- subsidiaries	-	-
- other related parties	-	3,500

In 2015, remunerations paid in accordance with the Articles of Association of the Company amounted to RUB 3,527 thousand:

- to the members of the Board of Directors – RUB 2,066 thousand;
- to the Internal Audit Commission – RUB 1,461 thousand.

Payments to key management personnel amounted to RUB 75,987 thousand.

22. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Existing and potential claims against the Company

At 31 December 2015, the Company is involved in legal proceedings arising in the course of its financial and business operations. Legal proceedings with a high risk of loss are disclosed in Section 14 "Estimated liabilities". The Company reported all contingent liabilities with a high risk of losing in the provision.

Taxation

Russian tax, currency and customs legislation is subject to varying interpretations and frequent changes. The Company management's interpretation of such legislation applied to the Company's transactions and operations, may be challenged by relevant regional and federal authorities. Recent developments in the Russian Federation indicate that tax bodies may take a more assertive position in their interpretation of the legislation and tax assessments. As a consequence, tax bodies may challenge transactions and accounting methods which they did not challenge before. As a result, significant additional taxes, penalties and fines may be imposed. It doesn't seem possible to determine the amounts of possible but not presented claims or assess the probability of an adverse outcome. Tax audits may cover three calendar years of business operations immediately preceding the year of audit. Under certain conditions, earlier periods may also be subject to tax audit.

In the Company management's opinion, at 31 December 2015, the relevant provisions of laws were interpreted correctly, and the likelihood of maintaining the current Company's position in connection with tax, currency and customs legislation is high.

On 1 January 2012, transfer pricing legislation was enacted whereby the principles for determining market prices were changed, the lists of persons who can be recognized as interdependent and the lists of controlled transactions were expanded. Since law enforcement practice under the new rules has not yet developed, and some provisions of the new law contain contradictions, they cannot be called 'well-defined'. To overcome the significant impact of risks associated with transfer pricing on the accounting (financial) statements, the Company has developed pricing methods for all types of controlled transactions and standards for preparing reporting documentation.

Disagreements contested out of court

At 31 December 2015, the Company has disagreements contested out of court with the following companies:

- SPb ES JSC to the amount of RUB 1,121,222 thousand excluding VAT.

The likelihood of a favourable outcome for the Company in the settlement of these disagreements has been assessed as average.

Security provided

At 31 December 2015, security issued by the Company to third parties for its own liabilities and security received are presented in Annex 5.8.

23. EVENTS AFTER 31 DECEMBER 2015

No decisions were made by the Company on payment of interim dividends for 2015. The decision on distribution of profits for 2015, including payment of dividends for 2015, will be made at the Annual General Meeting of Shareholders of the Company.

There were no significant events, other than those disclosed in sections of these explanatory notes on accounting areas, after the date of signing the accounting statements for 2015 which could have a material effect on the statements of Lenenergo PJSC.

24. GOVERNMENT GRANTS

The Company's use of budget funds is presented in Table 5.9 "Government grants" of the Notes to the Balance Sheet of the Company.

During 2015, the Company received budgetary subsidies to the amount of RUB 654 thousand (2014: RUB 59,802 thousand) to:

- implement the contract to perform mobilization training;
- finance preventive measures to reduce occupational injuries and diseases

At 31 December 2015, the Company received and disbursed budget funds in full.

25. SEGMENTS

The Company operates in St. Petersburg and the Leningrad Region. For these regions, tariffs for services associated with core activities – power transmission services and services on grid connection services – are established separately by regional regulators. In order to provide regional regulators with necessary data for tariff calculations, the Company maintains analytical records of its business transactions separately for each of the above two geographic entities.

In compliance with Resolution of the Government of the Russian Federation No. 1178 dated 29.12.2011, the Company performs separate accounting for constituent entities of the Russian Federation within its management accounting for the purposes of state regulation of prices (tariffs).

Separate accounting within management accounting is performed for the following items: income, expenses, income tax, net profit, borrowings, using primary accounting data breakdown, technical information, statistical data, and business plan of Lenenergo PJSC.

Table 5.13 of the Notes to the Balance Sheet of the Company provides information with distribution of the results of the Company operations for 2015 in Saint Petersburg and the Leningrad Region.

The table below presents information on income and profit for the operating segments of the Company calculated on the basis of management accounting data (RUB thousand):

For 2015	Saint Petersburg	Leningrad Region	Total for the reporting segments
Revenue from sales to buyers (customers) of the Company	26,254,765	17,471,896	43,726,661
Material costs	16,054,571	11,098,519	27,153,090
Labour costs and social security contributions	2,132,507	2,306,129	4,438,636
Depreciation of fixed assets and intangible assets	6,038,573	3,913,373	9,951,946
other income	19,014,246	17,731,162	36,745,408

other expenses	22,925,183	19,758,821	63,616,701
Interest receivable	512,425	492,332	1,004,758
Dividends receivable	387	372	759
Interest payable	2,182,262	1,596,183	3,778,445
Financial result (profit or loss) of the segment	(3,551,272)	(2,977,262)	(6,528,534)
Corporate income tax	(332,925)	(279,113)	(612,038)
Net profit/(loss) of the segment	(3,218,347)	(2,698,149)	(5,916,496)

Since in each geographic operating segment the Company carries out similar economic activities, provides services that are similar in nature and operates in the same legal environment in the territory of one country, the above geographical segments are defined as a single segment for purposes of these financial (accounting) statements. The Company believes that consolidation of segments provides the users of the accounting (financial) statements with the most relevant information about specific aspects of the industry, economic structure and financial performance of the Company.

Acting Director General

(signed)

R. N. Berdnikov

Chief Accountant

(signed)

G. V. Kuznetsova

March 10, 2016

Lenenergo PJSC

Notes to the Balance Sheet and Profit and Loss Statement

2.1. Cost of sold goods, work, services by cost elements

Item		For 2015	For 2014
Description	Code		
1	2	3	4
Production costs	6510	44,060,478	39,256,552
including			
material costs	6511	641,506	607,668
labour costs	6512	3,436,079	3,383,642
social security contributions	6513	1,002,557	894,540
depreciation	6514	9,951,946	8,972,034
other expenses	6515	29,028,390	25,398,668
For reference: Change in inventories and provisions (increase [+], decrease [-]):	6520		
including			
work in progress	6521		
finished products	6522		
purchased goods	6523		
shipped goods	6524		
auxiliary raw materials	6525		
Total cost of sales (goods, work, services)	6500	44,060,478	39,256,552
including:			
cost of sales	6530	44,060,478	39,256,552
management services to third parties	6540		
Selling and distribution expenses	6550	-	-
including			
material costs	6551		
labour costs	6552		
social security contributions	6553		
depreciation	6554		
other expenses	6555		
Management expenses	6560	-	-
including			
material costs	6561		
labour costs	6562		
social security contributions	6563		
depreciation	6564		
other expenses	6565		

2.2. Earnings per share, diluted earnings per share

Item		For 2015	For 2014
Description	Code		
1	2	3	4
Net profit (uncovered loss) of the reporting period	6610	(5,916,496)	(7,967,844)
Dividends on preference shares ³	6611		
Base profit (loss) of the reporting period	6612	(5,916,496)	(7,967,844)
Weighted average number of outstanding ordinary shares during the reporting year.	6613	1,658,815	1,178,707
Basic earnings (loss) per share	6620	(3.5667)	(6.7598)
Weighted average market value of one ordinary share	6621	2.58856	2.48163
Possible increase in profit and weighted average number of outstanding shares	6630	X	X
As a result of conversion of preference shares into ordinary shares	6631	X	X
possible increase in profit	66311		
additional number of shares	66312		
As a result of conversion of bonds into ordinary shares	6632	X	X
possible increase in profit	66321		
additional number of shares	66322		
As a result of performance share sale and purchase contracts at the price below market	6633	X	X
contract purchase price	66331		
possible increase in profit	66332		
additional number of shares	66333		
Diluted earnings per share	6640	0.0000	0.0000
adjusted base profit	6641		
adjusted weighted average number of outstanding shares	6642		

2.3. Profit taxation

Item	Code	For 2015	For 2014
1	2	3	4
Profit/(loss) before tax	6710	(6,528,534)	(8,793,363)
including taxable at the rate:			
20%	67101	(6,529,293)	(8,793,922)
other rates	67102		
non-taxable	67103	759	559
Permanent differences	6711	4,790,713	5,089,024
For reference: permanent differences offsetting temporary differences	67111		
Change in deductible temporary differences	6712	3,091,418	11,814,835
Change in taxable temporary differences	6713	(1,353,597)	(6,183,625)
Tax base	6714	-	1,926,871
Income tax expenses (gain)	6720	(1,044,053)	(1,559,693)
Income tax contingent expenses (gain)	6721	(1,305,707)	(1,758,673)
Permanent tax liability (asset)	6722	958,143	1,017,805
For reference: change in deferred taxes charged to profits and losses	67221		
Deferred tax expenses (gain)	6723	347,564	1,126,242
including:			
change in deferred tax asset	67231	618,284	2,362,967
change in deferred tax liability	67232	(270,720)	(1,236,725)
Current income tax	6724	(3,715)	(481,718)
Adjustment of income tax amounts for past tax periods	6725	261,654	198,980
Other tax payments and penalties from profit	6730	6,535	(17,985)
including under significant items	6731		
Profit (loss) from ordinary activities	6740	(5,916,496)	(7,967,844)

5.1. Intangible assets

5.1.1. Availability and flow of intangible assets

Item			At the beginning of the year				Change for the period							At the end of the period						
Description	Code	Period	Initial/ current market value	Accumulat ed depreciati on	Impairmen t losses	Residual value	Received	Change for the period			Accrued depreciatio n	Impairmen t loss	Revaluation		Initial/ current market value	Accumulat ed depreciati on	Initial/ current market value	Accumulat ed depreciati on	Impairm ent losses	Residual value
								Initial/ current market value	Accumulat ed depreciati on	Impairmen t losses			Initial/ current market value	Accumulat ed depreciati on						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		
Intangible assets - total	5100	for 2015 (1)	395,896	(264,940)	-	130,956	46,733	-	-	-	(52,594)	-	-	-	442,629	(317,534)	-	125,095		
	5110	for 2014 (2)	293,548	(221,384)	-	72,164	102,501	(153)	-	-	(43,556)	-	-	-	395,896	(264,940)	-	130,956		
Intellectual property items (exclusive rights to intellectual property items)	5101	for 2015 (1)	163,699	(36,722)	-	126,977	46,733	-	-	-	(40,242)	-	-	-	210,432	(76,964)	-	133,468		
	5111	for 2014 (2)	61,198	(24,480)	-	36,718	102,501	-	-	-	(12,242)	-	-	-	163,699	(36,722)	-	126,977		
including:																				
<i>rights of patent holder to inventions, industrial prototype, utility model</i>	51011	for 2015 (1)	-	-	-	-									-	-	-	-		
	51111	for 2014 (2)													-	-	-	-		
<i>computer software, databases</i>	51012	for 2015 (1)	163,679	(36,720)	-	126,959	46,733				(40,238)				210,412	(76,958)	-	133,454		
	51112	for 2014 (2)	61,198	(24,480)		36,718	102,481				(12,240)				163,679	(36,720)	-	126,959		
<i>rights of right holder to integrated circuit layouts</i>	51013	for 2015 (1)	-	-	-	-									-	-	-	-		
	51113	for 2014 (2)													-	-	-	-		
<i>rights of owner to trademark, service mark, appellation of origin</i>	51014	for 2015 (1)	20	(2)	-	18					(4)				20	(6)	-	14		
	51114	for 2014 (2)					20				(2)				20	(2)	-	18		
Goodwill of the Company	5102	for 2015 (1)	-	-	-	-									-	-	-	-		
	5112	for 2014 (2)													-	-	-	-		
	5103	for 2015 (1)	232,197	(228,218)	-	3,979					(12,352)				232,197	(240,570)	-	(8,373)		
Other	5113	for 2014 (2)	232,350	(196,904)		35,446		(153)			(31,314)				232,197	(228,218)	-	3,979		

5.2.2. R&D in progress and non-formalized and uncompleted transactions on acquisition of intangible assets

Description	Code	Period	At the beginning of the year	Change for the period			At the end of the period
				costs for the period	written off as costs without positive result	recognized as intangible assets or R&D	
1	2	3	4	5	6	7	8
Costs of R&D in progress - total	5160	for 2015 (1)	-	-	-	-	-
	5170	for 2014 (2)	-	-	-	-	-
including:							
Research work	5161	for 2015 (1)	-				-
	5171	for 2014 (2)					-
Development work	5162	for 2015 (1)	-				-
	5172	for 2014 (2)					-
Engineering work	5163	for 2015 (1)	-				-
	5173	for 2014 (2)					-
Other	5164	for 2015 (1)	-				-
	5174	for 2014 (2)					-
Uncompleted transactions on acquisition of intangible assets - total	5180	for 2015 (1)	83,407	21,940	-	(46,733)	58,614
	5190	for 2014 (2)	33,137	94,805	-	(44,535)	83,407
including:							
from a patent holder in respect of inventions, industrial prototype, utility model	5181	for 2015 (1)	-				-
	5191	for 2014 (2)					-
from a right holder in respect of computer software, databases	5182	for 2015 (1)	41,264	21,940		(46,733)	16,471
	5192	for 2014 (2)	27,205	58,574		(44,515)	41,264
from a right holder in respect of integrated circuit layouts	5183	for 2015 (1)	-				-
	5193	for 2014 (2)					-
from an owner in respect of trademark, service mark, appellation of origin	5184	for 2015 (1)	-				-
	5194	for 2014 (2)		20		(20)	-
Other	5185	for 2015 (1)	42,143				42,143
	5195	for 2014 (2)	5,932	36,211			42,143

5.3. Fixed assets

5.3.1. Availability and flow of fixed assets

Description	Code	Period	At the beginning of the year			Change for the period							At the end of the period		
			initial cost	accumulated depreciation	residual value	received	accumulated depreciation on received items	retired		accrued depreciation	revaluation		initial cost	accumulated depreciation	residual value
								initial cost	Accumulated depreciation		initial cost	Accumulated depreciation			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Fixed assets (excluding income-bearing investments in tangible assets) - total	5200	for 2015	275,294,276	(147,662,528)	127,631,748	3,665,952	-	(1,125,479)	1,021,390	(10,009,964)	-	-	277,834,749	(156,651,102)	121,183,647
	5210	for 2014	251,679,059	(139,253,737)	112,425,322	24,341,888	-	(726,671)	625,527	(9,034,318)	-	-	275,294,276	(147,662,528)	127,631,748
including:															
Depreciable fixed assets - total:	5201	for 2015	275,186,860	(147,662,528)	127,524,332	3,664,149	-	(1,125,479)	1,021,390	(10,009,964)	-	-	277,725,530	(156,651,102)	121,074,428
	5211	for 2014	251,599,594	(139,253,737)	112,345,857	24,313,937	-	(726,671)	625,527	(9,034,318)	-	-	275,186,860	(147,662,528)	127,524,332
including:															
production buildings	52011	for 2015	21,869,535	(11,654,264)	10,215,271	49,038		(130,605)	115,293	(390,885)			21,787,968	(11,929,856)	9,858,112
	52111	for 2014	20,827,395	(11,373,751)	9,453,644	1,140,195		(98,055)	77,662	(358,175)			21,869,535	(11,654,264)	10,215,271
structures other than power lines	52012	for 2015	4,478,158	(2,132,394)	2,345,764	77,720		(56,202)	49,627	(166,721)			4,499,676	(2,249,488)	2,250,188
	52112	for 2014	4,059,601	(2,007,282)	2,052,319	433,157		(14,600)	11,967	(137,079)			4,478,158	(2,132,394)	2,345,764
power lines and devices for them	52013	for 2015	180,567,580	(105,992,506)	74,575,074	1,458,101		(628,245)	596,936	(4,896,949)			181,397,436	(110,292,519)	71,104,917
	52113	for 2014	169,151,843	(101,475,687)	67,676,156	11,578,374		(162,637)	162,052	(4,678,871)			180,567,580	(105,992,506)	74,575,074
machinery and equipment for electric power generation, substations, equipment for electric power transformation	52014	for 2015	68,132,965	(27,806,827)	40,326,138	2,072,552		(307,951)	257,210	(4,541,527)			69,897,566	(32,091,144)	37,806,422
	52114	for 2014	57,468,286	(24,328,853)	33,139,433	11,113,618		(448,939)	371,407	(3,849,381)			68,132,965	(27,806,827)	40,326,138
production and other equipment	52015	for 2015	138,110	(76,371)	61,739	6,738		(2,476)	2,324	(13,825)			142,372	(87,872)	54,500
	52115	for 2014	91,956	(68,056)	23,900	48,593		(2,439)	2,439	(10,754)			138,110	(76,371)	61,739
other	52016	for 2015	512	(166)	346					(57)			512	(223)	289
	52116	for 2014	513	(108)	405			(1)		(58)			512	(166)	346

Description	Code	Period	At the beginning of the year			Change for the period							At the end of the period		
			initial cost	accumulated depreciation	residual value	received	accumulated depreciation on received items	retired		accrued depreciation	revaluation		initial cost	accumulated depreciation	residual value
								initial cost	accumulated depreciation		initial cost	accumulated depreciation			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Items with unlimited useful life, non-depreciable - total	5202	for 2015	107,416	-	107,416	1,803	-	-	-	-	-	-	109,219	-	109,219
	5212	for 2014	79,465	-	79,465	27,951	-	-	-	-	-	-	107,416	-	107,416
including:															
land plots	52021	for 2015	107,416	-	107,416	1,803							109,219	-	109,219
	52121	for 2014	79,465	-	79,465	27,951							107,416	-	107,416
environmental facilities	52022	for 2015	-	-	-								-	-	-
	52122	for 2014											-	-	-
Capital investments for land reclamation	5203	for 2015	-	-	-								-	-	-
	5213	for 2014											-	-	-
Recognized in income-bearing investments in tangible assets - total	5220	for 2015	-	-	-	-	-	-	-	-	-	-	-	-	-
	5230	for 2014	-	-	-	-	-	-	-	-	-	-	-	-	-
including:															
property for leasing	5221	for 2015	-	-	-								-	-	-
	5231	for 2014											-	-	-
property on tenancy contract basis	5222	for 2015		-	-								-	-	-
	5232	for 2014			-								-	-	-

5.3.2. Useful lives and depreciation methods

Description	Code	Established useful life (months)	Depreciation methods
1	2	3	4
Production buildings	7001	536	straight-line
Structures other than power lines	7002	343	straight-line
Power lines and devices for them	7003	370	straight-line
Machinery and equipment for electric power generation, substations, equipment for electric power transformation	7004	197	straight-line
Production and other equipment	7005	71	straight-line
Other	7006	36	straight-line

5.3.3. Change in the cost of fixed assets as a result of completion, additional equipment, reconstruction and partial liquidation

Description	Code	For 2015	For 2014
1	2	3	4
Increase in the cost of fixed assets as a result of completion, additional equipment, reconstruction - total	5260	673,191	4,632,275
including:			
production buildings	5261	8,107	354,056
structures other than power lines	5262	41,383	51,202
power lines and devices for them	5263	409,351	2,954,226
machinery and equipment for electric power generation, substations, equipment for electric power transformation	5264	214,350	1,272,791
production and other equipment	5265		
other	5266		
Decrease in the cost of fixed assets as a result of partial liquidation - total:	5270	57,739	42,213
including:			
production buildings	5271		
structures other than power lines	5272	746	
power lines and devices for them	5273	17,814	41,334
machinery and equipment for electric power generation, substations, equipment for electric power transformation	5274	39,179	879
production and other equipment	5275		
other	5276		

5.3.4. Other use of fixed assets

Description	Code	At 31 December 2015	At 31 December 2014	At 31 December 2013
1	2	3	4	5
Leased out fixed assets on the balance sheet	5280	2,491,662	2,433,874	2,409,201
Leased out fixed assets off the balance sheet	5281			
Leased in fixed assets on the balance sheet	5282			
Leased in fixed assets off the balance sheet	5283	936,011	1,503,677	1,489,605
Immovable property items accepted into operation and actually used, in the process of state registration	5284	1,795,001	2,186,253	1,694,105
Fixed assets transferred to conservation	5285	39,441	39,441	189,560
Other use of fixed assets (pledge, etc.)	5286			

5.3.5. Capital investments in progress

Description	Code	Period	At the beginning of the year	Change for the period			At the end of the period
				costs for the period	written off	recognized as fixed assets or increased cost	
1	2	3	4	5	6	7	8
Construction in progress and uncompleted transactions on acquisition, upgrade, etc. of fixed assets - total	5240	for 2015 (1)	10,558,780	6,878,027	(485,661)	(3,615,894)	13,335,252
	5250	for 2014 (2)	11,753,400	23,393,036	(322,103)	(24,265,553)	10,558,780
including:							
Production use	5241	for 2015 (1)	10,558,780	6,878,027	(485,661)	(3,615,894)	13,335,252
	5251	for 2014 (2)	11,753,400	23,393,036	(322,103)	(24,265,553)	10,558,780
construction in progress	52411	for 2015 (1)	10,114,353	4,635,055	(484,720)	(1,448,889)	12,815,799
	52511	for 2014 (2)	11,184,938	20,836,902	(41,797)	(21,865,690)	10,114,353
acquisition of fixed assets	52412	for 2015 (1)	227,301	344,610	(139)	(469,788)	101,984
	52512	for 2014 (2)	71,473	1,269,055	(438)	(1,112,789)	227,301
equipment to be installed	52413	for 2015 (1)	178,129	201,149	(802)		378,476
	52513	for 2014 (2)	457,997		(279,868)		178,129
other	52414	for 2015 (1)	38,997	1,697,213		(1,697,217)	38,993
	52514	for 2014 (2)	38,992	1,287,079		(1,287,074)	38,997
Non-production use	5242	for 2015 (1)	-	-	-	-	-
	5252	for 2014 (2)	-	-	-	-	-
construction in progress	52421	for 2015 (1)	-				-
	52521	for 2014 (2)					-
acquisition of fixed assets	52422	for 2015 (1)	-				-
	52522	for 2014 (2)					-
equipment to be installed	52423	for 2015 (1)					
	52523	for 2014 (2)					
other	52424	for 2015 (1)	-				-
	52524	for 2014 (2)					-

5.4. Financial investments

5.4.1. Availability and flow of financial investments

Description	Code	Period	At the beginning of the year		Change for the period				At the end of the period		
			initial cost	accumulated adjustment	received	retired (repaid)		interest accrued (including bringing initial cost to nominal)	current market value (impairment losses)	initial cost	accumulated adjustment
						initial cost	accumulated adjustment				
1	2	3	4	5	6	7	8	9	10	11	12
Long-term financial investments - total	5301	for 2015 (1)	2,654,326	(49,318)	57,857,522	(34,983,973)	-	1,280,256	(8,680,856)	26,808,131	(8,730,174)
	5311	for 2014 (2)	947,113	(49,318)	1,707,217	(4)	-	-	-	2,654,326	(49,318)
Contributions to share (joint-stock) capitals of other companies - total	53021	for 2015 (1)	950,609	(49,318)	15,237,522		-	-	49,318	16,188,131	
including	53121	for 2014 (2)	947,113	(49,318)	3,500	(4)	-	-		950,609	(49,318)
subsidaries	530211	for 2015 (1)	897,791	-	15,237,522					16,135,313	-
	531211	for 2014 (2)	897,791							897,791	-
affiliates	530212	for 2015 (1)	-	-						-	-
	531212	for 2014 (2)	4			(4)				-	-
other	530213	for 2015 (1)	52,818	(49,318)				49318		52,818	-
	531213	for 2014 (2)	49,318	(49,318)	3,500					52,818	(49,318)
Government and municipal securities	53022	for 2015 (1)	-	-	32,000,000	(33,280,256)		1,280,256		-	-
	53122	for 2014 (2)								-	-
Securities of other organizations - total	53023	for 2015 (1)	-	-						-	-
including	53123	for 2014 (2)								-	-
debt securities (bonds, promissory notes)	530231	for 2015 (1)	-	-						-	-
	531231	for 2014 (2)								-	-
Loans granted	53024	for 2015 (1)	-	-						-	-
	53124	for 2014 (2)								-	-
Deposits	53025	for 2015 (1)	1,703,717	-	10,620,000	(1,703,717)			(8,730,174)	10,620,000	(8,730,174)
	53125	for 2014 (2)			1,703,717					1,703,717	
Other	53026	for 2015 (1)	-	-						-	-
	53126	for 2014 (2)								-	-
Long-term financial investments with current market value - total	5302	for 2015 (1)	-	-	-	-	-	-	-	-	-
	5312	for 2014 (2)	-	-	-	-	-	-	-	-	-
Contributions to share (joint-stock) capitals of other companies - total	53031	for 2015 (1)	-	-	-	-	-	-	-	-	-
including	53131	for 2014 (2)	-	-	-	-	-	-	-	-	-
subsidaries	530311	for 2015 (1)	-	-						-	-
	531311	for 2014 (2)								-	-
affiliates	530312	for 2015 (1)	-	-						-	-
	531312	for 2014 (2)								-	-
other	530313	for 2015 (1)	-	-						-	-
	531313	for 2014 (2)								-	-
Government and municipal securities	53032	for 2015 (1)	-	-						-	-
	53132	for 2014 (2)								-	-
Securities of other organizations - total	53033	for 2015 (1)	-	-						-	-
including	53133	for 2014 (2)								-	-
debt securities (bonds, promissory notes)	530331	for 2015 (1)	-	-						-	-
	531331	for 2014 (2)								-	-
Other	53034	for 2015 (1)	-	-						-	-
	53134	for 2014 (2)								-	-
Long-term financial investments for which no current market value is determined - total	5303	for 2015 (1)	2,654,326	(49,318)	57,857,522	(34,983,973)		1,280,256	(8,680,856)	26,808,131	(8,730,174)
	5313	for 2014 (2)	947,113	(49,318)	1,707,217	(4)				2,654,326	(49,318)

Description	Code	Period	At the beginning of the year		Change for the period					At the end of the period	
			initial cost	accumulated adjustment	received	retired (repaid)		interest accrued (including bringing initial cost to nominal)	current market value (impairment losses)	initial cost	accumulated adjustment
						initial cost	accumulated adjustment				
1	2	3	4	5	6	7	8	9	10	11	12
Contributions to share (joint-stock) capitals of other companies - total	53071	for 2015 (1)	-	-						-	-
	53171	for 2014 (2)								-	-
Government and municipal securities	53072	for 2015 (1)	-	-						-	-
	53172	for 2014 (2)								-	-
Securities of other organizations - total	53073	for 2015 (1)	-	-						-	-
	53173	for 2014 (2)								-	-
including:											
debt securities (bonds, promissory notes)	530731	for 2015 (1)	-	-						-	-
	531731	for 2014 (2)								-	-
Other	53074	for 2015 (1)	-	-						-	-
	53174	for 2014 (2)								-	-
Short-term financial investments for which no current market value is determined - total	5307	for 2015 (1)	11,663,328	(8,606,789)	153,799,000	(161,595,328)			8,606,789	3,867,000	-
	5317	for 2014 (2)	6,284,109		15,379,179	(9,999,960)			(8,606,789)	11,663,328	(8,606,789)
Financial investments - total	5300	for 2015 (1)	14,317,654	(8,656,107)	211,656,522	(196,579,301)	-	1,280,256	(74,067)	30,675,131	(8,730,174)
	5310	for 2014 (2)	7,231,222	(49,318)	17,086,396	(9,999,964)	-	-	(8,606,789)	14,317,654	(8,656,107)

5.4.2. Adjustments to estimates of financial investments

Item		At the beginning of the year	Change for the period			At the end of the period
Description	Code		Increase	Decrease	Retirement upon write-off of financial investments	
1	2	3	4	5	6	7
Long-term financial investments	7100	(49,318)	(8,832,938)	152,082	-	(8,730,174)
Difference between the current market value of financial investments and their previous estimate	7110	-	-	-	-	-
<i>including:</i>						
Contributions to share (joint-stock) capitals of other companies - total	7111	-	-	-	-	-
<i>including:</i>						
subsidiaries	71111					-
affiliates	71112					-
other	71113					-
Government and municipal securities	7112					-
Securities of other organizations - total	7113					-
<i>including:</i>						
debt securities (bonds, promissory notes)	71131					-
Other	7114					-
Difference between the current value of debt securities and their initial value	7120	-	-	-	-	-
<i>including:</i>						
Securities of other organizations - total	7121					-
<i>including:</i>						
debt securities (bonds, promissory notes)	71211					-
Other	7122					-
Provision for impairment of financial investments for which no market value is determined	7130	(49,318)	(8,832,938)	152,082	-	(8,730,174)
<i>including:</i>						
Contributions to share (joint-stock) capitals of other companies - total	7131	(49,318)	-	49,318	-	-
<i>including:</i>						
subsidiaries	71311					-
affiliates	71312					-
other	71313	(49,318)		49,318		-
Government and municipal securities	7132					-
Securities of other organizations - total	7133					-
<i>including:</i>						
debt securities (bonds, promissory notes)	71331					-
Loans granted	7134					-
Deposits	7135		(8,832,938)	102,764		(8,730,174)
Other	7136					-

Item		At the beginning of the year	Change for the period			At the end of the period
Description	Code		Increase	Decrease	Retirement upon write-off of financial investments	
1	2	3	4	5	6	7
Short-term financial investments	7200	(8,606,789)	-	8,606,789	-	-
Difference between the current market value of financial investments and their previous estimate where it was determined	7210	-	-	-	-	-
<i>including:</i>						
Contributions to share (joint-stock) capitals of other companies - total	7211	-	-	-	-	-
<i>including:</i>						
subsidiaries	72111					-
affiliates	72112					-
other	72113					-
Securities of other organizations - total	7212					-
<i>including:</i>						
debt securities (bonds, promissory notes)	72121					-
Other	7213					-
Difference between the current value of debt securities and their initial value	7220	-	-	-	-	-
<i>including:</i>						
Securities of other organizations - total	7221					-
<i>including:</i>						
debt securities (bonds, promissory notes)	72211					-
Other	7222					-
Provision for impairment of financial investments without market value	7230	(8,606,789)	-	8,606,789	-	-
<i>including:</i>						
Contributions to share (joint-stock) capitals of other companies - total	7231	-	-	-	-	-
<i>including:</i>						
subsidiaries	72311					-
affiliates	72312					-
other	72313					-
Government and municipal securities	7232					-
Securities of other organizations - total	7233					-
<i>including:</i>						
debt securities (bonds, promissory notes)	72331					-
Loans granted	7234					-
Deposits	7235	(8,606,789)		8,606,789		-
Other	7236					-

5.4.3. Other use of financial investments

Description	Code	At 31 December 2015	At 31 December 2014	At 31 December 2013
1	2	3	4	5
Pledged financial investments - total	5320			
including:				
bonds	5321			
promissory notes	5322			
shares	5323			
Financial investments transferred to third parties (other than sale) - total	5325			
including:				
bonds	5326			
promissory notes	5327			
shares	5328			
Other use of financial investments	5329			

5.5.2. Pledged inventories

Description	Code	2015	2015	2013
1	2	3	4	5
Inventories unpaid at the reporting date - total	5440	391,410	452,253	520,341
including:				
raw materials and supplies	5441	391,410	452,253	520,341
work in progress	5442			
goods shipped	5443			
finished products and goods	5444			
other inventories and costs	5442			
Inventories pledged under contract - total	5445			
including:				
raw materials and supplies	5446			
goods shipped	5447			
finished products and goods	5448			
other inventories and costs	5449			

Description	Code	Period	At the beginning of the year		Change for the period							At the end of the period			
			recognized under contract terms	amount of the provision for doubtful debts	received				repayment	written-off against previously accrued provision	written-off to financial result	recovery of the provision	transferred from long-term to short-term receivables	recognized under contract terms	amount of the provision for doubtful debts
					as a result of business transactions (amount of debt under transaction)	interest, fines and other accruals receivable	accrual of the provision								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
contributions to the share capital receivable from members (founders)	5514	for 2015 (1)	-	-									-	-	
	5534	for 2014 (2)											-	-	
Dividends receivable from subsidiaries and affiliates	5515	for 2015 (1)	-	-									-	-	
	5535	for 2014 (2)											-	-	
Other accounts receivable	5516	for 2015 (1)	4,824,820	(974,772)	131,681,379	-	(613)	(133,949,348)	-	(232)	974,427	131,491	2,688,110	(958)	
	5536	for 2014 (2)	4,000,373	(976,634)	30,744,292	-	-	(29,819,544)	-	(133,181)	1,862	32,880	4,824,820	(974,772)	
including:															
<i>interest-free promissory notes</i>	55161	for 2015 (1)	-	-									-	-	
	55361	for 2014 (2)											-	-	
<i>Excess payment of taxes and charges</i>	55162	for 2015 (1)	1,080,530	-	18,017,960			(18,680,727)					417,763	-	
	55362	for 2014 (2)	383,684		19,209,461			(18512615)					1,080,530	-	
<i>sale of property</i>	55163	for 2015 (1)	-	-									-	-	
	55363	for 2014 (2)											-	-	
<i>other</i>	55164	for 2015 (1)	3,744,290	(974,772)	113,663,419		(613)	(115,268,621)		(232)	974,427	131,491	2,270,347	(958)	
	55364	for 2014 (2)	3,616,689	(976,634)	11,534,831			(11,306,929)		(133,181)	1,862	32,880	3,744,290	(974,772)	
Total amount of short-term accounts receivable included:	5517	for 2015 (1)	26,573	-	6,305,370	-	-	(6,235,667)	-	-	-	-	96,276	-	
	5537	for 2014 (2)	50,550	-	151,114	-	-	(175,091)	-	-	-	-	26,573	-	
receivables from subsidiaries	55171	for 2015 (1)	26,573	-	6,305,370			(6,235,667)					96,276	-	
	55371	for 2014 (2)	50,550		151,114			(175,091)					26,573	-	
receivables from affiliates	55172	for 2015 (1)	-	-									-	-	
	55372	for 2014 (2)											-	-	
Total	5500	for 2015 (1)	13,904,054	(1,384,170)	185,882,468	-	(1,354,255)	(190,922,143)	(43,594)	(21,900)	1,294,966	-	8,798,885	(1,399,865)	
	5520	for 2014 (2)	10,796,323	(1,013,959)	93,339,380	-	(414,665)	(89,848,856)	(42,570)	(340,223)	1,884	-	13,904,054	(1,384,170)	

5.6.2. Provision for doubtful debts

Item		At the beginning of the year	Change for the period		At the end of the period
Description	Code		Creation of the provision	Write-off of the provision	
1	2	3	4	5	6
Trade accounts receivable	7310	409,398	1,146,035	(418,407)	1,137,026
including:					
<i>power transmission</i>	7311	-	182,381		182,381
<i>grid connection</i>	7312	240,610	885,516	(212,153)	913,973
<i>organizing the functioning and development of the UES of Russia as related to distribution grid facilities</i>	7313				-
<i>resale of electric power and capacity</i>	7314				-
<i>income from lease</i>	7315	103	53,905	(38,950)	15,058
<i>other</i>	7316	168,685	24,233	(167,304)	25,614
Advances issued	7330	96,812	844,393	49,039	990,244
Other accounts receivable	7320	974,772	1,190	(974,659)	1,303
Total	7300	1,480,982	1,991,618	(1,344,027)	2,128,573

5.6.3. Overdue accounts receivable

Description	Code	At 31 December 2015		At 31 December 2014		At 31 December 2013	
		recognized under contract terms	carrying amount (less the provision for doubtful debts)	recognized under contract terms	carrying amount (less the provision for doubtful debts)	recognized under contract terms	carrying amount (less the provision for doubtful debts)
1	2	3	4	5	6	7	8
Total	5540	3,758,064	1,629,491	1,460,724	1,460,724	755,056	755,056
including:							
Trade accounts receivable, including	5541	2,726,388	1,589,361	1,460,724	1,460,724	755,056	755,056
<i>power transmission</i>	55411	1,289,186	1,106,805	928,832	928,832	30,322	30,322
<i>grid connection</i>	55412	794,585	114,737	531,892	531,892	724,734	724,734
<i>organizing the functioning and development of the UES of Russia as related to distribution grid facilities</i>	55413						
<i>resale of electric power and capacity</i>	55414						
<i>income from lease</i>	55415	66,781	51,723				
<i>other</i>	55416	575,837	316,097				
Other accounts receivable	5542	1,031,675	40,129				

5.6.4. Disagreements with retail companies

Contractor	At the beginning of the year		Change for the period				At the end of the period	
			Charged for the period (debit turnover, RUB thousand)		Paid for the period (credit turnover, RUB thousand)			
	Company data	Contractor data	Company data	Contractor data	Company data	Contractor data	Company data	Contractor data
1	2	3	4	5	6	7	8	9
Rusenergoresurs LLC		7,052		7,259			-	14,311
SUAL JSC		12,889				12,636	-	253
Transenergoprom LLC		15,851				3,838	-	12,013
EnergoROK-1 LLC		60		52				112
Izhora-Energosbyt CJSC		5,308				5,308	-	-

5.6.5. Availability and flow of accounts payable

Description	Code	Period	Balance at the beginning of the year	Change for the period					Balance at the end of the period
				received				transferred from long-term to short-term payables	
				as a result of business transactions (amount of debt under transaction)	accrued interest, fines and other accruals	repayment	written-off to financial result		
1	2	3	4	5	6	7	8	9	10
Long-term accounts payable - total	5551	for 2015 (1)	3,213,499	503,556	-	(132,432)	-	(839,962)	2,744,661
	5571	for 2014 (2)	1,906,733	3,181,607	-	(73,946)	-	(1,800,895)	3,213,499
including:									
Trade accounts payable	5552	for 2015 (1)	28,728	-	-	(2,209)	-	-	26,519
	5572	for 2014 (2)	30,938	-	-	(2,210)	-	-	28,728
including									
<i>construction</i>	55521	for 2015 (1)	-						-
	55721	for 2014 (2)							-
<i>other</i>	55522	for 2015 (1)	28,728			(2,209)			26,519
	55722	for 2014 (2)	30,938			(2,210)			28,728
Other accounts payable	5553	for 2015 (1)	3,184,771	503,556		(130,223)		(839,962)	2,718,142
	5573	for 2014 (2)	1,875,795	3,181,607		(71,736)		(1,800,895)	3,184,771
Total amount of long-term accounts payable included	5554	for 2015 (1)	-	-	-	-	-	-	-
	5574	for 2014 (2)	-	-	-	-	-	-	-
<i>payables to subsidiaries</i>	55541	for 2015 (1)	-						-
	55741	for 2014 (2)							-
<i>payables to affiliates</i>	55542	for 2015 (1)	-						-
	55742	for 2014 (2)							-

Description	Code	Period	Balance at the beginning of the year	Change for the period					Balance at the end of the period
				received				transferred from long-term to short-term payables	
				as a result of business transactions (amount of debt under transaction)	accrued interest, fines and other accruals	repayment	written-off to financial result		
1	2	3	4	5	6	7	8	9	10
Short-term accounts payable - total	5560	for 2015 (1)	32,570,045	152,817,942	-	(153,710,547)	(4,291)	839,962	32,513,111
	5580	for 2014 (2)	32,917,612	119,648,565	-	(121,772,861)	(24,166)	1,800,895	32,570,045
including:									
Trade accounts payable	5561	for 2015 (1)	19,002,101	45,919,239	-	(46,746,432)	(3,557)	-	18,171,351
	5581	for 2014 (2)	13,991,689	65,303,505	-	(60,276,165)	(16,928)	-	19,002,101
including:									
<i>construction</i>	55611	for 2015 (1)	9,385,036	3,990,274		(7,805,693)	(2,709)		5,566,908
	55811	for 2014 (2)	6,693,461	26,069,865		(23,376,601)	(1,689)		9,385,036
<i>other</i>	55612	for 2015 (1)	9,617,065	41,928,965		(38,940,739)	(848)		12,604,443
	55812	for 2014 (2)	7,298,228	39,233,640		(36,899,564)	(15,239)		9,617,065
Advances received	5562	for 2015 (1)	11,030,377	12,984,988	-	(13,304,121)	(592)	839,962	11,550,614
	5582	for 2014 (2)	13,800,034	24,824,062	-	(29,388,576)	(6,038)	1,800,895	11,030,377
including									
<i>power transmission</i>	55621	for 2015 (1)	51,870	11,288,011		(11,309,774)			30,107
	55821	for 2014 (2)	13,360	22,787,865		(22,749,355)			51,870
<i>grid connection</i>	55622	for 2015 (1)	10,948,173	1,530,123		(1,810,779)	(76)	839,932	11,507,373
	55822	for 2014 (2)	13,773,587	1,858,503		(6,479,232)	(5,580)	1,800,895	10,948,173
<i>organizing the functioning and development of the UES of Russia as related to distribution grid facilities</i>	55623	for 2015 (1)	30,311	146,435		(163,241)	(516)		12,989
	55823	for 2014 (2)	10,940	166,291		(146,462)	(458)		30,311
<i>resale of electric power and capacity</i>	55624	for 2015 (1)	-						-
	55824	for 2014 (2)							-

Description	Code	Period	Balance at the beginning of the year	Change for the period					Balance at the end of the period
				received				transferred from long-term to short-term payables	
				as a result of business transactions (amount of debt under transaction)	accrued interest, fines and other accruals	repayment	written-off to financial result		
1	2	3	4	5	6	7	8	9	10
<i>shareholdings in other companies</i>	55625	for 2015 (1)	-						-
	55825	for 2014 (2)							-
<i>lease services</i>	55626	for 2015 (1)	23	20,419		(20,327)			115
	55826	for 2014 (2)	2,147	11,403		(13,527)			23
<i>other</i>	55627	for 2015 (1)	-					30	30
	55826	for 2014 (2)							-
Dividends payable to members (founders)	5563	for 2015 (1)	-						-
	5583	for 2014 (2)	-						-
Promissory notes payable	5564	for 2015 (1)	-						-
	5584	for 2014 (2)	-						-
Payables to state extra-budgetary funds	5565	for 2015 (1)	86,304	1,075,704		(1,056,120)			105,888
	5585	for 2014 (2)	75,606	1,055,040		(1,044,342)			86,304
Taxes payable	5566	for 2015 (1)	225,400	15,868,317		(15,788,188)			305,529
	5586	for 2014 (2)	642,283	17,361,493		(17,778,372)	(4)		225,400
Payables to the company personnel	5567	for 2015 (1)	226,929	3,934,835		(3,877,956)			283,808
	5587	for 2014 (2)	234,879	4,216,519		(4,224,469)			226,929
Other accounts payable	5568	for 2015 (1)	1,998,934	73,034,859		(72,937,730)	(142)		2,095,921
	5588	for 2014 (2)	4,173,121	6,887,946		(9,060,937)	(1,196)		1,998,934
Total amount of short-term accounts payable included	5569	for 2015 (1)	265,211	5,720,099	-	(580,257)	-	-	5,405,053
	5589	for 2014 (2)	192,750	1,651,859	-	(1,579,398)	-	-	265,211
<i>payables to subsidiaries</i>	55691	for 2015 (1)	265,211	5,720,099		(580,257)			5,405,053
	55891	for 2014 (2)	192,750	1,651,859		(1,579,398)			265,211
<i>payables to affiliates</i>	55692	for 2015 (1)	-						-
	55892	for 2014 (2)							-
Total	5550	for 2015 (1)	35,783,544	153,321,498	-	(153,842,979)	(4,291)	-	35,257,772
	5570	for 2014 (2)	34,824,345	122,830,172	-	(121,846,807)	(24,166)	-	35,783,544

5.6.6. Overdue accounts payable

Description 1	Code 2	At 31 December 2015 3	At 31 December 2014 4	At 31 December 2013 5
Total	5590	26,389,852	1,952,950	1,620,695
including: Trade accounts payable	5591	17,474,514		
<i>including</i>				
<i>construction</i>	55911	4,633,489		
<i>other</i>	55912	12,841,026		
Dividends payable to members (founders)	5592			
Payables to state extra-budgetary funds	5593			
Taxes payable	5594			
Payables to the company personnel	5595			
Other accounts payable	5596	8,915,338	1,952,950	1,620,695

5.6.7. Loans and borrowings

Description	Code	Period	At the beginning of the year	Change for the period					At the end of the period
				Received	Interest accrued	Repayment of principal	Repayment of interest	Transferred from long-term to short-term debt	
1	2	3	4	5	6	7	8	9	10
Long-term borrowings - total	7410	for 2015 (1)	48,188,440	2,436,560	-	(8,500,000)	-	(17,025,000)	25,100,000
	7430	for 2014 (2)	29,406,037	22,682,403	-	(2,500,000)	-	(1,400,000)	48,188,440
including:									
Loans	7411	for 2015 (1)	42,188,440	36,560		(8,500,000)		(11,025,000)	22,700,000
	7431	for 2014 (2)	23,406,037	22,682,403		(2,500,000)		(1,400,000)	42,188,440
Borrowings	7412	for 2015 (1)	6,000,000	2,400,000				(6,000,000)	2,400,000
	7432	for 2014 (2)	6,000,000						6,000,000
Short-term borrowings - total	7420	for 2015 (1)	1,580,979	-	4,948,802	(5,425,000)	(4,773,476)	17,025,000	13,356,305
	7440	for 2014 (2)	3,970,003	-	3,575,795	(3,813,439)	(3,551,380)	1,400,000	1,580,979
including									
Loans	7421	for 2015 (1)	1,400,001			(5,425,000)		11,025,000	7,000,001
	7441	for 2014 (2)	3,813,440			(3,813,439)		1,400,000	1,400,001
<i>Loan interest</i>	74211	for 2015 (1)	77,787		4,131,730		(4,145,186)		64,331
	74411	for 2014 (2)	54,748		3,073,298		(3,050,259)		77,787
Borrowings	7422	for 2015 (1)	103,191		817,072		(628,290)	6,000,000	6,291,973
	7442	for 2014 (2)	101,815		502,497		(501,121)		103,191

5.6.8. Loan and borrowing expenses

Item		Long-term loans and borrowings	Short-term loans and borrowings
Description	Code		
1	2	3	4
Loan expenses - total:	7510	3,429,164	702,566
written-off as other expenses	7511	2,598,091	534,187
included in the cost of assets	7512	831,073	168,379
Borrowing expenses - total:	7520	631,264	185,808
written-off as other expenses	7521	479,024	140,806
included in the cost of assets	7522	152,240	45,002
Total loan and borrowing expenses included:	7530	4,084,428	888,374
accrued interest	7531	4,060,428	888,374
sundry expenses	7532	24,000	

5.7. Contingent assets and liabilities

5.7.1. Estimated liabilities

Item		Balance at the beginning of the year	Recognized	Repaid	Written-off as excess amount	Balance at the end of the period
Description	Code					
1	2	3	4	5	6	7
Estimated liabilities - total	5700	3,970,294	2,643,701	(3,057,277)	-	3,556,718
including:						
Upcoming payment of leave allowances	5701	90,146	324,252	(329,185)		85,213
Payment of year-end remunerations	5702	110,030	127,315			237,345
Repair of fixed assets	5703					-
Works associated with seasonal production pattern	5704					
warranty liabilities and claims	5705					-
liquidation liabilities	5706					-
pending legal proceedings at the reporting date	5707	448,537	626,558	(291,444)		783,651
claims of tax bodies following tax audits not settled at the reporting date	5708		282,663			282,663
other estimated liabilities	5709	3,321,581	1,282,913	(2,436,648)		2,167,846
Total amount of estimated liabilities included:						
Recognized in expenses on ordinary activities	5710		420,450			
Recognized in other expenses	5720		2,171,095			
Included in the cost of asset	5730		52,156			

5.7.2. Deferred taxes

Description	Code	Deductible temporary differences	Deferred tax assets	Taxable temporary differences	Deferred tax liabilities
1	2	3	4	5	6
Balance at the beginning of the reporting year	7700	16,714,125	3,342,825	19,026,940	3,805,388
Income	7710	15,963,950	3,192,790	6,794,190	1,358,839
Expenses	7720	(12,872,535)	(2,574,507)	(5,440,595)	(1,088,119)
Result of changes in tax rates	7730	X		X	
Result of correction of previous years' errors	7740	(1,475,320)	(295,064)		
Permanent differences in the cost of assets and liabilities	7750				
Write-off without tax consequences	7760				
Balance at the end of the reporting period	7800	18,330,220	3,666,044	20,380,535	4,076,108

5.8. Security

Item		At 31 December	At 31 December	At 31 December
Description	Code	2015	2014	2013
1	2	3	4	5
Received - total	5800	3,653,536	2,026,645	1,962,324
including:				
promissory notes	5801			
pledged property	5802	-	-	-
including:				
fixed asset items	58021			
securities and other financial investments	58022			
other	58023			
other received	5803	3,653,536	2,026,645	1,962,324
Issued for own liabilities - total	5810	141,746	138,023	138,026
including:				
promissory notes	5811			
pledged property	5812	-	-	-
including:				
fixed asset items	58121			
securities and other financial investments	58122			
other	58123			
other issued	5813	141,746	138,023	138,026

5.9. Government grants

Description 1	Code 2	For 2015 3				For 2014 4			
Budget funds received - total	5900	654				59,802			
including:									
for current expenses	5901								
compensations to Chernobyl veterans	5902								
for performance of mobilization training tasks	5903	654				790			
for liquidation of interterritorial cross subsidizing	5904								
for investments in non-current assets	5905								
for other purposes	5906					59,012			
Description	Code	At the beginning of the year	Received during the year	Returned during the year	At the end of the year	At the beginning of the year	Received during the year	Returned during the year	At the end of the year
Publicly funded loans - total	5910	-	3,199	(3,199)	-	-	2,951	(2,951)	-
including:									
financing of preventive measures to reduce occupational injuries and diseases	5911		3,199	(3,199)	-		2,951	(2,951)	-
financing of thorough medical check-ups of employees engaged in harmful and/or hazardous production operations	5912				-				-
other	5913				-				-

5.10. Government grants on which the conditions of provision thereof were not met

Item		For 2015		For 2014	
Description	Code	To be returned	Actually returned	To be returned	Actually returned
1	2	3	4	5	6
Received budgetary funds on which the conditions of provision thereof were not met	7910	-	-	-	-
<i>including</i>					
<i>for current expenses</i>	7911				
<i>compensations to Chernobyl veterans</i>	7912				
<i>for performance of mobilization training tasks</i>	7913				
<i>for liquidation of interterritorial cross subsidizing</i>	7914				
<i>other</i>	7915				
Received publicly funded loans on which the conditions of provision thereof were not met	7920	-	-	-	-
<i>including</i>					
<i>financing of preventive measures to reduce occupational injuries and diseases</i>	7921				
<i>financing of thorough medical check-ups of employees engaged in harmful and/or hazardous production operations</i>	7922				
<i>other</i>	7925				

5.11. Other income and expenses

Item		For 2015	For 2014
Description	Code		
1	2		
Other income - total	8000	36,745,408	3,622,513
including:			
From disposal of fixed assets other than apartments	8001	22,506	10,448
From disposal of apartments	8002		1,476
From disposal of inventories	8003	26,264	27,333
From disposal of currency	8004		
From disposal of intangible assets	8005		
From sale of securities	8006	33,305,024	373
From disposal of other assets	8007	106	85
From joint activities	8008		
Profit of 2013 revealed in the reporting period	8009	14,876	45,124
Profit of 2012 revealed in the reporting period	8010	184,406	18,779
Profit of 2011 revealed in the reporting period	8011	246	
Profit before 01.01.2011 revealed in the reporting period	8012		
Fines and penalties recognized or for which a court (arbitration) decision on their recovery was obtained	8013	500,339	32,480
Accounts payable with expired period of limitation (more than three years)	8014	4,291	24,147
Exchange differences	8015		
Property in surplus by results of inventory audit	8016	54,546	78,298
Donated assets other than fixed assets and intangible assets	8017		
Income from donated fixed assets determined in accordance with the with established procedure	8018		2,939
Cost of tangible assets remaining from write-off of assets unfit for restoration and further use	8019	16,042	33,277
Revaluation of financial investments at current market value	8020		
Income from decrease (write-off) of the provision for doubtful debts	8021	335,965	62,578
Income from decrease (write-off) of the provision for estimated liabilities	8022	1,112,755	1,391,108
Income from decrease (write-off) of the provision for impairment of tangible assets	8023		
Income from claim assignment agreements	8024		
Income from identified non-contractual power consumption	8025	695,322	1,528,522
Insurance payments receivable	8026	5,652	11,960
Income from shareholdings in other companies	8027		
Reversal of previously written-off accounts receivable	8028		15
Discount on promissory notes	8029		
Tariff difference compensation (budget funding)	8030		
Income from decrease (write-off) of the provision for impairment of financial investments	8031	152,082	
Increase in the value of fixed assets	8032		
Other	8033	314,986	353,571

Item		For 2015	For 2014
Description	Code		
1	2		
Other expenses - total	8100	(40,167,197)	(16,460,876)
including:			
From disposal of fixed assets other than apartments	8101	(2,349)	(5,242)
From disposal of apartments	8102		(118)
From disposal of inventories	8103	(22,698)	(24,606)
From disposal of currency	8104		
From disposal of intangible assets	8105		
From sale of securities	8106	(33,305,024)	(4)
From disposal of other assets	8107	(57)	(61)
Other taxes	8108	(300)	(9,677)
Expenses related to payment for bank services	8109	(919)	(5,278)
Cost financial investments servicing	8110	(52,949)	(12,614)
Provision for doubtful debts	8111	(1,991,618)	(468,772)
Provision for impairment of financial investments	8112	(226,149)	(8,606,789)
Provision for impairment of tangible assets	8113		
Provision for discontinued activities	8114		
Provision for estimated liabilities	8115	(2,171,095)	(4,468,093)
Disposal of assets without income	8116	(139,502)	(50,009)
VAT on donated property	8117	(8,938)	
Loss of 2013 revealed in the reporting period	8118	(833,035)	(926,311)
Loss of 2012 revealed in the reporting period	8119	(97,982)	(31,200)
Loss of 2011 revealed in the reporting period	8120	(1,612)	
Loss before 01.01.2011 revealed in the reporting period	8121		
Fines and penalties recognized or for which a court (arbitration) decision on their recovery was obtained	8122	(143,343)	(103,959)
State duties on economic contracts	8123	(6,224)	(10,263)
Revaluation of financial investments at current market value	8124		
Discount on promissory notes	8125		
Expenses on claim assignment agreements	8126		
Non-refundable VAT	8127	(34,254)	(78,490)
Expenses on identified non-contractual power consumption	8128	(194,078)	(263,825)
Contributions to associations and foundations	8129	(1,335)	(6,781)
Accounts receivable with expired period of limitation (more than three years)	8130	(30,231)	(142,149)
Exchange differences	8131	(159)	(88)
Legal costs	8132	(158,652)	(96,474)
Embezzlement and deficiencies	8133	(10,845)	(45)
Enforcement costs	8134	(24,941)	(73,573)
Repayment of the cost of employees' apartments	8135		
Other material (financial) assistance and other payments to employees	8136	(188,537)	(259,870)
Material assistance to pensioners (including lump-sum payments, compensation for utilities)	8137	(11,664)	(11,773)
Expenses on sport events	8138	(12)	(6,187)
Expenses on cultural and educational activities	8139	(20,342)	(31,078)
Charity-related expenses	8140	(48,649)	(24,980)
Write-down of fixed assets	8141		
Other	8142	(439,704)	(742,567)

5.12. Statement of assets accounted for off-balance sheet

Item	Code	At 31 December 2015	At 31 December 2014	At 31 December 2013
1	2	3	4	5
Leased fixed assets	8200	936,011	1,503,677	1,489,605
including: on leasing	82001		343,451	603,470
Goods and materials accepted in safe custody	8201		53,991	79,605
Materials accepted for processing	8202			
Goods accepted for commission sale	8203			
Equipment accepted for assembly	8204			
Debts of insolvent debtors written-off as losses	8205	935,077	861,959	989,807
Wear of site improvement facilities and other similar facilities	8206	302	288	606
Controlled-issue forms	8207	140	55	74
Federal property	8208			
Intangible assets received for use	8209			
Property transferred to share capital as payment for purchased shares	8210			

5.13. Information on reporting segments

At 31.12.2015	Code	Saint Petersburg	Leningrad Region	Name of the reporting segment	Name of the reporting segment	Name of the reporting segment	Other segments	Total
1	2	3	4	5	6	7	8	9
Revenue from external buyers	8310	26,254,765	17,471,896					43,726,661
Revenue from sales among the segments	8320							-
Total revenue for the segment	8300	26,254,765	17,471,896	-	-	-	-	43,726,661
Including								-
<i>revenue from power transmission</i>	8301	23,723,903	16,960,270					40,684,173
<i>revenue from grid connection</i>	8302	2,409,344	456,033					2,865,377
<i>other revenue</i>	8303	121,518	55,593					177,111
Interest receivable	8330	512,425	492,332					1,004,757
Interest payable	8340	2,182,262	1,596,183					3,778,445
Income tax expenses	8350	(332,925)	(279,113)					(612,038)
Profit/(loss) for the segment	8360	(3,218,347)	(2,698,149)					(5,916,496)
Segments' assets	8370	118,585,892	76,097,135					194,683,027
including non-current assets	8371	99,518,670	57,499,711					157,018,381
Segments' liabilities	8380	65,350,855	63,813,827					129,164,682
Depreciation of fixed assets and intangible assets	8390	6,038,573	3,913,373					9,951,946