

Information on non-current assets of OJSC Kubanenergo

The following data allows to evaluate total electric grid assets of the Company, including evaluation by voltage classes: length of overhead and cable power lines, number of substations, book value of the assets as of the beginning and the end of the reporting period. In addition, data on non-core assets and leased assets including those under leasing agreements are displayed on the Company's balance.

Information on non-current assets of OJSC Kubanenergo including land plots for the period of 1/1/2014 - 12/31/2014							
Item No.	Item	Physical values: as to OHLs and cable systems – circuit length (km); as to SS and other assets – quantity (pcs)	Book (residual) value as of 1/1/2014 (RUB ths)	Profit for the period of 1/1/2014 - 12/31/2014 (RUB ths)	Loss for the period of 1/1/2014 - 12/31/2014 (RUB ths)	Accumulated depreciation for the period of 1/1/2014 - 12/31/2014 (RUB ths)	Book (residual) value as of 12/31/2014. (RUB ths)
I	II	III	IV	V	VI	VII	VIII
1.	Assets attributed to power grid facilities, including:	123,622	20,618,814	20,863,841	134,379	2,087,532	39,260,744
1.1.	OHL of 220 kV and more	76.10	2,812.00	0.00	0.00	387.00	2,425.00
1.2.	OHL of 110 kV	6,163.95	5,062,313.00	7,535,033.00	3,569.00	334,102.00	12,259,675.00
1.3.	OHL of 35 kV	7,768.14	766,495.00	53.00	0.00	50,996.00	715,552.00
1.4.	OHL of 10 kV and less	73,615.09	1,338,034.00	640,326.00	3,858.00	150,726.00	1,823,776.00
1.5.	SS of 220 kV and more	0.00	0.00	0.00	0.00	0.00	0.00
1.6.	SS of 110 kV	218.00	8,503,374.00	1,286,756.00	24,005.00	922,200.00	8,843,925.00
1.7.	SS of 35 kV	512.00	644,630.00	15,668.00	0.00	93,912.00	566,386.00
1.8.	SS of 10 kV and less	22,168.00	1,155,435.00	2,475,694.00	47,757.00	135,777.00	3,447,595.00
1.9.	Cabling (all voltage classes)	2,170.42	1,212,449.38	8,159,526.00	6,616.00	192,095.00	9,173,264.38
1.10.	Other assets intended for providing electrical connections	11,152.00	1,933,271.71	750,785.31	48,574.22	207,337.39	2,428,145.41
2.	Non-core assets entered into the "Non-Core Asset Register"	38.00	116,594.59	0.00	14,311.00	3,377.00	98,906.59
3.	Other assets (item 3 = item 4 – item 2 – item 1), including:		3,844,320	1,224,180	0	382,375	4,686,125.80
3.1.	Owned land plots	124.00	104,553.00	26,589.00	0.00	0.00	131,142.00
4.	"Fixed assets" (the line of the Balance sheet)		24,579,729.18	22,088,021.00	148,690.00	2,473,284.00	44,045,776.18
5.	Leased assets attributed to power grid facilities, including:	59.00	120,906.00	130,351.00	175,728.74	0.00	75,528.26
5.1.	OHL of 220 kV and more	0.00	0.00	0.00	0.00	0.00	0.00
5.2.	OHL of 110 kV	0.00	50,184.00	0.00	50,184.00	0.00	0.00

5.3.	OHL of 35 kV	0.00	0.00	0.00	0.00	0.00	0.00
5.4.	OHL of 10 kV and less	11.00	5,487.00	0.00	0.00	0.00	5,487.00
5.5.	SS of 220 kV and more	0.00	0.00	0.00	0.00	0.00	0.00
5.6.	SS of 110 kV	0.00	0.00	119,804.74	119,804.74	0.00	0.00
5.7.	SS of 35 kV	0.00	0.00	0.00	0.00	0.00	0.00
5.8.	SS of 10 kV and less	3.00	24,266.00	6,657.26	0.00	0.00	30,923.26
5.9.	Cabling (all voltage classes)	11.00	318.00	0.00	0.00	0.00	318.00
5.10.	Other leased assets intended for providing electrical connections	34.00	40,651.00	3,889.00	5,740.00	0.00	38,800.00
6.	Other leased assets, including:	2,807.00	3,682,478.56	366,847.00	148,535.00	0.00	3,900,790.56
6.1.	Land plots	2,464.00	3,650,897.23	278,178.00	141,741.70	0.00	3,787,333.53
7.	Assets used under lease agreements and considered as power grid facilities, including:	0.00	0.00	0.00	0.00	0.00	0.00
7.1.	OHL of 220 kV and more	0.00	0.00	0.00	0.00	0.00	0.00
7.2.	OHL of 110 kV	0.00	0.00	0.00	0.00	0.00	0.00
7.3.	OHL of 35 kV	0.00	0.00	0.00	0.00	0.00	0.00
7.4.	OHL of 10 kV and less	0.00	0.00	0.00	0.00	0.00	0.00
7.5.	SS of 220 kV and more	0.00	0.00	0.00	0.00	0.00	0.00
7.6.	SS of 110 kV	0.00	0.00	0.00	0.00	0.00	0.00
7.8.	SS of 35 kV	0.00	0.00	0.00	0.00	0.00	0.00
7.9.	SS of 10 kV and less	0.00	0.00	0.00	0.00	0.00	0.00
7.10.	Cabling (all voltage classes)	0.00	0.00	0.00	0.00	0.00	0.00
8.	Other assets used under lease agreements and intended for providing electrical connections		0.00	0.00	0.00	0.00	0.00
9.	Other assets used under lease agreements		0.00	0.00	0.00	0.00	0.00
10.	Total of leased assets including those under leasing agreements (item 10 = item 5 + item 6 + item 7 + item 8 + item 9)		3,803,384.56	497,198.00	324,263.74	0.00	3,976,318.82
11.	TOTAL (item 11 = item 4 + item 10)		28,383,113.74	22,585,219.00	472,953.74	2,473,284.00	48,022,095.00

Increase in value of assets in the reporting year.

As a result of new construction, technical re-equipping and reconstruction of facilities the value of fixed assets (property, plant and equipment) has increased up to RUB 22,042,571 ths in the reporting year.

Fixed assets amounting to RUB 219,205 ths have been acquired.

Reduction in total value of fixed assets in the reporting year.

- wear amounting to RUB 2,473,284 ths charged;

- 4 non-core facilities with total residual value amounting to RUB 1,478,196 sold.

The Company has approved and is implementing a program of consolidation of grid assets for the period of 2011-2018. The program is a priority in the Company's activity.

In order to ensure reliable, accident-free and stable work of the electric equipment the Company has been using electric grid facilities under lease of third parties:

- ü municipally-owned by Sochi, Gelendzhik, Novopokrovskoye rural settlement, Giaginskoye rural settlement,
- ü Sochinskaya TPS (branch of OJSC Inter RAO – Electric Power Plants), JSC FGC UES.

In accordance with current legislation of the Russian Federation obliging legal entities to renew the right of permanent (perpetual) use of land plots with the leasehold OJSC Kubanenergo has taken measures to amend boundaries of land plots for power grid facilities and concluded lease contracts for 2,464 land plots.

There are no existing lease agreements as of 1/1/2015.

Information on non-current assets - land plots of OJSC Kubanenergo

As of now OJSC Kubanenergo has 3,075 land plots in use: by right of permanent (perpetual) use, in leasehold or ownership.

In accordance with Federal Law No. 137 “On implementation of the Land Code of the Russian Federation” (with amendments and supplements) legal entities are obliged to renew the right of permanent (perpetual) use of land plots with infrastructure facilities including power grid lines prior to 1/1/2016.

The Company is obliged to take measures to amend the boundaries of exclusion zones of power grid facilities and to add the data to the State Immovable Property Cadastre as per Decree of the Government of the Russian Federation No. 160 as of 2/24/2009 “On Procedure for Demarcation of Exclusion Zones of Power Grid Facilities and Special Terms of Neighboring Land Plot Use”.

The Company implements activities to ensure compliance with the requirements of the current legislation.

Land plots owned by OJSC Kubanenergo and measures taken with regard to registration/re-registration of the appropriate rights to use

Item No.	Type of a land plot	Total number and the area of land plots		among them:								State cadastral registration as at reporting date		rights are registered as at reporting date		Exclusion zones	
				purchased as at reporting date		taken on lease (sublease) as at reporting date		right of permanent (perpetual) use as at reporting date		right is not defined as at reporting date							
				q-ty	ha	q-ty	ha	q-ty	ha	q-ty	ha						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Land plots allocated for electrical substations facilities	781	232.98	8	1.81	493	125.00	280	106.17	0	0.0	603	180.81	501	126.81	12378	0.0
	including:																
	allocated for SS of 220 kV and more	1	0.09	0	0.0	1	0.09	0	0.0	0	0.0	1	0.09	1	0.09	0	0.0
	allocated for SS of 110 kV	214	138.10	5	1.71	160	88.47	49	47.92	0	0.0	186	112.66	165	90.18	106	0.0
	allocated for SS of 35 kV and less	566	94.79	3	0.1	332	36.44	231	58.25	0	0.0	467	66.02	335	36.54	12272	0.0
2	Land plots allocated for OHL of 220 kV and more	3	0.63	0	0.0	2	0.48	1	0.15	0	0.0	3	0.63	2	0.48	0	0.0
3	Land plots allocated for OHL of 110 kV and less	1810	314.94	111	2.88	1599	166.03	109	105.61	51	40.42	1704	159.25	1710	168.91		81523
	including:																
	allocated for OHL of 110 kV	725	112.54	100	2.84	595	101.92	28	7.05	2	0.73	704	105.15	695	104.76		4834
	allocated for OHL of 35 kV	302	27.63	10	0.03	233	19.36	59	8.24	0	0.00	249	19.86	243	19.39		6939
	allocated for OHL of 0,4 / 6 / 10 kV	843	174.76	1	0.01	771	44.75	22	90.32	49	39.69	751	34.23	772	44.76		69750
4	Land plots allocated for electric power plant facilities	1	60.15	0	0.0	0	0.0	1	60.15	0	0.0	1	60.15	0	0.0	0	0.0
5	Land plots allocated for boiler plant facilities	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
6	Land plots allocated for facilities of heat distribution grids	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
7	Land plots allocated for other facilities	420	155.51	5	2.44	370	136.79	32	12.66	13	3.61	404	149.17	375	139.23	0	0.0
	TOTAL:	3075	764.21	124	7.13	2464	428.30	423	284.75	64	44.02	2775	550.00	2588	435.43	12378	81523