

Auditor's Report on
Accounting (Financial) Statements of
PJSC "Inter RAO"
For 2015

February 2016

Auditor's Report on Accounting (Financial) Statements of PJSC "Inter RAO"

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Independent Auditor's Report

To Shareholders of PJSC "Inter RAO",

Board of Directors of PJSC "Inter RAO"

We have audited the accounting (financial) statements of PJSC "Inter RAO" (attached), which include a balance sheet as of December 31, 2015, profit and loss statement for 2015, and annexes to the same.

Responsibility of the Entity under Audit for Accounting (Financial) Statements

The management of PJSC "Inter RAO" is responsible for preparation and reliability of the said accounting (financial) statements in accordance with the rules of preparation of accounting (financial) statements established in the Russian Federation, as well as for internal control system necessary for preparation of accounting (financial) statements free from material misstatements whether due to fraud or error.

Auditor's Responsibility

We are responsible for expressing opinion on reliability of these statements on the basis of our audit.

We conducted audit in accordance with standards of audit activity effective in the Russian Federation, and International Standards on Auditing. These standards require compliance with applicable ethical norms, as well as planning and conducting an audit in the manner to obtain sufficient confidence that the accounting (financial) statements are free from material misstatements.

Audit includes conducting auditing procedures aimed at obtaining audit evidences confirming **numeric indicators** contained in the accounting (financial) statements, as well as information disclosed in it. Configuration of auditing procedures remains a subject of our judgment, which is based on the risk assessment of material misstatements in the accounting (financial) statements, whether due to fraud or error. In the process of this risk assessment, the Auditor regards internal control system, which ensures preparation and reliability of accounting (financial) statements in order to select an appropriate set of auditing procedures, but not to express opinion on the internal control system efficiency. Audit also includes assessment of proper character of the applied accounting policy and validity of estimates made by the management, as well as assessment of accounting (financial) statements presentation in general.

We believe that audit evidences found by us constitute sufficient and proper basis for expressing our opinion.

Opinion

In our opinion, the accounting (financial) statements authentically reflect in all material aspects the financial position of PJSC "Inter RAO" as of December 31, 2015, the results of the financial and economic activities and cash flows for 2015 in accordance with the rules of preparation of accounting (financial) statements established in the Russian Federation.

Other Information

The attached accounting (financial) statements are not intended to represent financial position and results of activity in accordance with accounting principles or methods generally accepted in the countries and territories other than Russian Federation. Accordingly, the attached accounting (financial) statements are not intended for persons that are not familiar with accounting principles, procedures and methods accepted in the Russian Federation.

/Signature/

D.E. Lobachev,
General Director
of Ernst&Young LLC
February 12, 2016

Information on the entity under audit

Name: PJSC "Inter RAO"

he entry was made in the Unified State Register of Legal Entities on November 1, 2002, with the state registration number 1022302933630 assigned to the same.

Location: 27 Bolshaya Pirogovskaya Street, Bldg. 2, Moscow, 119435, Russian Federation

Information on the auditor

Name: Ernst&Young LLC

The entry was made in the Unified State Register of Legal Entities on November 1, 2002, with the state registration number 10277397072033630 assigned to the same.

Location: 77 Sadovnicheskaya Emb., bldg. 1, Moscow, 115035, Russian Federation

Ernst&Young LLC is a member of Self-Regulatory Organization "Audit Chamber of Russia" (Association) (SRO ACR). Ernst&Young LLC is included in the control copy of the register for auditors and auditing companies under primary registration number 10201017420.

BALANCE SHEET

as of December 31, 2015

Organization **Public Joint Stock Company Inter RAO UES**
 Taxpayer Identification Number
 Type of activity **resale of electrical energy**
 Legal form / form of ownership
Public Joint-Stock Company /
Other mixed Russian property
 Unit of measurement: thousand RUB
 Location (address) **27 Bolshaya Pirogovskaya Str., Bldg. 2, Moscow**
119435

		CODES		
OKUD form		0710001		
Date (day, month, year)	31	12	2015	
OKPO		33741102		
INN		2320109650		
OKVED		51.56.4		
OKOPF/OKFS		12247	49	
OKEI		384		

Explanatory notes	Item	Code of item	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
	ASSET				
	I. NON-CURRENT ASSETS				
P-1	Intangible Assets	1110	20,922	9,269	146,718
	Results of research and development	1120	-	-	-
	Intangible research assets	1130	-	-	-
	Tangible research assets	1140	-	-	-
P-2	Fixed assets	1150	1,188,499	847,925	1,348,177
P-3	including construction in progress	1151	1,142,975	725,857	432,817
P-2	Income-bearing investments in tangible assets	1160	4,003	9,344	19,770
P-5.1	Financial Investments	1170	306,466,238	281,325,598	276,347,189
	Deferred tax assets	1180	2,152,104	2,877,063	2,763,677
P-4	Other non-current assets	1190	3,856,542	10,713,407	32,108,329
	including long-term receivables				
P-7.1		1191	3,848,255	10,672,402	31,992,270
	TOTAL for section I	1100	313,688,308	295,782,606	312,733,860
	II. CURRENT ASSETS				
G1-6	Inventories	1210	3,141	4,990	7,364
	Value added tax on assets purchased	1220	335,684	575,432	667,914
P-7	Receivables	1230	16,259,756	23,354,543	11,889,288
	including				
P-7.2	buyers and customers	1231	4,336,833	4,352,875	2,366,257
P-7.4	Advance payments granted	1232	3,046,821	4,949,393	4,911,798
P-7.3	Other debtors	1233	8,876,102	14,052,275	4,611,233
	Financial investments (other than cash equivalents)				
P-5.2		1240	3,977,381	10,483,830	4,227,903
P-5.2, 8	Cash and cash equivalents	1250	20,395,085	23,163,802	16,708,109
P-9	Other current assets	1260	39,978	51,376	74,576
	TOTAL for section II	1200	41,011,025	57,633,973	33,575,154
	BALANCE	1600	354,699,333	353,416,579	346,309,014

Explanatory notes	Item	Code of item	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
	LIABILITY				
	III. CAPITAL AND RESERVES				
P-10	Authorized capital	1310	293,339,675	293,339,675	293,339,703
P-10	Treasury shares	1320	-	-	-
P-10	Revaluation of non-current assets	1340	-	11,221	103,303
P-10	Additional capital (without revaluation)	1350	195,416,130	195,416,130	195,416,130
P-10	Reserve capital	1360	318,048	296,339	296,339
	Retained profit (uncovered loss), including:	1370	(154,706,428)	(158,297,629)	(158,824,234)
	retained profit of previous years	1371	(158,427,881)	(158,731,799)	(105,135,833)
	retained profit of the current year	1372	3,721,453	434,170	(53,688,401)
	TOTAL for section IV	1300	334,367,425	330,765,736	330,331,241
	IV. LONG-TERM LIABILITIES				
P-12	Borrowed funds	1410	950,195	-	5,334,860
	Deferred tax liabilities	1420	40,574	47,164	46,014
P-11	Estimated liabilities	1430	10,095,546	-	-
P-13.1	Other long-term liabilities	1450	99,477	38,571	402,070
	TOTAL for section IV	1400	11,185,792	85,735	5,782,944
	V. SHORT-TERM LIABILITIES				
P-12	Borrowed funds	1510	599	9,178,268	5,905
P-13.2	Accounts payable	1520	7,629,451	12,470,928	8,601,206
P-13.2.1	including: suppliers and contractors	1521	3,638,735	4,805,800	2,316,980
	payables to organization's employees	1522	1,464	-	1
	payables to government extrabudgetary funds	1523	524	475	245
	taxes and levies due	1524	588	1,130	8,644
	advance payments received	1525	2,683,251	5,900,844	4,632,958
P-13.2.2	other creditors	1526	1,304,889	1,762,679	1,642,378
	Deferred revenues	1530	-	-	-
P-11	Estimated liabilities	1540	1,516,066	915,912	1,587,718
	Other short-term liabilities	1550	-	-	-
	TOTAL for section V	1500	9,146,116	22,565,108	10,194,829
	BALANCE	1700	354,699,333	353,416,579	346,309,014

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/Signature/
(signature)

February 12, 2016

B.Yu. Kovalchuk
(printed name)

/Round official seal/:

Public Joint Stock Company Primary State Registration Number 1022302933630
INTER RAO UES

PROFIT AND LOSS STATEMENT
for the period from January 1 to December 31, 2015

Organization **Inter RAO UES Public Joint Stock Company**
Taxpayer Identification Number
Type of activity *resale of electrical energy*
Legal form / form of ownership
Public joint-stock company/
Other mixed Russian property
Unit of measurement: thousand rubles

	CODES		
OKUD form	0710002		
Date (day, month, year)	31	12	2015
OKPO	33741102		
INN	2320109650		
OKVED	51.56.4		
a OKOPF/OKFS	12247	49	
	OKEI 384		

Explanatory notes	Item	Code	For January – December 2015	For January – December 2014
P-14. 20	Proceeds (net) from sales of goods, products and services (net of value added tax, excise and similar mandatory payments), including:	2110	45,953,526	32,646,668
	electricity export	2111	32,620,882	20,385,301
	sale of electricity (power) in the domestic market	2112	8,847,483	9,673,128
	Sale of electrical equipment	2113	4,366,959	2,507,151
	other	2114	118,202	81,058
P-15	Prime cost of goods, products, works, services sold	2120	(33,370,070)	(25,338,269)
	purchase of electricity (power) in the domestic market	2121	(28,143,616)	(19,864,303)
	electricity import	2123	(1,539,346)	(3,244,109)
	sale of energy equipment	2124	(3,687,108)	(2,229,857)
	other	2125	-	-
	Gross profit	2100	12,583,456	7,308,399
P-15	Selling costs	2210	(4,084,055)	(3,110,235)
P-15	Management expenses	2220	(5,562,560)	(4,664,514)
	Profit (loss) from sales	2200	2,936,811	(466,350)
	Profits from participation in other organizations	2310	1,691,371	1,625,558
	Interest receivable	2320	5,765,118	4,433,191
	Interest payable	2330	(550,272)	(594,785)
P-16	Other income	2340	58,452,642	47,215,117
P-16	Other expenses	2350	(62,215,687)	(50,821,854)
	Profit (loss) before tax	2300	6,079,983	1,390,877
P-17	Current profit tax	2410	(1,736,346)	(1,126,441)
	including permanent tax liabilities (assets)	2421	1,289,606	999,263
	Change in deferred tax liabilities	2430	6,590	(1,112)
	Change in deferred tax assets	2450	(437,520)	175,226
P-17	Other	2460	(191,254)	(4,380)
	Net profit (loss) for the reporting period	2400	3,721,453	434,170
	FOR REFERENCE			
	Result from revaluation of fixed assets not included in net profit (loss) for the period	2510	-	-
	Result from other transactions not included in net profit (loss) for the period	2520	-	-
	Aggregate financial result for the period	2500	3,721,453	434,170
P-18	Basic earnings (loss) per share (RUB)	2900	0.0356	0.0042
P-18	Diluted earnings (loss) per share (RUB)	2910	0.0356	0.0042

Head */Signature/* **B.Yu. Kovalchuk**
(signature) (printed name)
February 12, 2016

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Public Joint Stock Company Primary State Registration Number 1022302933630
INTER RAO UES

STATEMENT OF CHANGES IN EQUITY
for 2015

Organization **Inter RAO UES Public Joint Stock Company**
Taxpayer identification number
Type of activity *resale of electrical energy*
Legal form / form of ownership
Public joint-stock company/
Other mixed Russian property
Unit of measurement: thousand rubles

	CODES		
OKUD form	0710004		
Date (day, month, year)	31	12	2015
OKPO	33741102		
INN	2320109650		
OKVED	51.56.4		
OKOPF/OKFS	12247	49	
	OKEI		
	384		

1. Capital Flow

Item	Code	Authorized capital	Treasury shares	Additional capital	Reserve capital	Retained profit (uncovered loss)	Total
Value of capital as of December 31, 2013	3100	293,339,703	-	195,519,433	296,339	(158,824,234)	330,331,241
for 2014							
Increase in capital – total:	3210	-	-	-	-	526,605	526,605
including net profit	3211	X	X	X	X	434,170	434,170
revaluation of property	3212	X	X	-	X	92,082	92,082
revenues attributed directly to capital increase	3213	X	X	-	X	353	353
additional issue of shares	3214	-	-	-	X	X	-
increase in nominal value of shares	3215	-	-	-	X	-	-
legal entity's reorganization	3216	-	-	-	-	-	-
sale of own shares	3217	-	-	-	-	-	-
Decrease in capital – total:	3220	(28)	-	(92,082)	-	-	(92,170)
including loss	3221	X	X	X	X	-	-
revaluation of property	3222	X	X	(92,082)	X	-	(92,052)
expenses charged directly to capital decrease	3223	X	X	-	X	-	-
decrease in nominal value of shares	3224	-	-	-	X	-	-
decrease in number of shares	3225	(28)	-	-	X	-	(28)
legal entity's reorganization	3226	-	-	-	-	-	-
dividends	3227	X	X	X	-	-	-
Change in additional capital	3230	X	X	-	-	-	X
Change in reserve capital	3240	X	X	A	-	-	A
Value of capital as of December 31, 2014	3200	293,339,675	-	195,427,351	296,339	(158,297,629)	330,765,736
For 2015							
Increase in capital – total:	3310	-	-	-	-	3,721,453	3,721,453
including net profit	3311	X	X	X	X	3,721,453	3,721,453
revaluation of property	3312	X	X	-	X	-	-
revenues attributed directly to capital increase	3313	X	X	-	X	-	-
additional issue of shares	3314	-	-	-	X	X	-
Increase in nominal value of shares	3315	-	-	-	X	-	X
legal entity's reorganization	3316	-	-	-	-	-	-
sale of own shares	3317	-	-	-	-	-	-

Item	Code	Authorized capital	Own shares repurchased from shareholders	Additional capital	Reserve capital	Retained profit (uncovered loss)	Total
Decrease in capital – total:	3320	-	-	(11,221)	-	(108,543)	(119,764)
including loss	3321	X	X	X	X	-	-
revaluation of property	3322	X	X	(11,221)	X	-	(11,221)
expenses charged directly to capital decrease	3323	X	X	-	X	-	-
decrease in nominal value of shares	3324	-	-	-	X	-	-
decrease in number of shares	3325	-	-	-	X	-	-
legal entity's reorganization	3326	-	-	-	-	-	-
dividends	3327	X	X	X	-	(108,543)	(108,543)
Change in additional capital	3330	X	X	-	-	-	X
Change in reserve capital	3340	X	X	X	21,709	(21709)	X
Value of capital as of December 31, 2015	3300	293,339,675	-	195,416,130	318,045	(154,706,428)	334,367,425

2. Adjustments due to changes in accounting policy and error corrections

Item	code	As of December 31, 2013	Change in capital for 2014		As of December 31, 2014
			on account of net profit (loss)	on account of other factors	
Capital — total					
before adjustments	3400	330,331,241	526,605	(92,110)	330,765,736
Adjustment due to:					
changes in accounting policy	3410				
error corrections	3420	-	-	-	-
after adjustments	3500	330,331,241	526,605	(92,110)	330,765,736
including					
retained profits (uncovered loss):					
before adjustments	3401				
Adjustment due to:					
changes in accounting policy	3411				
error corrections	3421	-	-	-	-
after the adjustment	3501	-	-	-	-
other items of capital adjusted					
before adjustments	3402				
adjustment due to:					
changes in accounting policy	3412				
error corrections	3422	-	-	-	-
after adjustments	3502	-	-	-	-

3. Net Assets

Item	Code	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Net assets	3600	334,367,425	330,765,736	330,331,241

Head /Signature/
(signature)
February 12, 2016

B.Yu. Kovalchuk
(printed name)

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Public Joint Stock Company Primary State Registration Number 1022302933630
INTER RAO UES

CASH FLOW STATEMENT
for 2015

Organization **Inter RAO UES Public Joint Stock Company**
Taxpayer identification number
Type of activity *resale of electrical energy*
Legal form / form of ownership
Public joint-stock company/
Other mixed Russian property
Unit of measurement: thousand rubles

OKUD form	CODES		
	0710005		
Date (day, month, year)	31	12	2015
OKPO	33741102		
INN	2320109650		
OKVED	51.56.4		
OKOPF/OKFS	12247	49	
	384		
OKEI			

Item	Code	For 2015	For 2014
Cash flows from current transactions			
Proceeds - total	4110	49,646,007	40,733,261
including:			
from sales of products, goods, works and services	4111	45,374,374	34,127,080
lease payments, license fees, royalties, commissions and other similar payments	4112	157,007	129,990
from resale of financial investments	4113	-	-
other proceeds	4119	4,114,626	6,476,191
Payments - total	4120	(45,495,084)	(38,744,911)
including			
to suppliers (contractors) for raw materials, materials, works and services	4121	(39,241,151)	(28,860,889)
due to payment of employees' remuneration	4122	(2,606,671)	(2,131,448)
interests on debt liabilities	4123	(513,357)	(652,341)
organizations' profit tax	4124	(2,328,869)	(1,362,207)
other payments	4129	(808,036)	(5,738,026)
Balance of cash flows from current transactions	4100	4,147,923	1,988,350
Cash flows from investment transactions			
Proceeds - total	4210	37,182,572	20,365,369
including:			
from sales of non-current assets (other than financial investments)	4211	6,848,123	6,508,742
from sales of shares (participatory interest) in other organizations	4212	938,321	620,798
from repayment of loans provided, from sales of debt securities (rights of demand of cash to other persons)	4213	8,350,087	7,640,774
dividends, interest on debt financial investments and similar proceeds from equity participation in other organizations	4214	5,654,324	5,087,783
repayment of deposits, placed for a period over 3 months	4215	15,361,569	500,000
other proceeds	4219	148	10,272
Payments - total	4220	(34,517,734)	(18,439,042)
including			
due to acquisition, creation, modernization, reconstruction and preparation for use of non-current assets	4221	(452,625)	(334,967)
due to acquisition of shares (participatory interest) in other organizations	4222	(4,029)	(4,013,189)
due to acquisition of debt financial investments (right of demand of cash to other persons), provision of loans to other entities	4223	(24,243,662)	(8,842,403)
Interests on debt liabilities, included into the cost of investment asset	4224		
placement of deposits for a period over 3 months	4225	(9,752,229)	(5,248,483)
other payments	4229	(65,189)	-
Balance of cash flows from investment transactions	4200	2,664,838	1,929,327

Item	Code	For 2015	For 2014
Cash flows from financial transactions	4310	3,950,195	9,600,355
Proceeds - total			
including:	4311	3,950,195	9,600,000
obtaining credits and loans			
cash contributions of owners (participants)	4312		-
From shares issue, increase of shareholding interests, sale of own shares	4313	-	
repurchased from shareholders			
from redemption of bonds, bills of exchange and other debt securities, etc.	4314		
other proceeds	4319	-	355
Payments - total	4320	(13,604,243)	(9,600,124)
including:	4321		
to owners (participants) due to repurchase of organization's shares (participatory interest) from them or their withdrawal from participants			
for payout of dividends and other payments on distribution of profits in favor of owners (participants)	4322	(105,543)	(124)
due to repayment (repurchase) of bills of exchange and other debt securities, repayment of credits and loans	4323	(13,495,700)	(9,600,000)
other payments	4329	-	-
Balance of cash flows from financial transactions	4300	(9,654,048)	231
Balance of cash flows for reporting period	4400	(2,841,287)	3,917,908
Balance of cash and cash equivalents at the beginning of reporting period	4450	23,163,802	16,708,109
Balance of cash and cash equivalents at the end of reporting period	4500	20,395,085	23,163,802
Value of impact of change in foreign currency exchange rate to ruble	4490	72,570	2,537,785

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/Signature/
(signature)

February 12, 2016

B.Yu. Kovalchuk
(printed name)

/Round official seal/:

Public Joint Stock Company Primary State Registration Number 1022302933630
INTER RAO UES

**EXPLANATORY NOTES
to Accounting (Financial) Statements
Of PJSC "Inter RAO" for 2015**

This Explanatory notes constitute an integral part of the annual accounting (financial) statements of PJSC "Inter RAO" for 2015 prepared in accordance with applicable laws of the Russian Federation.

All sums are shown in thousand rubles, unless otherwise specified.

I. GENERAL INFORMATION

Public Joint Stock Company Inter RAO¹ (the "Company") was established on October 23, 2002. The main focus of the Company's activities is sale of electricity both within the Russian Federation and outside its borders. The company and its subsidiaries are hereinafter collectively referred to as Inter RAO Group.

In 2015, the Company carried out sales of electrical energy in the domestic market and outside the Russian Federation, supplied power equipment abroad and managed activities of generating, sales, engineering, and other company members of Inter RAO Group.

The Company's shares are allowed for circulation at the securities market and included in the quotation list "A" of the first level of Stock Exchange MICEX Closed Joint Stock Company (SE MICEX CJSC).

In accordance with the new version of the Company's Articles of Association approved by the Resolution of the annual General Shareholders Meeting dated May 29, 2015, (Minutes No. 15 dated June 1, 2015), the full corporate name of Inter RAO UES Open Joint Stock Company was changed to Inter RAO UES Public Joint Stock Company, and the abbreviated name was changed from OJSC "Inter RAO" to PJSC "Inter RAO" starting from June 8, 2015.

The Company has the following registered address: 27 Bolshaya Pirogovskaya Street, Building 2, Moscow 119435, Russian Federation.

Taxpayer Identification Number (INN): 2320109650.

¹ Prior to the change to its name, Sochinskaya TPP OJSC (renamed following the Resolution of the sole Company's shareholder — RAO UES of Russia, OJSC dated March 28, 2008)

**EXPLANATORY NOTES
to Accounting (Financial) Statements
Of PJSC "Inter RAO" for 2015**

The average payroll count of the Company for 2015 amounted to 460 persons (446 persons for 2014).

These statements were signed on February 12, 2016.

Representative Offices of the Company as of December 31, 2015:

Name	Type of activity	Location
Office in the territory of the Republic of Ecuador	Functions of the representative office	Office 403, Tower B, World Trade Center building, 12 October Prospect No. 24-528 and Louis Cordero, Quito, the Republic of Ecuador
Office in the Kingdom of Belgium	Representative office functions	6 Rond-Point Schuman, 1040, Brussels, the Kingdom of Belgium

January 11, 2015, amendments to the Company's Articles of Association as to the liquidation of the following branches were registered:

- North-Western CHPP (location: 34 Tret'ya Konnaya Lakhta, Olgino settlement, St. Petersburg 197229, Russia
- Kaliningradskaya CHPP-2 (location: 2 Energetikov Lane, Kaliningrad, 236034 Russia
- Sochinskaya TPP (location: 133 Transportnaya Street, Sochi, 354000 Russia

On March 20, 2015, amendments to the Company's Articles of Association were registered as to termination of activities of the representative office of the Company in the Republic of Cuba (address: Santa Clara building, 3rd Avenida between 70th and 80th streets, Miramar, Playa, Havana, the Republic of Cuba,

**EXPLANATORY NOTES
to Accounting (Financial) Statements
Of PJSC "Inter RAO" for 2015**

Composition of the Board of Directors within the period from May 26, 2014, till May 29, 2015:

1	Igor Ivanovich Sechin	President, Chairman of the Management Board of Rosneft Oil Company, Chairman of the Board of Directors of PJSC "Inter RAO"
2	Andrey Yevgenyevich Bugrov	Deputy General Director for Governmental and Investment Relations, MMC Norilsk Nickel PJSC
3	Oleg Mikhaylovich Budargin	Chairman of the Management Board, General Director of Rosseti PJSC
4	Vladimir Aleksandrovich Dmitriev	Chairman of the State Corporation Bank for Development and Foreign Economic Affairs (Vnesheconombank)
5	Boris Yuryevich Kovalchuk	Chairman of the Management Board, PJSC "Inter RAO"
6	Vyacheslav Mikhailovich Kravchenko	Deputy Minister of Energy of the Russian Federation
7	Aleksandr Markovich Lokshin	Member of the Management Board, First Deputy General Director for Operations Management of Rosatom State Atomic Energy Corporation
8	Andrey Yevgenyevich Murov	Chairman of the Management Board of FGC UES PJSC
9	Ronald J. Pollett	President & CEO, GE in Russia & CIS
10	Denis Vladimirovich Fedorov	Head of the Power Sector Development and Marketing Department of Gazprom PJSC, General Director of Gazpromenergoholding LLC
11	Dmitriy Evgenyevich Shugaev	Deputy General Director of Rostec State Corporation (Deputy Chairman of the Board of Directors of PJSC "Inter RAO")

**EXPLANATORY NOTES
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Composition of Board of Directors of the Company within the period from May 30, 2015:

1	Igor Ivanovich Sechin	President, Chairman of the Management Board of Rosneft Oil Company, Chairman of the Board of Directors of PJSC "Inter RAO"
2	Andrey Yevgenyevich Bugrov	Vice President of MMC Norilsk Nickel PJSC
3	Anatoliy Anatolyevich Gavrilenko	General Director of Leader CJSC
4	Boris Yuryevich Kovalchuk	Chairman of the Management Board, PJSC "Inter RAO"
5	Aleksandr Markovich Lokshin	First Deputy General Director for Operations Management, Rosatom Atomic Energy State Corporation
6	Andrey Yevgenyevich Murov	Chairman of the Management Board of FGC UES PJSC
7	Ronald J. Pollett	Vice President of GE, President and CEO of GE in Russia and CIS
8	Nikolay Dmitrievich Rogalyov	Rector of the Federal State State-Funded Educational Institution of Higher Vocational Education "National Research University MPEI"
9	Pavel Nickolaevich Snikkars	Director of the Department for Electric Power Industry Development, RF Ministry of Energy
10	Denis Vladimirovich Fedorov	Head of the Power Sector Development and Marketing Department of Gazprom PJSC, General Director of Gazpromenergoholding LLC
11	Dmitriy Evgenyevich Shugaev	Deputy General Director of Rostec State Corporation (Deputy Chairman of the Board of Directors of PJSC "Inter RAO")

EXPLANATORY NOTES
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Composition of Revision Commission of the Company within the period from May 26, 2014:

1	Izumrud Aligadzhiyevna Alimuradova	Director of Department for Internal Controls and Risk Management of FGU EUS PJSC
2	Svetlana Petrovna Ray	Director of Department for Internal Audit and Control of Rosneft Oil Company
3	Ekaterina Viktorovna Kheimits	Director of Division for Assets Soundness Control of the Internal Audit Department of MMC Norilsk Nickel PJSC
4	Dmitry Lvovich Shishkin	Director for Internal Control of FGC UES PJSC
5	Yuriy Aleksandrovich Shcherbakov	Head of the Treasury Department, Financial and Economic Center of PJSC "Inter RAO"

Composition of the Company's Management Board in the period from January 1, 2014:

1	Boris Yuryevich Kovalchuk	Chairman of the Management Board, PJSC "Inter RAO"
2	Aleksandr Gennadyevich Boris	Member of the Management Board, PJSC "Inter RAO"
3	Ilnar Ilbatyrovich Mirsiyapov	Member of the Management Board, Head of the Strategy and Investment Unit, PJSC "Inter RAO";
4	Valery Valeryevich Murgulets	Member of the Management Board, Head of the Innovations, Investments and Costs Unit, PJSC "Inter RAO"
5	Pavel Ivanovich Oklei	Member of the Management Board, Head of the Production Activities Unit, PJSC "Inter RAO"
6	Dmitry Nikolaevich Palunin	Member of the Management Board, Head of the Finance and Economics Center of PJSC "Inter RAO"
7	Aleksandr Aleksandrovich Pakhomov	Member of the Management Board, Head of the Legal Unit, PJSC "Inter RAO"
8	Karina Valerievna Tsurkan	Member of the Management Board, Head of the Trading Unit, PJSC "Inter RAO"
9	Yury Vladimirovich Sharov	Member of the Management Board, Head of the Engineering Unit, PJSC "Inter RAO"

**EXPLANATORY NOTES
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II. BASIC PROVISIONS OF THE ACCOUNTING POLICY

These accounting (financial) statements of the Company have been prepared based on the following accounting policy.

Basic Approaches to Preparation of the Annual Accounting (Financial) Statements

The Company's accounting (financial) statements have been prepared according to the rules of accounting and reporting being in effect in the Russian Federation, in particular, Federal Law No. 402-FZ of December 6, 2011, "On Accounting", Regulations on Accounting "Accounting Policy of Organization" PBU 1/2008, approved by the Order of the RF Ministry of Finance No. 60n of December 9, 1998, Regulations on Accounting and Reporting in the Russian Federation, approved by the Order of the RF Ministry of Finance No. 34n of July 29, 1998, Regulations on Accounting "Accounting Statements of Organization" PBU 4/99, approved by the Order of the RF Ministry of Finance No. 43n of July 6, 1999.

Uncertainty of Estimated Values

Below there are basic assumptions concerning future events, as well as other sources of uncertainty of estimated values as of the reporting date, which imply considerable risk of the necessity to make material adjustments to the book value of assets and liabilities in the next reporting year:

- provision for bad debts;
- provision for financial investments impairment;
- estimated liabilities;
- useful lives for intangible assets and fixed assets.

Fixed Assets

Composition of the fixed assets includes the property with the useful life of over 12 months and value of over 40 thousand rubles.

**EXPLANATORY NOTES
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The item used for fixed assets accounting is an inventory item. In the event that any single item is composed of several parts, which have different useful lives, each of such parts shall be recorded as an individual inventory item.

The purchased objects with the original cost of up to 40 thousand rubles per item shall be expensed at the time, when the fixed asset is transferred for production.

Fixed assets objects shall be accepted for accounting at the actual cost of purchase (construction) thereof.

In the event that the fixed assets objects are acquired under agreements providing for fulfillment of liabilities in kind, the value of assets transferred or subject to transfer shall be considered as an original value of such objects. Value of assets transferred or subject to transfer by the Company shall be set based on the price, at which the Company defines value of similar assets in ordinary practice in comparable circumstances. The Company did not acquire fixed assets objects for consideration in kind in the reporting period.

The Company will carry out revaluation of the fixed assets, if the current (replacement) cost for the fixed assets differs materially from the cost, at which they are recorded in the Company's accounting documents. Any deviation of the total replacement value of a group of similar objects from the current (replacement) value of such group of similar objects by 20 % is considered material.

The revaluation shall be carried out for the electricity distribution equipment and controls equipment.

The Company did not carry out the revaluation of the fixed assets in the reporting year.

In the accounting (financial) statements, the fixed assets are shown at their original value, less depreciation accumulated.

Deprecation of fixed assets is charged using a linear method.

**EXPLANATORY NOTES
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Depreciation of fixed assets is calculated based on the periods of useful operation determined according to the Classification of fixed assets included in depreciation groups, approved by Decree of the RF Government No. 1 dated January 1, 2002. The periods of useful operation accepted by the Company, by groups of fixed assets, are given below.

Fixed Assets Group	Period of useful operation (number of years) of objects on the balance sheet
Structures and transmitting equipment	20
Machines and equipment	2-16
Transport vehicles	5-8
Production and economic equipment	3-7
Other types of fixed assets	3-10
Land plots and land use facilities	-

No depreciation is charged on:

- land plots;
- fully depreciated items, not written off from the balance sheet, used in production;
- fixed assets temporary closed down.

Income and costs from disposal of fixed assets are reflected in the profit and loss statement as part of other income and costs.

Expenses under credits and loans received for purchase, construction, or manufacture of fixed assets objects, charged prior to acceptance of the relevant fixed assets for accounting, are included in their original value, and those charged after acceptance of fixed assets objects for accounting are reflected in the profit and loss statement as part of other costs.

The leased fixed assets are recorded off the balance sheet at the book value, as specified in the accounting documents of the lessor as of the date of the property transfer for leasing.

EXPLANATORY NOTES
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Inventories shall be evaluated in the amount of actual costs of purchase (manufacture) thereof.

Assessment of inventories upon their disposal is determined:

- at the actual prime cost for each item at the storage location;

Electricity and power purchased at the wholesale electricity and capacity market for resale and recorded at Account 41 "Goods" — in accordance with the "Methods for Distribution of Volumes and Value of Purchased/Sold Electricity (Capacity) at the Wholesale Electricity and Capacity Market by Market Sectors".

Receivables

Accounts receivable from buyers and customers shall be determined based on the prices fixed by agreements between the Company and the buyers (customers), taking into account all discounts (surcharges) provided/charged by the Company, and VAT.

Receivables repayable (payable) within 12 months after the reporting date are reflected on the balance sheet as part of current assets. Receivables repayable (payable) within more than 12 months after the reporting date are reflected on the balance sheet in non-current assets section in the line "Other non-current assets".

The advance payments, made in connection with construction and purchasing of fixed assets, as well as in connection with technical re-equipment and reconstruction, shall be recorded in the balance sheet within "construction in progress" (excluding VAT).

The Company will set up bad debt reserves in the event of recognition of bad debt receivables with the provisions amounts attributed to the organization's profit and loss. The analysis as to the need to record any provisions shall cover the all receivables. The calculation of the provisions amount shall be done in accordance with the Methods for Bad Debt Provision Calculation, approved by the Company's by-law.

The Company uses various approaches to forming the bad debts provision for trade receivables , other receivables and issued advances.

**EXPLANATORY NOTES
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In order to calculate the bad debt provision, the actual receivables, existing as of the reporting date shall be distributed across three groups of legal entities: legal entities, being the consumers at the wholesale electricity and capacity market; debtors with specific payment arrangements; other debtors.

The booking percentage shall be determined for each individual debtor in accordance with the Methods to Calculate Bad Debt Provisions.

The Company has the right to change or apply a separate provision rate in respect of individual debtors in the case of receiving information, which allows for a conclusion on a significant change in their financial position.

With regard to the suppliers' receivables (paid advances), the Company shall record 100 % provision, in the event that the supplier has defaulted on its obligations within the period, stipulated by the contract, with the overdue period exceeding 12 months.

With regard to the receivables for the goods, sold to the buyers via the commission agent, the size of the bad debt provision shall be determined based on the analysis into the indebtedness for each buyer, accounting for the information as to the indebtedness, furnished by the commissioned agent.

The accrual/reversal of the bad debt provision shall be recorded within other expenses/profits. Upon the disposal (repayment) of the receivables the respective provision amount shall be written off. The written-off provision amounts shall be recorded within other income.

Income

Revenues shall be recorded in accounting based on the amount, specified in cash, equal to the size of the cash receipts and other assets and the amount of accounts receivable (based on the provisions set forth in Clause 3 of Accounting Provisions "*Company Income*", PBU 9/99 No. 32n (version dated April 6, 2015).

EXPLANATORY NOTES
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Revenues are recognized by the Company in accounting if the following conditions are simultaneously met:

- The Company is entitled to receive such revenues, as follows from a certain agreement, or as duly confirmed otherwise;
- The amount of revenues may be determined;
- There is confidence that economic benefits will grow as a result of a certain transaction;
- The right of ownership (possession, use, or disposal) and risks related to products (goods) have passed from the organization to the buyer, or the work has been accepted by the customer (service has been provided);
- The costs, which have been or may be incurred in connection with such transaction may be determined.

The structure of other income includes proceeds from lease of property, interests charged upon borrowed funds provided (including upon deposits placed), income from participation in other organizations, income from revaluation of financial investments, income from sale of currency and fixed assets, disposal of financial investments and other assets, penalties receivable under agreements in the area of power trade-in , profits of previous years, foreign exchange gains, changes in estimates, etc.

Costs

The Company's costs are recognized in the reporting period in which they are incurred, irrespective of the time of payment of funds.

The prime cost of trading transactions (purchase of electricity (power) in the domestic market, import of electricity, sale of electricity without delivery to the RF customs territory) consists in the costs of purchase of electricity and power.

**EXPLANATORY NOTES
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The Company's commercial costs are not distributed among the prime cost of separate kinds of sales. The structure of commercial costs includes costs of transmission of electricity, loss of electricity, customs payments, wages of personnel engaged in trading and selling activity, etc.

The management expenses on the Executive Staff of the Company shall not be distributed across the prime costs of individual types of sales and shall be written off, using the direct costing methods to the debit of Account 90.08 "Management Costs".

The structure of other costs includes costs connected with lease of property, interests charged upon borrowed funds provided, costs of sale of currency and fixed assets, disposal of financial investment and other assets, losses of previous years, foreign exchange losses, changes in estimates, etc.

Accounting of Loans and Credits

The indebtedness under a loan and/or a credit is reflected by the Company in the amount of the funds actually received, or in the value of other received assets assessment stipulated by an agreement at the moment of actual transfer of the funds or other assets.

Indebtedness at the end of the reporting period is stated in the balance sheet subject to interests payable as part of borrowed funds. The Company shall monthly record the interest payable calculated in accordance with the terms of loan (credit) contracts.

Indebtedness under loans and/or credits received is subdivided in accounting into short-term and long-term, as well as into mature and overdue. The Company transfers liabilities from long-term to short-term when, according to the terms of agreement, 365 (or 366) days remain to repayment of the principal part of the debt.

Additional charges connected with receipt of loans and/or credits are included as a lump-sum as part of other costs at the moment of arising thereof. Payments to the banks in consideration for credit line opening are reflected in the profit and loss statement as part of interests payable.

**EXPLANATORY NOTES
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Financial Investments

Financial investments are accepted for accounting at the actual costs of purchase thereof.

The original cost of the financial investments purchased based on the contracts, which provide for the discharge of obligations (payments) by non-monetary means, shall be equal to the value of the assets transferred or subject to transfer by the Company. Value of assets transferred or subject to transfer by the Company shall be set based on the price, at which the Company defines value of similar assets in ordinary practice in comparable circumstances. When it is not feasible to identify the cost of the assets transferred or subject to transfer by the Company, the cost of the financial investments shall be determined based on the value specified for the property by an independent assessor.

Financial investments, the current market value of which may be determined according to the established procedure, are reflected in the accounting (financial) statements at the end of the accounting year at their current market value. The difference between the current market value of financial investments at the reporting date and the previous evaluation of financial investments is attributed to financial results as part of other income and costs. The said revaluation is carried out once a year when preparing annual accounting (financial) statements.

Financial investments, the current market value of which cannot be determined, are reflected in the accounting statement at the end of the accounting year at their accounting (book) value, less the provision for impairment of financial investments, formed in respect to the assets for which there are conditions for steady depreciation at the reporting date.

**EXPLANATORY NOTES
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In the event that no current market value can be determined for the financial investment, which was earlier evaluated at the current market value, the same financial investment shall be recorded in accounting at the value, determined during the last evaluation. Starting from the reporting period, during which the current market value stopped to be determined for the financial investments, such financial investments are reflected in the balance sheet at the end of the accounting year at their accounting (book) value less the provision for impairment of financial investments, formed in respect to the assets, for which there are conditions for steady material depreciation.

The provision for impairment of financial investments is formed once a year, based on the results of an inventory as of December 31 of the accounting year. When determining the provision amount, the Company, based on available information, determines the estimated value of financial investments, which have signs of steady depreciation, and the provision for impairment of financial investments is formed in the amount of the excess of the accounting (book) value of such investments over their estimated value.

Concerning loans provided to third parties, the Company forms the provision for impairment, based on the following principles:

Period of delay in payment, months	Provision %
Over 36 months	100
From 30 to 36 months	75
From 24 to 30 months	50
From 18 to 24 months	25
From 12 to 18 months	10
From 6 to 12 months	5
Less than 6 months	No provision is formed

The total amount of the provision formed is attributed to other costs.

In case of disposal of an asset accepted for accounting as a financial investment, which market value cannot be determined, its value is determined based on the original value of each unit of financial investments.

**EXPLANATORY NOTES
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In case of disposal of an asset accepted for accounting as a financial investment, which market value is determined, its value is determined based on the latest evaluation.

Income and costs from financial investments are reflected as part of other income and costs.

Property Evaluation Method

In accordance with Clause 1 Article 12 of Federal Law No. 402-FZ, assets and liabilities are evaluated for their reflection in accounting and in the accounting (financial) statements in monetary terms.

Property acquired for a consideration is evaluated by summing up the actual costs of purchase thereof; property received on a free of charge basis – at its market value at the date of registration; property produced by the organization – at the cost of manufacture thereof.

Depreciation of fixed assets and intangible assets is charged irrespective of the results of the Company's business activities in the reporting period.

Cash and Cash Equivalents, Reflection of Cash Flows

Cash and Cash Equivalents

For the purpose of preparing a balance sheet and a statement of cash flow, the Company includes cash equivalents as part of cash, which mean short-term highly liquid financial investments that may easily be converted into a known amount of cash and are subject to an insignificant risk of change in value. In particular, the Company attributes to cash equivalents the deposits in credit institutions, issued at the request and / or with a maturity of three months or less.

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Minimized Reflection of Cash Flows

Cash flows are reflected in the statement of cash flows minimized in cases where they characterize not so much the Company's activities, as the activities of its contractors. In particular, the Company reflects the principal's cash flows minimized in cases where the Company is a commission agent or an agent.

Cash flows are also reflected in the statement of cash flows minimized in cases where they are distinguished by a great turnover, large amounts and shorter repayment periods (including short-term bank deposits with placement terms of up to three months, overdrafts). Likewise, income and expenses from foreign exchange transactions are reflected minimized (purchase / sale of foreign currency).

Accounting of Cash Flows in Foreign Currency

For the purposes of preparing the statement of cash flows, the value of cash flows in foreign currency is converted into rubles at the official exchange rate of that foreign currency to ruble as established by the Central Bank of the Russian Federation on the date of effecting and receiving the payment.

Other

Assets and Liabilities in Foreign Currencies

When accounting business operations effected in foreign currencies, the official exchange rate of a foreign currency to ruble being in effect at the date of effecting an operation is applied. Value of bank notes in hand of the Company, funds in bank accounts (bank deposits), fiscal and payment documents, securities (except for shares), resources in settlement, including under debentures (except for funds of advance payments received and provided, and pre-payment), denominated in a foreign currency, are reflected in the accounting (financial) statements in the amounts calculated based on official exchange rates, being in effect as of December 31, 2015.

The exchange rates at the same date amounted to 72.8827 rubles per USD 1 (December 31, 2014 — 56.2584 rubles, December 31, 2013 - 32.7292 rubles), 79.6972 rubles for EUR 1 (December 31, 2014 68.3427 rubles, December 31, 2013 — 44.9699 rubles).

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The exchange difference shall be attributed to profit or loss within other income (costs).

Accounting of Term Transaction Financial Instruments

The Company effects operations with term transaction financial instruments (TTFI) with the purpose of hedging the currency, interest and other risks.

When effecting operations with TTFI, settlements connected with fulfillment of relevant contracts are reflected in accounting. No records are made in accounting at the moment of entering into transaction. Income and costs from operations with TTFI are determined at the date of closure of the reporting period, at the date of effecting interim settlements (if provided for by an agreement) and at the date of closure of a transaction.

The financial result from transactions with TTFI on hedging the interest risk under a credit is reflected as part of interests receivable (payable); for other transactions – as part of other income (charges).

Deferred Costs

The expenses, incurred by the Company during the reporting year but providing for the profits to be derived within several future reporting periods, shall be recorded within the deferred expenses. These costs are written off evenly during the period to which they relate. The duration of such period is fixed at the moment of acceptance of deferred costs for accounting.

The deferred expenses shall include such costs, as software programs, for which the Company shall have no exclusive rights; obtained licenses and certificates; other expenses.

Deferred costs related to periods after expiration of the year following the accounting year are shown on the balance sheet in non-current assets section in the line "Other non-current assets". Deferred costs subject to write-off within 12 months from the reporting date are reflected on the balance sheet as part of current assets in the line "Other current assets".

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Authorized, Additional and Reserve Capital

The Authorized capital is reflected in the amount of the nominal value of ordinary shares. The amount of the authorized capital corresponds to that fixed in the Articles of Association of the Company.

The Company's additional capital includes the amount of increase in the value of fixed assets, determined in the course of revaluation, issue income obtained as a result of allotment of shares of the Company at a price exceeding their nominal value.

According to the Articles of Association, the Company shall form a reserve fund equal to 15 % of the authorized capital. The amount of obligatory annual contributions to the reserve fund shall equal 5 % of the net profit of the Company; annual contributions shall be made until the target amount of the reserve fund is reached.

Segment Reporting

Risks and profits of the Company depend mainly on distinctions between the geographical regions where the Company sells electricity. Thus, the accounting segment is geographical – by regions of sales markets.

The reporting segment income shall be distributed across segments based on the geography of export flows (irrespective of the buyer's incorporation country).

Changes in the Accounting Policy

Changes to the laws did not have any impact on the accounting policy of the Company in 2015. No other changes in the Company's accounting policy were introduced in 2015.

In order to standardize accounting methods for the Russia-based activities of Inter RAO Group, within the project "Development and Implementation of Corporate Unified Accounting Methods of Group Inter RAO" a standard of Inter RAO Group was developed in 2015 — a corporate unified accounting policy, forming the basis for the development of local accounting policies of the Company and its subsidiaries.

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Core changes to the Company's accounting policy in 2016 cover the following:

- record-keeping of non-exclusive rights within the intangible assets;
- recording of income from leasing property within the income from standard types of activities (revenues);
- recording paid and received advances less VAT amounts on the balance sheet;
- minimized recording for certain income and costs in the profit and loss statement (for instance, exchange differences, estimated obligations).

III. DISCLOSURE OF SIGNIFICANT PARAMETERS

1. INTANGIBLE ASSETS

As of December 31, 2015, the Company has no earlier depreciated intangible assets, as well as intangible assets with indefinite period of useful life.

Remaining period of useful life of intangible assets amounts to:

- With respect to exclusive rights to software products and information systems – from 5 to 10 years;
- for trade marks – from 1 to 4 years;
- for utility model – 7 years.

The original cost of intangible assets did not change during the reporting year, and useful lives were not revised.

The Company had no intangible assets, for which the value was fully covered, but which were not written off from the balance sheet as of December 31, 2015, and December 31, 2014, (390 thousand rubles — as of December 31, 2013).

The intangible assets mainly include exclusive rights to the information systems, developed by third parties based on various program platforms and used by the Company in the managerial activities.

**EXPLANATORY NOTES
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The presence and flows of intangible assets within the reporting year are specified in the table below:

Item	Code	Period	As of the beginning of the year		Changes for the period				As of the end of the year	
			original value	accumulated depreciation	received	disposed		accrued depreciation	original value	accumulated depreciation and impairment losses
						original value	accumulated depreciation and impairment losses			
Intangible assets - total	5100	2015	19,225	(9,950)	18,300	-	-	(6,647)	37,525	(16,603)
	5110	2014	182,390	(35,672)	-	(163,165)	50,914	(25,198)	19,225	(9,956)
including:										
Exclusive rights to software products and information systems	5101	2015	18,545	(9,809)	18,300	-	-	(6,614)	37,245	(16,423)
	5111	2014	182,065	(35,534)	-	(163,140)	50,889	(25,164)	18,945	(9,809)
Other IA	5102	2015	280	(147)	-	-	-	(33)	280	(180)
	5112	2014	305	(138)	-	(25)	25	(34)	280	(147)

2. FIXED ASSETS AND INTEREST BEARING INVESTMENTS IN TANGIBLE ASSETS

The book value of fixed assets as of December 31, 2015, amounted to 45,524 thousand rubles (122,068 thousand rubles — as of December 31, 2014; 915,360 thousand rubles — as of December 31, 2013).

The book value of fully depreciated fixed assets, excluding any accumulated depreciation as of December 31, 2015, amounted to 31,477 thousand rubles (41,373 thousand rubles — December 31, 2014; 70,006 thousand rubles — as of December 31, 2013).

As of December 31, 2015, December 31, 2014, and December 31, 2013, the Company had no fixed assets under pledge, at conservation, and no real estate items in process of state registration.

Fixed Assets Receipt

During the reporting year, the Company commissioned new fixed assets for the total amount of 14,289 thousand rubles (10,908 thousand rubles — in 2014).

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Disposal of Fixed Assets and Income-Yielding Investments in Material Assets

Brief information as to the disposal of fixed assets is presented in the table below:

Nature of disposal of fixed assets	Disposed at book value		
	2015	2014	2013
Sale under sales contracts	12,383	384,349	882,443
Contribution to authorized capital	-	316,125	1,238,518
Liquidation, write-off	35	10,476	2,754
TOTAL	12,418	710,950	2,123,715

During the reporting year, the Company recognized the impairment of fixed not used in the Company's operations, and for which the economic benefits (income) are not expected to be derived in the future, in the amount of 21,940 thousand rubles, including the recognition within a reduction of the additional capital, formed based on the additional evaluation of the respective object in the amount of 11,221 thousand rubles within the previous reporting periods, with 10,719 thousand rubles written off to other expenses.

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The information as to the presence and flows of fixed assets and interest-bearing investments in the material assets is presented in the table below:

Period	Code	As of the beginning of the year		Changes for the period								As of the end of the year	
		Original value	Accumulated depreciation	Increase in cost due to			Depreciation	Decrease in cost due to				Original value	Accumulated depreciation
				Receipt	Modernization, reconstruction of the FA objects	Downsizing of FA objects		Disposal	Impairment				
								Original value	Accumulated depreciation	Original value	Accumulated depreciation		
Fixed assets (excluding income bearing investments in the tangible assets) - total													
2015	5200	303,035	(180,967)	14,289	-	-	(56,475)	(36,813)	24,395	(55,155)	33,215	225,356	(179,832)
2014	5210	1,414,099	(498,739)	10,807	101	-	(93,250)	(1,121,972)	411,022	-	-	303,035	(180,967)
including:													
Buildings and constructions													
2015	5201	11,556	(1,156)	-	-	-	(241)	(11,556)	1,397	-	-	-	-
2014	5211	1,115,231	(361,584)	-	-	-	(34,528)	(1,103,675)	394,958	-	-	11,556	(1,156)
Machines and equipment													
2015	5202	225,149	(147,132)	1,261	-	-	(41,029)	(24,825)	22,601	(55,155)	33,215	140,430	(133,345)
2014	5212	230,475	(118,961)	9,814	-	-	(44,312)	(15,140)	15,141	-	-	225,149	(148,132)
Tools and utility accessories													
2015	5203	51,259	(22,795)	3,818	-	-	(11,409)	(432)	397	-	-	54,645	(33,807)
2014	5213	51,379	(12,864)	910	101	-	(10,856)	(1,131)	925	-	-	51,259	(22,795)
Transport vehicles													
2015	5204	7,704	(4,142)	9,069	-	-	(1,479)	-	-	-	-	16,773	(5,621)
2014	5214	7,704	(2,875)	-	-	-	(1,267)	-	-	-	-	7,704	(4,142)
Land plots and land use facilities													
2015	5205	-	-	-	-	-	-	*	-	-	*	-	-
2014	5215	2,026	-	-	-	-	-	(2,025)	-	-	-	-	-
Other types of fixed assets													
2015	5206	7,367	(4,742)	141	-	-	(2,317)	-	-	-	-	7,508	(7,059)
2014	5216	7,284	(2,455)	83	-	-	(2,287)	-	-	-	-	7,367	(4,742)
Registered as income bearing investments in the tangible assets - total													
2015	5200	20,469	(11,125)	-	-	-	(5,341)	-	-	-	-	20,469	(16,466)
2014	5210	25,556	(5,786)	-	-	-	(5,333)	-	-	(5,087)	-	20,469	(11,125)
including:													
Buildings and constructions													
2015	5220	4,575	(668)	-	-	-	(322)	-	-	-	-	4,575	(990)
2014	5230	9662	(348)	-	-	-	(320)	-	-	(5,087)	-	4,575	(6,681)
Machines and equipment													
2015	5220	15,894	(10,457)	-	-	-	(5,019)	-	-	-	-	15,894	(15,476)
2014	5230	15894	(5,438)	-	-	-	(5,019)	-	-	-	-	15,894	(10,457)

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Leased Fixed Assets

Item	Code	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Fixed assets recorded at the balance sheet accounts (original cost), including:				
Fixed assets transferred into operational lease	5280	-	11,556	1,103,591
TOTAL		-	11,556	1,103,591
Fixed assets taken into account on the off-balance sheet , including:				
Fixed assets accepted into operational lease	5283	1,013,906	1,010,379	2,194,329
Fixed assets accepted into financing lease (leasing)	5286	1,778,188	1,778,188	1,778,188
TOTAL		2,792,094	2,788,567	3,972,517

Fixed Assets Received on a Leasing Basis

Fixed assets received under leasing agreements are taken into account on the lessor's balance sheet. The Company shall account for the received property off the balance sheet as stipulated by the leasing contract.

Information on the fixed assets received under leasing agreement:

Name of the object of leasing	Agreement duration	Value as of December 31, 2015	Value as of December 31, 2014	Value as of December 31, 2013
Aircraft Bombardier CL-60002B16	March 2016	678,417	678,417	678,417
Aircraft Bombardier Global Express BD-700-1A10	August 2018	1,099,771	1,099,771	1,099,771
TOTAL		1,778,188	1,778,188	1,778,188

Within 2015, leasing payments were accrued in the amount of 267,168 thousand rubles (199,911 thousand rubles — in 2014; 108,402 thousand rubles — in 2013). The advances for repurchase payments for the aircrafts as of December 31, 2015, amounted to 1,141,075 thousand rubles (721,367 thousand rubles — as of December 31, 2014; 412,596 thousand rubles — as of December 31, 2013) and are recorded within "construction in progress" (see Section 3 "Construction in Progress" of these Notes).

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The total amount of the liabilities payable under the above specified contracts within the period from 2016 till 2018 amounts to 19,862 thousand USD (equivalent to 1,447,601 thousand rubles). Out of these, the leasing payments amount to 7,972 thousand USD (equivalent to 581,026 thousand rubles), repurchase payments — 11,809 thousand USD (equivalent to 866,575 thousand rubles).

Fixed Assets Taken on Lease

The cost of the property shall be recorded based on the accounting data from the lessor and shall be equal to the book value as of the date when the property is leased.

Information on the fixed assets received under leasing (sub-leasing) agreements and reflected off the balance sheet:

Name of the object of leasing	Duration of agreement	Value as of December 31, 2014	Received in 2015	Disposed in 2015	Value as of December 31, 2015
Land Plot (Krasnodar Krai)	2018	53,622	-	(53,622)	-
Office Premises of Executive Team in LUCH Business Center	April 2016	953,608	1,012,009	(953,608)	1,012,009
Other property for general administrative purposes	2018	3,149	534	(1,786)	1,897
TOTAL		1,010,379	1,012,543	(1,009,016)	1,013,906

3. CONSTRUCTION IN PROGRESS

The Company records within the construction in progress incomplete operations of purchase, upgrade of fixed assets, as well as amounts of advance payments (excluding VAT), paid to suppliers for the above purposes.

As of December 31, 2015, the composition of advance payments included purchase payments under aircraft leasing contracts in the amount of 1,141,075 thousand rubles (721,367 thousand rubles — as of December 31, 2014; 412,596 thousand rubles — as of December 31, 2013) and other advances, issued to supplier upon the purchase of fixed assets (excluding VAT) in the amount of 1,900 thousand rubles (absent as of December 31, 2014, and December 31, 2013).

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Within the reporting period, the Company sold to the subsidiary company the construction in progress items with the book value of 4,490 thousand rubles (14,770 thousand rubles — in 2014).

Information on the flow and presence of construction-in-progress objects and unfinished transactions for the purchase, modernization of the fixed assets is presented in the table below:

Item	Code	Period	As of the beginning of the year	Changes for the period			As of the end of the period
				expenses for the period	written off (including sold)	recorded within the composition of fixed assets/tangible and intangible assets	
Construction in progress and unfinished transactions on acquisition, modernization of fixed assets - total	5240	2015	725,857	435,897	(4,490)	(14,289)	1,142,975
	5250	2014	432,817	318,718	(14,770)	(10,908)	725,857
including:							
expenses on construction and acquisition of fixed assets objects	5241	2015	4,490	14,289	(4,490)	(14,289)	-
	5251	2014	20,221	9,846	(14,770)	(10,807)	4,490
expenses on reconstruction, upgrading of fixed assets objects	5242	2015	-	-	-	-	-
	5252	2014	-	101	-	(101)	-
advances, issued for the purchase (construction) of fixed assets	5243	2015	721,367	421,608	-	-	1,142,975
	5253	2014	412,596	308,771	-	-	721 7

4. OTHER NON-CURRENT ASSETS

Information on the composition of other non-current assets of the Company is presented below:

Name	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Receivables	3,848,255	10,672,402	31,992,270
Total deferred expenses, including:	5,134	34,569	98,679
- voluntary medical insurance	-	27,242	-
- software products (licenses)	5,134	4,228	87,514
- agent's fee	-	-	2,378
- rights to use land plots	-	-	2,477
- other	-	3,099	6,310
Uncompleted transactions to purchase intangible assets	3,153	6,436	17,380
TOTAL	3,856,542	10,713,407	32,108,329

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The flows and composition of accounts receivable are presented in Section 7.1 "Long-Term Accounts Receivable" of these Notes.

The flows and presence of uncompleted transactions to purchase intangible assets within the reporting year are presented in the table below:

Item	Code	Period	As of the beginning of the year	Changes for the period				As of the end of the period
				expenses for the period	expenditures written off as incurred without giving a positive result	sale	accounted as intangible assets or R&D	
Expenses on uncompleted intangible assets — total	5180	2015	8,436	18,300	(3,283)	-	(18,300)	3153
	5190	2014	17,380	-	-	(10,944)	-	6,436
including:								
Exclusive rights to software products and information systems	5181	2015	6,438	18,300	(3,283)	-	(18,300)	3153
	5191	2014	17,380	-	-	(10,944)	-	6436

5. FINANCIAL INVESTMENTS

5.1. Long-Term Financial Investments

Listed shares are reflected on the balance sheet at the market value calculated by exchange trade organizer (Stock Exchange MICEX CJSC) as of the last working day, December 30, 2015

Financial investments are recorded on the balance sheet less financial investment impairment provision in the amount of 306,466,238 thousand rubles as of December 31, 2015, (281,325,598 thousand rubles — as of December 31, 2014; 276,347,189 thousand rules — as of December 31, 2013).

As of December 31, 2015, the value of provision created for impairment of financial investments in authorized (share) capitals of other companies amounts to 86,771,930 thousand rubles (86,646,598 thousand rubles — as of December 31, 2014; 85,816,751 thousand rubles — as of December 31, 2013).

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Information on the presence and flow of financial investments in the reporting period is presented in the table below:

Item	Code	Period	As of the beginning of the year		Changes for the period					As of the end of the period	
			Book value	Impairment provision	Received	Disposed (repaid)	Influence on market quotations, exchange rate differences, discount on bills of exchange	Impairment provision	Reclass	Book value	Impairment provision
Long-term — total	5301	2015	367,989,632	(86,664,034)	24,604,185	(4,878,352)	7,159,520	(125,332)	(1,619,381)	393,255,604	(86,789,366)
	5311	2014	362,163,940	(85,816,751)	11,819,095	(2,148,187)	(861,405)	(847,283)	(2,983,811)	367,989,632	(86,664,034)
including:											
<i>those taken into account at current market value</i>											
listed shares	5302	2015	16,197,825	-	-	-	5,926,743	-	(5,753,700)	16,370,868	-
	5322	2014	19,186,831	-	-	-	(2,989,006)	-	-	16,197,825	-
<i>those taken into account at actual costs</i>											
shares and investment units	5303	2015	342,517,815	(86,646,598)	22,464,106	(3,850,898)	-	(125,332)	5,753,700	366,884,723	(86,771,930)
	5323	2014	336,371,867	(85,816,751)	6,391,310	(245,362)	-	(829,847)	-	342,517,815	(86,646,598)
loans	5304	2015	9,256,556	-	2,140,079	(1,027,454)	1,232,777	-	(1,619,381)	9,982,577	-
	5324	2014	6,587,806	-	5,427,785	(1,902,825)	2,127,601	-	(2,983,811)	9,256,556	-
contributions into joint activity	5307	2015	17436	(17,436)	-	-	-	-	-	17,436	(17,436)
	5327	2014	17436	-	-	-	-	(17,436)	-	17,436	(17,436)
Short-term — total	5308	2015	10,483,830	-	31,855,812	(40,876,770)	895,128	-	1,619,381	3,977,381	-
	5328	2014	4,227,903	-	8,663,101	(6,237,948)	846,963	-	2,983,811	10,483,830	-
including:											
<i>those taken into account at actual costs</i>											
loans	5310	2015	4,389,618	-	22,103,583	(25,515,201)	-	-	1,619,381	2,597,381	-
	5330	2014	3,727,903	-	3,414,618	(5,737,948)	1,234	-	2,983,811	4,389,618	-
deposits in banks	5311	2015	6,094,212	-	9,752,229	(15,361,569)	895,128	-	-	1,380,000	-
	5331	2014	500,000	-	5,248,483	(500,000)	845,729	-	-	6,094,212	-
Financial investments — total		2015	378,473,462	(86,664,034)	56,459,997	(45,755,122)	8,054,648	(125,332)	-	397,232,985	(86,789,366)
		2014	366,391,843	(85,816,751)	20,482,196	(8,386,135)	(14,442)	(847,283)	-	378,473,462	(86,664,034)

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Participation in the Authorized Capital of Other Organizations

Quoted Financial Investments

Listed Shares

In 2014-2015, the Company did not invest any funds in purchasing listed shares.

The information as to the changes in the value of the listed shares due to the revaluation is presented below:

Name of issuing company	As of December 31, 2014		Revaluation	Reclassified unlisted	As of December 31, 2015	
	Percentage of participation in the capital	Value of financial investment			Percentage of participation in the capital	Value of financial investment
Irkutskenergo PJSC	40.0	11,289,766	4,500,650	-	40.0	15,790,416
Mosenergosbyt PJSC	50.9	4,746,803	1,006,897	(5,753,700)	-	-
Tambov Energy Retail Company PJSC	59.4	54,754	67,451	-	59.4	122,205
Saratovenergo PJSC	56.2	106,502	351,745	-	56.2	458,247
TOTAL		16,197,825	5,926,743	(5,753,700)		16,370,868

Due to the fact that on December 18, 2015, the ordinary shares of Mosenergosbyt PJSC stopped to be circulated at the stock exchange and were excluded from the list of securities, tradable at Stock Exchange MICEX CJSC, the shares of Mosenergosbyt were reclassified unlisted in the accounting statements of the Company as of the end of the reporting year at the cost of their most recent evaluation, performed on the date of the last quote (December 17, 2015).

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Unlisted Financial Investments

Unlisted Shares and Other Financial Investments

Within the reporting period, the Company increased the investments into the subsidiaries via a purchase of additional amounts of their shares. The information as to the additional investments is presented below:

Legal entity name	As of December 31, 2014			Amount of the additional contribution in 2015	As of December 31, 2015		
	Percentage of participation in the capital	Size of contribution	Provision		Percentage of participation in the capital	Size of contribution	Provision
JSC "Inter RAO Capital"	100.0	85,432,198	(71,662,358)	19,234,676	100.0	104,666,874	(71,662,358)
Tomskaya generatsiya JSC	-	-	-	2,929,170	98.5	2,929,170	-
total		85,432,198	(71,662,358)	22,163,846		107,596,044	(71,662,358)

Within the reporting year, the Company purchased the ordinary registered shares of the additional issue in the authorized capital of its subsidiary company, JSC "Inter RAO Capital". The purchased shares were paid by a counter-claim set-off in the amount of 19,234,676 thousand rubles.

In 2015, the subsidiary company, TGK-11 JSC, was reorganized in the form of spin-off of Tomskaya generatsiya JSC. The shares of Tomskaya generatsiya JSC were placed by a distribution of shares of the joint stock company, being established upon the spin-off among the shareholders of TGK-11 JSC, reorganized via the same spin-off.

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The information as to the changes of the composition of unlisted shares due to their disposal:

Legal entity name	As of December 31, 2014			Disposed in 2015	Changes of the provision in 2015	As of December 31, 2015		
	Percentage of participation in the capital	Size of contribution	Provision			Percentage of participation in the capital	Size of contribution	Provision
TGK-11 JSC	98.5	7,907,858	-	(2,929,170)	-	98.5	4,978,688	-
HrazTES PJSC	100.0	624,579	-	(312,289)	-	50.0	312,290	-
OJSC "Inter RAO" LED Systems	35.2	600,000	-	(300,000)	-	17.6	300,000	-
Testing stand of Ivanovo GRES, JSC	82.8	290,055	(134,080)	(290,055)	134,080	-	-	-
TOTAL		9,422,492	(134,080)	(3,831,514)	134,080		5,590,978	

In Quarter 4 2015, the Company sold 798,715 of ordinary shares (50 % of the authorized capital) of HrazTES OJSC (Armenia Republic) of Tashir Group of Companies.

In December 2015, the Company purchased 300,000 ordinary shares (17.585 % of the authorized capital) of INTER RAO LED Systems OSC from NTS CJSC with the installment payments plan through October 2018.

Within the reporting year, the Company transferred, as an additional contribution to the authorized capital of Gas Turbine Technology Engineer Center LLC, 300,830,113 ordinary registered shares of Testing Stand of Ivanovo GRES JSC at the estimated value of 300,250 thousand rubles.

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Shares in the Authorized Capital of Limited Liability Companies

Within the reporting period, the Company increased the investments into the subsidiary company via an additional contribution to its authorized capital:

Legal entity name	As of December 31, 2014			Amount of the additional contribution in 2015	Changes of the provision in 2015	As of December 31, 2015		
	Percentage of participation in the capital	Size of contribution	Provision			Percentage of participation in the capital	Size of contribution	Provision
Gas Turbine Technology Engineering Center LLC	53.9	950,000	(475,517)	300,250	(79,647)	53,91	1,250,250	(555,164)
Total		950,000	(475,517)	300,250	(79,647)		1,250,250	(555,164)

¹ The Company's shareholding interest upon the completion of the procedure to register an increase in the authorized capital of Gas Turbine Technology Engineering Center LLC, performed via the additional contributions of its members, will stand at 52.95 %.

The information as to the changes of the composition of the shareholding interests in the authorized capital due to the disposal:

Legal entity name	As of December 31, 2014			Disposed in 2015	Changes of the provision in 2015	As of December 31, 2015		
	Percentage of participation in the capital	Size of contribution	Provision			Percentage of participation in the capital	Size of contribution	Provision
Inter RAO — Worley Parsons LLC	51.0	19,384	-	(19,384)	-	-	-	-
TOTAL		19,384	-	(19,384)	-			

The information on the financial investments under pledge and trust management as of December 31, 2015⁶ is presented in the table below:

Item	Code	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Financial investments under pledge - total	5320	1,138,507	1,631,086	1,127,516
including				
shares of Stantsiya Ekibastuzskaya GRES-2 JSC	5321	1,138,507	1,631,086	1,127,516
Financial investments transferred to third parties (other than by sale) - total	5325	-	21,385	21,385
including				
shares of Tomskenergosbyt PJSC transferred into trust management of Gazprombank - Assets Management CJSC	5328	-	21,385	21,385
Other use of financial investments	5335	-	-	-

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Subsidiary and Affiliated Companies

The Company controls another entity when by virtue of its participation or in accordance with the powers received from other entities, it has more than 50 % of the total number of votes related to voting shares (participatory interest) in the authorized (share) capital of the legal entity, and is able to determine decisions made by such entity. Such participation shall be attributed by the Company to the category of participation in subsidiaries.

The Company has influence over another entity when it has the right to manage directly or through its subsidiaries more than 20 % of the total number of votes related to voting shares (participatory interest) in the authorized (share) capital of the legal entity and is able to determine decisions made by such entity. Such participation shall be attributed by the Company to the category of participation in affiliated companies.

The information as to the Company's shareholding interests in the authorized capital of other organizations with the percentage share specified is presented below:

Legal entity name	Percentage share in the capital as of December 31, 2015	Size of financial investment as of December 31, 2015	Impairment provision as of December 31, 2015	Amount of investment less provision as of December 31, 2015	Amount of investment less provision as of December 31, 2014	Amount of investment less provision as of December 31, 2013
Investments in subsidiaries		362,710,017	(85,386,942)	277,323,075	257,442,860	251,887,005
JSC "Inter RAO - Electric Power Plants" Russia	100.0000	185,648,281	-	185,648,281	185,648,281	183,775,712
JSC "Inter RAO Capital", Russia	100.0000	104,666,874	(71,662,358)	33,004,516	13,769,840	13,769,840
Bashkir Generating Company LLC, Russia	100.0000	24,038,482	-	24,038,482	24,038,482	21,038,482
Saint-Petersburg Sales Company JSC (ordinary shares), Russia	85.3651	11,493,589	(8,628,348)	2,865,241	2,865,241	2,865,241

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Legal entity name	Percentage share in the capital as of December 31, 2015	Size of financial investment as of December 31, 2015	Impairment provision as of December 31, 2015	Amount of investment less provision as of December 31, 2015	Amount of investment less provision as of December 31, 2014	Amount of investment less provision as of December 31, 2013
Saint-Petersburg Sales Company JSC (preferred shares), Russia	14.6349	1,129,473	-	1,129,473	1,129,473	1,129,473
Mosenergosbyt PJSC, Russia	50.9189	5,753,700	-	5,753,700	4,746,803	4,309,521
Moldavskaya GRES CJSC, Moldovan Transnistrian Republic	100.0000	5,152,103	(4,506,352)	645,751	645,751	457,751
RN-Energo LLC, Russia	100.0000	4,995,804	-	4,995,804	4,995,804	4,995,804
Territorial Generating Company No. 11 JSC, Russia	98.5373	4,978,688	-	4,978,688	7,907,858	7,907,858
INTER RAO Holding B.V. Netherlands	100.0000	4,413,668	-	4,413,668	4,413,668	4,413,668
Tomskaya generatsiya JSC, Russia	98.5373	2,929,170	-	2,929,170	-	-
Eastern Energy Company JSC, Russia	100.0000	2,190,290	-	2,190,290	2,190,290	2,190,290
Electroluch JSC, Russia	100.0000	2,065,573	-	2,065,573	2,065,573	2,065,573
RAO Intertech B.V. Netherlands	100.0000	891,441	-	891,441	891,441	876,700
Opencast Coal Mine LLC, Russia	100.0000	785,515	(542,441)	243,074	243,074	-
Saratovenergo PJSC, Russia	56.2254	458,247	-	458,247	106,502	169,606
Altayenergosbyt JSC, Russia	100.0000	330,000	-	330,000	330,000	330,000
INTER RAO – Export LLC, Russia	100.0000	300,000	-	300,000	300,000	300,000
Tambov Energy Retail Company PJSC, Russia	59.3845	122,205	-	122,205	54,754	55,800
INTER RAO – Procurement Management Center LLC, Russia	100.0000	122,038	-	122,038	122,038	122,038
INTER RAO Finance B.V. Netherlands	100.0000	82,748	-	82,748	82,748	82,748

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Legal entity name	Percentage share in the capital as of December 31, 2015	Size of financial investment as of December 31, 2015	Impairment provision as of December 31, 2015	Amount of investment less provision as of December 31, 2015	Amount of investment less provision as of December 31, 2014	Amount of investment less provision as of December 31, 2013
INTER RAO – Orel Energosbyt LLC, Russia	100.0000	60,000	-	60,000	60,000	60,000
INTER RAO Central Asia LLP, Kazakhstan	100.0000	47,443	(47,443)	-	-	47,443
RAO Nordic Oy Republic of Finland	100.0000	43,410	-	43,410	43,410	43,410
INTER RAO FINANCE LLC, Russia	100.0000	10,000	-	10,000	10,000	10,000
INTER RAO Engineering LLC, Russia	100.0000	775	-	775	775	775
INTER RAO - Management of Electric Power Plants, LLC Russia	100,0000	500	-	500	500	500
Hrazdan Energy Company (HrazTES) OJSC Republic of Armenia ¹	-	-	-	-	624,579	624,579
Testing stand of Ivanovo GRES OJSC, Russia	-	-	-	-	155,975	222,447
INTER RAO Middle East B.V. Netherlands	-	-	-	-	-	21,746
Investments in affiliated companies		18,376,379	(572,682)	17,803,697	13,391,454	16,620,214
Irkutskenergo PJSC, Russia	40.0070	15,790,416	-	15,790,416	11,289,766	14,651,904
Gas Turbine Technologies EC LLC, Russia	53.9400	1,250,250	(555,154)	605,036	474,433	340,000
Stantsiya Ekibastuzskaya GRES-2 JSC, Kazakhstan	50.0000	603,311	-	603,311	603,311	603,311
Hrazdan Energy Company (HrazTES) OJSC Republic of Armenia ¹	50.0000	312,290	-	312,290	-	-
INTER RAO UES Energy Efficiency Center LLC, Russia	50.0000	258,250	-	258,250	258,250	258,250

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Legal entity name	Percentage share in the capital as of December 31, 2015	Size of financial investment as of December 31, 2015	Impairment provision as of December 31, 2015	Amount of investment less provision as of December 31, 2015	Amount of investment less provision as of December 31, 2014	Amount of investment less provision as of December 31, 2013
Tomskenergosbyt PJSC (Ordinary Shares), Russia	24.5644	83,602	-	83,602	83,602	83,602
Tomskenergosbyt PJSC (Preferred Shares), Russia	6.7089	21,358	-	21,358	21,358	21,358
Kambartinskaya HPP-1, CJSC Republic of Kyrgyzstan	50.0000	28,864	-	28,864	28,864	28,864
Industrial Energy Company CJSC, Russia	50.0000	10,000	(10,000)	-	-	-
RT – Energotrading LLC, Russia	50.0000	9,805	-	9,805	9,805	9,805
Energoconnect JLLC, Belarus Republic	50.0000	4,229	(3,514)	715	2,631	2,631
INTERENERGOEFFECT LLC, Russia	50.0000	4,004	(4,004)	-	-	1,105
INTER RAO – LED systems OJSC, Russia ²	-	-	-	-	600,000	600,000
Inter RAO - Worley Parsons LLC, Russia	-	-	-	-	19,384	19,384
Investments in other companies		2169195	(812,306)	1,356,889	1,234,728	1,234,728
AKKUYU NUCLEAR POWER STATION JOINT STOCK COMPANY FOR ELECTRICITY GENERATION (AKKUYU NUKLEER ANONİM ŞİRKETİ) Republic of Turkey	0.8207	1,025,707	(177,849)	847,858	1,025,707	1,025,707
Sangtuda HPP-1 OJSC, Tajikistan	14.8724	795,869	(634,457)	161,412	161,412	161,412
INTER RAO – LED systems OJSC, Russia ²	17.5800	300,000	-	300,000	-	-
Sibirskaya EC JSC, Russia	0.1613	18 738	-	18 738	18 738	18 738

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Legal entity name	Percentage share in the capital as of December 31, 2015	Size of financial investment as of December 31, 2015	Impairment provision as of December 31, 2015	Amount of investment less provision as of December 31, 2015	Amount of investment less provision as of December 31, 2014	Amount of investment less provision as of December 31, 2013
Elektromagistral JSC (preferred shares), Russia	0,1085	16,022	-	16,022	16,022	16,022
Elektromagistral JSC (ordinary shares), Russia	0.0870	12,849	-	12,849	12,849	12,849
Kaliningrad generation LLC Russia	0.0001	10	-	10	-	-
Total (investment units and shares)		383,255,591	(86,771,930)	296,483,661	272,069,042	269,741,947

¹ investments to HrazTES OJSC as of December 31, 2015 were reclassified from investments into subsidiary companies to investments into affiliated companies;

¹ investments to INTER RAO LED Systems as of December 31, 2015 were reclassified from investments into affiliated companies to investments into other companies.

Investments into Joint Activity

In 2007, the Company entered into a contract of simple partnership to participate in joint activity on obtaining a written justification of investments in joint construction of Kambaratinskaya HPP-1 and HPP-2 in the Kyrgyz Republic. Electricity Stations OJSC (Kyrzyzstan) acts as the other party to the contract. Participants contribute cash as a contribution to the joint activity. The Company's contribution as of December 31, 2015 amounted to 17,436 thousand rubles (17,436 thousand rubles — as of December 31, 2014; 17,436 thousand rubles — as of December 31, 2013).

Due to the fact that the Company did not derive any profits from its participation in the joint operations under the contract of ordinary partnership over the last few years, and the Company did not expect to derive any economic benefits in the short term, in 2014 the provision for impairment of the contribution to the joint operations was created in the amount for 17,436 thousand rubles, and the amount of the provision was unchanged as of December 31, 2015.

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Debt Financial Investments

Long-Term Loans, Issued in Foreign Currency

The information as to long-term loans, issued in foreign currency, is presented in the table below:

in thousand, units of currency

Name	Loan balance as of December 31, 2014	Provided in 2015	Repaid in 2015	Exchange differences balance	Loan balance as of December 31, 2015
Loans in USD	57,052	-	(14,202)	-	42,850
Loans in EUR	30,000	12,000	(2,000)	-	40,000
Loans in RUB equivalent	5,259,920	822,168	(1,003,954)	1,232,777	6,310,911

The company provides long-term loans in foreign currency to affiliated parties. The repayment periods for the loans in USD and EUR — 2018-2023. The interest rates, which were effective in 2015, amounted to 10 % annually for the loans in USD and from 4 % up to 10 % annually for the loans in EUR (from 10 % up to 15 % annually for the loans in USD, 10 % annual for loans in EUR — in 2014).

Long-Term Loans, Provided in Rubles

The information as to the long-term loans, issued in rubles, is presented in the table below:

Name	Loan balance as of December 31, 2014	Received in 2015	Disposed in 2015		Loan balance as of December 31, 2015
			Repaid in 2015	Reclassification to short-term	
Loans in RUB	3,996,636	1,317,911	(23,500)	(1,619,381)	3,671,666

The Company provides RUB-denominated long-term loans to the companies within Inter RAO Group. The repayments periods are from 2017 up to 2023. The interest rates, which were effective in 2015, ranged from 11 % up to 16.65 % p.a. (from 10 % up to 12.68 % p.a. — in 2014).

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Long-Term Debt Securities

As of December 31, 2015, December 31, 2014, December 31, 2013, the Company held no long-term debt securities.

5.2 Short-term financial investments (other than cash equivalents)

The short-term financial investments (excluding cash equivalents) as of December 31, 2015, amounted to 3,977,381 thousand rubles (10,483,830 thousand rubles — as of December 31, 2014; 4,227,903 thousand rubles — as of December 31, 2013).

The provision for impairment of financial investments concerning short-term financial investments in the form of loans as of December 31, 2015, December 31, 2014, December 31, 2013, was not created.

Short-Term Loans, Issued in Foreign Currency

As of December 31, 2015, December 31, 2014, December 31, 2013, the Company held no indebtedness for issued short-term loans in currency.

Short-Term Loans Issued in Rubles

The information as to the short-term loans issued in rubles is presented in the table below:

Name	Loan balance as of December 31, 2014	Received in 2015		Repaid in 2015	Loan balance as of December 31, 2015
		Provided in 2015	Reclassificati on from long-term		
Loans in rub	4,389,618	22,103,583	1,619,381	(25,515,201)	2,597,381

The Company provides RUB-denominated short-term loans to the companies within INTER RAO Group with the maturity period of less than 365 days. The interest rates, which were effective in 2015, ranged from 11.50 % up to 15.75 % p.a. (from 7.25 % up to 12 % p.a. — in 2014).

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Bank Deposits

During the reporting period, the Company placed free funds on bank deposits. Deposits were made in RF rubles and US dollars. The interest rates for RUB-denominated deposits ranged from 7.50-20.90 % p.a. (5.75-24.00 % p.a. — in 2014), for USD-denominated loans within the range from 2.00-5.40 % p.a. (0.60-5.05 % p.a. — in 2014). The terms of deposits were from 1 to 365 days. Generally, the Company placed the deposits for the term from 1 to 3 days.

The Company records deposits with the repayment period of less than 3 months within cash and cash equivalents on the balance sheet. As of December 31, 2015 the cash equivalents amounted to 9,100,000 thousand rubles (1,500,000 thousand rubles — as of December 31, 2014; 1,460,000 thousand rubles — as of December 31, 2013). The deposits with the repayment period of more than 3 months as of December 31, 2015, amounted to 1,380,000 thousand rubles (6,094,212 thousand rubles — as of December 31, 2014; 500,000 thousand rubles — as of December 31, 2013). No deposits in foreign currency as of the end of the reporting year were recorded (3,094,212 thousand rubles (equi. — 55,000 thousand USD) — as of December 31, 2014.

The information as to the deposit contributions placed with commercial banks, as of December 31, 2015, is presented in the table below:

Name of the credit organization	Period of placement (year, month)		Amount, thousand rubles
	Effective as of	Up to	
GPB Bank (JSC)	December 2015	January 2016	7,400,000
PERESVET ACB (JSC)	December 2015	January 2016	1,700,000
TOTAL Deposits reflected as part of cash and cash equivalents			9,100,000
PERESVET ACB (JSC)	November 2015	June 2016	700,000
Moscow Credit Bank OJSC	September 2015	March 2016	500,000
PERESVET ACB (JSC)	December 2015	November 2016	180,000
TOTAL Deposits reflected as part of short-term financial investments			1,380,000
TOTAL	-	-	10,480,000

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The information as to the deposit contributions, placed with commercial banks, as of December 31, 2014, is presented in the table below:

Name of the credit organization	Period of placement (year, month)		Amount, thousand rubles
	Effective as of	Up to	
PERESVET ACB (JSC)	December 2014	January 2015	1,500,000
TOTAL Deposits reflected as part of cash and cash equivalents			1,500,000
VTB Bank (PJSC)	October 2014	October 2015	3,094,212
Moscow Credit bank OJSC	October 2014	January 2015	3,000,000
TOTAL Deposits reflected as part of short-term financial investments			6,094,212
TOTAL		-	7,594,212

The information as to the deposit contributions, placed with commercial banks, as of December 31, 2013, is presented in the table below:

Name of the credit organization	Period of placement (year, month)		Amount, thousand rubles
	Effective as of	Up to	
PERESVET ACB (JSC)	December 2013	January 2014	1,460,000
TOTAL Deposits reflected as part of cash and cash equivalents			1,460,000
Sobinbank OJSC	October 2013	July 2014	500,000
TOTAL Deposits reflected as part of short-term financial investments			500,000
TOTAL	-	—	1 960,000

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6. INVENTORIES

The information as to the presence and flows of inventories is presented in the table below:

Item	Code	Period	As of the beginning of the year	Changes for the period			As of the end of the year
			Balance value	receipts	disposed	Inventory turnover among their groups (types)	Balance value
					Balance value		
Inventories - total	5400	2015	4,990	55,544	(57,393)	-	3,141
	5420	2014	7,364	76,094	(78,468)	-	4,990
including:							
fuel and petroleum products	5402	2015	-	302	(302)	-	-
	5422	2014	-	154	(154)	-	-
Inventories and furnishings	5403	2015	-	17,054	(17,054)	-	-
	5423	2014	-	25,495	(25,495)	-	-
low-value fixed assets	5404	2015	2,634	5,999	(8,633)	-	-
	5424	2014	3,814	10,926	(12,106)	-	2,634
other materials	5405	2015	2,356	32,189	(31,404)	-	3,141
	5425	2014	3,550	39,519	(40,713)	-	2,356

As of December 31, 2015, the Company had no morally obsolete material and production inventories, with fully or partially lost quality, as well as pledged ones. No provision for impairment of material production reserves was set up in 2014-2015.

7. RECEIVABLES

7.1. Long-Term Receivables

The long-term receivables are reflected less the bad debt provision within other non-current assets on the balance sheet as of December 31, 2015, in the amount of 3,848,255 thousand rubles (10,672,402 thousand rubles — as of December 31, 2014; 31,992,270 thousand rubles — as of December 31, 2013) (see Section 4 "Other Non-Current Assets" of these Notes).

The bad debts provision concerning the long-term accounts receivable as of December 31, 2015, amounted to 637,578 thousand rubles (as of December 31, 2014, and as of December 31, 2013 — no such provision was set up).

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The information as to the presence and flows of long-term accounts receivable is presented in the table below:

Item	Code	Period	As of the beginning of the year		Changes for the period					As of the end of the year	
			Recorded under the terms of contract	overdue debt reserve	receipt as a result of business transactions	disposal		overdue debt reserve	reclass	Recorded under the terms of contract	overdue debt reserve
						repayment	Writing-off to financial result				
1	2	3	4	5	6	7	8	9	10	11	12
Long-term receivables - total	5501	2015	10,672,402	-	902,005	(418)	-	(637,578)	(7,088,156)	4,485,833	(637,578)
	5521	2014	31,992,270	-	1,156,815	(13,180,239)	-	-	(9,296,444)	10,672,402	-
including:											
on securities transactions	5502	2015	37,035	-	341,957	(10)	-	-	(72,698)	306,284	-
	5522	2014	1,537,289	-	451,349	(1,872,569)	-	-	(79,034)	37,035	-
on interest-free loans (installment payments plan)	5503	2015	4,831	-	-	(408)	-	-	(272)	4,151	-
	5523	2014	77,539	-	-	(2,657)	-	-	(70,051)	4,831	-
on interest revenues	5504	2015	1,675,442	-	560,048	-	-	(637,578)	(115,542)	2,119,948	(637,578)
	5524	2014	1,266,027	-	705,466	-	-	-	(296,051)	1,675,442	-
advance payments granted	5505	2015	2,229	-	-	-	-	-	62,221	64,450	-
	5525	2014	453,537	-	-	-	-	-	(451,308)	2,229	-
on property sale transactions	5506	2015	6,909,490	-	-	-	-	-	(4,918,490)	1,991,000	-
	5526	2014	22,273,472	-	-	(6,963,982)	-	-	(8,400,000)	6,909,490	-
Other debts	5507	2015	2,043,375	-	-	-	-	-	(2,043,375)	-	-
	5527	2014	6,384,406	-	-	(4,341,031)	-	-	-	2,043,375	-

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The composition of the long-term receivables less the bad debt provision is presented in the table below:

Type of indebtedness	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013	Repayment term
Long-term indebtedness - total	3,848,255	10,672,402	31,992,270	
Including:				
On property sale transactions				
Indebtedness on sold property	1,991,000	6,909,490	22,273,472	2017
On interest revenues				
Due interest indebtedness on borrowed funds, installment payments plan	1,482,370	1,675,442	1,266,027	2017-2023
On securities transactions				
On shares purchase	-	-	1,455,878	-
On shares sale ¹	303,907	-	-	2017-2018
Bank promissory notes, received as a payment for electricity	2,377	37,035	81,411	2017
On interest-free loans				
Debts of the Company's employees on target interest-free loans	-	-	71,976	-
Debts of the individuals on apartments acquired by installments	4,151	4,831	5,563	2017-2027
Advance payments granted				
For power equipment delivery	64,450	2,229	453,537	2017
Other debts				
Indebtedness, transferred to Company upon reorganization in 2012	-	2,043,375	6,354,759	-
Other trade receivables	-	-	29,647	-

¹ Sales of shares of INTER RAO LED Systems OJSC (see Section 5.1, "Long-Term Financial Investments" of these Notes).

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Long-Term Indebtedness on Sold Property

The long-term indebtedness on the property, sold to 100 % subsidiary company, JSC "Inter RAO - Electric Power Plants" as of December 31, 2015, decreased by 4,918,490 thousand rubles and amounted to 1,991,000 thousand rubles (6,909,490 thousand rubles — as of December 31, 2014; 22,273,472 thousand rubles — as of December 31, 2013). The reduction in the long-term indebtedness resulted from its reclassification to the short-term indebtedness in the amount of 4,918,490 thousand rubles due to the planned early repayment. The debts repayment period as stipulated by the contract — 2017. The interest accrued on the outstanding indebtedness balance at the rate of 10.5 % p.a., shall be recorded within the short-term receivable accounts.

The Long-Term Indebtedness, Transferred to the Company Following the 2012 Reorganization

The long-term indebtedness transferred to the Company in 2012 under the acquisition by the Company of Bashenergoaktiv OJSC ² as of December 31, 2015, was fully repaid (2,043,375 thousand rubles — as of December 31, 2014; 6,354,759 thousand rubles — as of December 31, 2013).

Long-Term Loans Granted

The long-term advance payments issued by the Company for the delivery of the power equipment increased, as of December 31, 2015, by 62,221 thousand rubles due to reclassification from the short-term assets as a result of the clarification of the agreed schedules for the export of power equipment. The more detailed information is disclosed in Section 7.4. "Issued Advance Payments" of these Notes.

7.2 Short-Term Receivables of Buyers and Customers

The short-term accounts receivable from buyers and customers is recorded less the bad debts provision within the current assets of the balance sheet in the amount of 4,336,833 thousand rubles as of December 31, 2015 (4,352,875 thousand rubles — as of December 31, 2014; 2,366,257 thousand rubles — as of December 31, 2013).

¹ Bashenergoaktiv OJSC was established in November 2012 via a spin-off upon the reorganization of Bashkirenergo OJSC.

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The size of the bad debts provision set up for the short-term accounts receivable from buyers and customers, as of December 31, 2015, amounted to 915,128 thousand rubles (1,113,178 thousand rubles — as of December 31, 2014; 846,230 thousand rubles — as of December 31, 2013).

As of December 31, 2015, the accounts receivable related to settlements with buyers and customers in the amount of 3,401,226 thousand rubles (3,554,936 thousand rubles — as of December 31, 2014; 1,654,608 thousand rubles — as of December 31, 2013) is denominated in foreign currency (Euro and USD).

The Company's largest debtors in terms of payment for electricity (power) as of December 31, 2015:

- The amount of the indebtedness of electricity (power) buyers under the commission agency contract with FIC JSC to the Company amounted to 520,707 thousand rubles (737,731 thousand rubles — as of December 31, 2014; 494,686 thousand rubles — as of December 31, 2013). The Company set up the bad debts provision concerning this indebtedness in the amount of 96,255 thousand rubles (82,622 thousand rubles — as of December 31, 2014; 30,356 thousand rubles — as of December 31, 2013);
- INTER RAO Lietuva AB (Republic of Lithuania). The amount of the indebtedness to the Company amounts to 824,111 thousand rubles (965,773 thousand rubles — as of December 31, 2014; 542,283 thousand rubles — as of December 31, 2013).

As of December 31, 2015, the Company also recorded the accounts receivable for the delivery of the power equipment to Bolivarian Republic of Venezuela BARIVEN S.A. in the amount of 2,253,446 thousand rubles (1,204,229 thousand rubles — as of December 31, 2014; 622,737 thousand — as of December 31, 2013).

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The information as to the presence and flows of short-term accounts receivable is presented in the table below:

Item	Code	Year	As of the beginning of the year		Changes for the period					As of the end of the year	
			Recorded under the terms of contract	overdue debt reserve	Proceeds to Results of commercial operations	Disposal		overdue debt reserve	reclass	recorded under the terms of contract	size of overdue debt reserve
						repayment	writing-off to financial result				
Short-term receivables - total	5510	2015	24,889,727	(1,535,184)	82,322,022	(96,077,540)	(3,092)	(424,333)	7,088,156	18,219,273	(1,959,517)
	5530	2014	13,179,474	(1,290,186)	62,367,827	(59,951,810)	(2,208)	(244,998)	9,296,444	24,889,727	(1,535,184)
including:											
Trade receivables											
for electricity (power) sold inside the RF	5511	2015	1,110,381	(453,750)	10,510,477	(10,738,386)	-	(4,270)	-	882,472	(458,020)
	5531	2014	923,883	(397,934)	11,414,290	(11,226,063)	(1,729)	(55,816)	-	1,110,381	(453,750)
for electricity (power) sold outside the RF	5512	2015	2,870,166	(426,308)	32,728,280	(33,696,377)	-	96,147	-	1,902,069	(330,161)
	5532	2014	1,402,811	(248,011)	21,074,630	(19,607,275)	-	(178,297)	-	2,870,166	(420,306)
on heat power	5513	2015	96,649	(96,649)	-	(6,684)	-	6,684	-	89,965	(89,965)
	5533	2014	104,519	(104,519)	-	(7,870)	-	7,870	-	96,649	(96,649)
other debts	5514	2015	1,388,857	(136,471)	5,187,528	(4,198,921)	(9)	99,489	-	2,377,455	(36,982)
	5534	2014	781,274	(95,766)	3,580,768	(2,973,176)	(9)	(40,705)	-	1,388,857	(136,471)
Total trade receivables	5515	2015	5,466,053	(1,113,178)	48,426,285	(48,640,368)	(9)	198,050	-	5,251,961	(915,128)
	5535	2014	3,212,487	(846,230)	36,069,688	(33,814,384)	(1,738)	(266,948)	-	5,466,053	(1,113,178)
Other receivables											
on securities transactions (including on contributions to the authorized capital and other financial transactions)	5516	2015	121,674	(40,263)	1,091,318	(1,020,773)	-	-	72,698	264,917	(40,263)
	5536	2014	146,908	(43,867)	356,070	(460,338)	-	3,624	79,034	121,674	(40,263)
on interest revenues	5517	2015	675,379	-	5,027,146	(5,374,388)	-	-	115,542	443,679	-
	5537	2014	495,666	-	3,725,418	(3,841,756)	-	-	296,051	675,379	-
on dividends due	5518	2015	483,843	-	1,691,630	(1,829,091)	-	(331,502)	-	346,382	(331,502)
	5538	2014	8,340	-	1,803,989	(1,328,486)	-	-	-	483,843	-
other debts	5519	2015	13,147,388	(335,746)	6,741,697	(18,023,314)	(3,077)	(296,196)	6,962,137	8,824,831	(631,942)
	5539	2014	4,357,264	(353,058)	6,439,973	(6,119,494)	(406)	17,312	8,470,051	13,147,388	(335,746)
Total other receivables	5520	2015	14,428,284	(376,009)	14,551,791	(26,247,566)	(3,077)	(627,698)	7,150,377	9,879,809	(1,003,707)
	5540	2014	5,008,178	(396,945)	12,325,450	(11,750,074)	(406)	20,936	8,845,136	14,428,284	(376,009)
Advance payments granted											
advance payments granted	5521	2015	4,995,390	(45,997)	19,343,946	(21,189,606)	(6)	5,315	(62,221)	3,087,503	(40,682)
	5541	2014	4,958,809	(47,011)	13,972,689	(14,387,352)	(64)	1,014	451,308	4,995,390	(45,997)

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7.3 Other Short-Term Receivables

Other receivables are reflected net of provision for bad debts included in other current assets of the balance sheet in the amount of 8,876,102 thousand rubles as of December 31, 2015, (14,052,275 thousand rubles as of December 31, 2014; 4,611,233 thousand rubles — as of December 31, 2013).

The size of the bad debts provision, set up for the other accounts receivable, as of December 31, 2015, amounted to 1,003,707 thousand rubles (376,009 thousand rubles — as of December 31, 2014; 396,945 thousand rubles — as of December 31, 2013).

Other short-term receivables net of bad debt provision are presented below:

Other short-term receivables	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Other indebtedness, total	8,876,102	14,052,275	4,611,233
Including:			
On property sale transactions			
Indebtedness on sold property	5,400,000	8,823,915	423,915
On taxes and levies			
VAT to be compensated from the budget including on export	1,357,853	1,612,327	2,173,880
Overpayment of taxes to the federal budget, the budgets of the constituent entities of the Russian Federation	326,027	296,095	642,496
On interest revenues			
Due interest indebtedness on borrowed funds, placed deposits, installment payments plan	443,679	675,379	495,666
On dividend income			
Debts on dividends due	14,880	483,843	8,340
On securities transactions			
Debts on shares sale ¹	151,956		-
Bank promissory notes, received as a payment for electricity	72,698	81,411	103,021

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Other short-term receivables	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
On other settlements			
Debt on settlements for electricity under contracts of commission, assignment	1,059,547	1,960,941	647,600
Settlements under contacts on leasing, claims rights assignment, etc.	49,462	118,364	116,315

¹ Sales of shares of INTER RAO LED Systems OJSC (see Section 5.1, "Long-Term Financial Investments" of these Notes).

7.4 Advance Payments Granted

The advance payments granted are recorded less the bad debts provision within current assets at the balance sheet in the amount of 3,046,821 thousand rubles as of December 31, 2015 (4,949,393 thousand rubles — as of December 31, 2014; 4,911,798 thousand rubles — as of December 31, 2013).

The size of the bad debt provision set up for the advances granted, as of December 31, 2015, amounted to 40,682 thousand rubles (45,997 thousand rubles — as of December 31, 2014; 47,011 thousand rubles — as of December 31, 2013).

As of December 31, 2015, the main portion of the issued advance payments accounts for the advance payments, made for the delivery of the power equipment to Bolivarian Republic of Venezuela in the amount of 1,357,413 thousand rubles (3,063,897 thousand rubles — as of December 31, 2014; 3,279,983 thousand rubles — as of December 31, 2013) and to Ecuador in the amount of 1,542,856 thousand rubles (1,751,803 thousand rubles — as of December 31, 2014; 1,506,211 thousand rubles — as of December 31, 2013). The reduction in the amount of granted advances, as of December 31, 2015, as compared to the amount of advances as of December 31, 2014 is associated with the reclassification of the advances, paid for the delivery of power equipment to Ecuador Republic in the amount of 62,221 thousand rubles from the short-term portion to the long-term portion due to the clarification

of the agreed schedules for export of power equipment. In addition, within the reporting period current advance payments were made in accordance with the terms of the contract on delivery of power equipment to Ecuador Republic in the amount of 1,345,822 thousand rubles; the equipment was purchased to be delivered to the Republic of Ecuador in the amount of 1,492,458 thousand rubles and to Venezuela in the amount of 2,857,236 thousand rubles.

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8. CASH AND CASH EQUIVALENTS

Cash	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Cash in rubles in hand and on accounts in banks	10,439,505	14,144,562	9,518,649
Cash in foreign currency in hand and on accounts in banks	855,580	7,519,214	5,729,434
Monetary documents in rubles in hand		26	26
TOTAL	11,295,085	21,663,802	15,248,109

Cash in foreign currency

in thousand, units of currency

Cash	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Cash on accounts in banks in USD	8,402	129,458	142,638
Equivalent in rubles at the CB exchange rate	612,394	7,283,111	4,668,438
Cash on accounts in banks in EUR	3,051	3,455	23,593
Equivalent in rubles at the CB exchange rate	243,186	236,103	1,060,996
TOTAL in rubles	855,580	7,519,214	5,729,434

Cash equivalents

Type of cash equivalents	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Short-term bank deposits (with the placement period of no more than 3 months)	9,100,000	1,500,000	1,460,000

The Company held no cash, which was not available for use.

As of December 31, 2015, the Company is capable to raise additional funds in connection with the credit lines opened and not yet used, as of the reporting date, for the total amount of 14,585,805 thousand rubles (3,800,000 thousand rubles — as of December 31, 2014; 7,800,000 thousand rubles — December 31, 2013).

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9. OTHER CURRENT ASSETS

As part of other current assets, deferred expenses shall be recorded with the write-off period within 12 months from the reporting date.

Information on other current assets of the Company is presented below:

Name	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Total deferred expenses, including	39,978	51,376	74,576
- software products (licenses)	3,527	15,824	60,280
- voluntary medical insurance	27,242	25,971	-
- other voluntary insurance (including property and liability insurance)	9,020	5,319	5,527
- rights to use land plots	-	-	152
- agent's fee	-	2,378	2,378
- other	189	1,884	6,239
TOTAL	39,978	51,376	74,576

10. CAPITAL AND RESERVES

Authorized Capital

As of December 31, 2015, the authorized capital of the Company amounted to 293,339,675 thousand rubles. It is divided into 104,400,000,000 ordinary shares with the par value of 2.809767 rubles. The Company has no preferred shares.

The major shareholders of the Company as of December 31, 2015, were the following:

- ROSNEFTGAS OJSC — 26.37 % shares (26.37 % as of December 31, 2014; 12.60 % shares as of December 31, 2013);
- JSC "Inter RAO Capital" — 18.98 % shares (18.99 % as of December 31, 2014; 13.93 % shares as of December 31, 2013);
- Companies within FGC UES Group — 18.57 % shares (18.57 % as of December 31, 2014; 18.57 % shares as of December 31, 2013);

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- UCP SEA RESOURCES LTD — 9.68 % shares (0.00 % as of December 31, 2014; 0.00% shares as of December 31, 2013);
- Companies within RusHydro Group — 4.92% shares (4.92 % as of December 31, 2014; 4.92 % shares as of December 31, 2013);
- Bank for Development and Foreign Economic Activities (Vnesheconombank) State Corporation — 0.04 % shares (0.04 % as of December 31, 2014; 5.11 % shares as of December 31, 2013);
- Companies within Norilsk Nickel Group — 0.00 % shares (13.21 % as of December 31, 2014; 13.21 % shares as of December 31, 2013);
- Russian Federation, represented by the Federal Agency for State Property Management — 0.00% shares (0.00 % as of December 31, 2014; 13.76 % shares as of December 31, 2013);

As of December 31, 2015, the subsidiaries of the Company, JSC "Inter RAO Capital", INTER RAO Invest LLC, Bashkir Generation Company LLC, held the Companies shares for the par value of 55,678,379 thousand rubles, 330,066 thousand rubles and 176,548 thousand rubles, respectively (as of December 31, 2014, — 55,722,266 thousand rubles, 330,066 thousand rubles, and 176,548 thousand rubles, respectively; as of December 31, 2013, — 40,851,494 thousand rubles, 330,066 thousand rubles and 176,576 thousand rubles, respectively).

As of December 31, 2015, the Company's authorized capital had been fully paid.

Treasury Shares

As of December 31, 2013, December 31, 2014, and December 31, 2014, the Company had no own shares repurchased from the shareholders.

Reserve Capital

According to the laws and the Articles of Association of the Company, a reserve fund is formed in the amount of 15 % of the authorized capital of the Company. The reserve capital, as of December 31, 2014, amounted to 296,339 thousand rubles. In 2015, the contributions to the reserve capital amounted to 21,709 thousand rubles. The reserve capital, as of December 31, 2015, amounted to 318,048 thousand rubles, which equals 0.1 % of the authorized capital.

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Additional Capital

Within its additional capital, the Company takes into account:

Line items of additional capital	Amount		
	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Premium on capital stock	195,090,772	195,090,772	195,090,772
Revaluation surplus of fixed assets objects	-	11,221	103,303
Income from reorganization	325,345	325,345	325,345
Other	13	13	13
TOTAL	195,416,130	195,427,351	195,519,433

As of December 31, 2015, the additional capital decreased by 11,221 versus the previous year (in 2014 it decreased by 92,082 thousand rubles). The reduction was caused by the impairment of the fixed assets (see Section 2 "Fixed Assets and Income-Bearing Investments into Material Assets" of these Notes).

Dividends

In 2015, the annual General Shareholders Meeting of the Company delivered the resolution as to the payment of the dividends based on the 2014 results in the amount of 108,543 thousand rubles. The share of the paid dividends out of the total amount of the declared dividends amounted, as of the end of the year, to 99.2 %. The reason for non-payment of 852 thousand rubles of the dividends is the non-performance by a number of shareholders of their obligations as to notifying the holder of the Company's shareholders register on any changes to their data, set forth in Clause 5, Article 44 of Federal Law No. 208-FZ dated December 26, 1995, "On Joint Stock Companies".

In 2014, the Company paid no dividends due to the recognition of the net loss in 2013.

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11. ESTIMATED LIABILITIES

The presence and flows of the estimated liabilities are specified in the table below:

Name	Court actions	Unused vacations	Remuneration based on the annual results of the Company's employees, Members of the Board of Directors	Other estimated liabilities	Total
As of December 31, 2013	637,009	188,859	558,411	203,439	1,587,718
Recognized in the reporting period	-	13,663	509,951	-	523,614
Written off as expenses or recognition of accounts payable	(505,102)	-	(465,486)	-	(970,588)
Written off due to the excessive amounts or termination of compliance with recognition terms	(131,907)	-	(92,925)	-	(224,832)
As of December 31, 2014		202,522	509,951	203,439	915,912
Recognized in the reporting period	3,481	4,553	1,100,476	10,095,546	11,204,056
Written off as expenses or recognition of accounts payable	6,232	-	(508,356)	-	(502,124)
Written off due to the excessive amounts or termination of compliance with recognition terms	(6,232)	-	-	-	(6,232)
As of December 31, 2015	3,481	207,075	1,102,071	10,298,985	11,611,612

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Estimated Liabilities for Remuneration Payments

The estimated liabilities for remuneration payments for 2015 to the Company's employees in the amount of 1,100,476 were recognized in accordance with the Accounting Policy of the Company and include the amount of the insurance payments. The remuneration amounts are set forth by the Provisions for Remuneration and Incentives for Employees of PJSC "Inter RAO" and the Provisions for Monetary Incentives for Chairman of the Management Board and Members of the Management Board of the Company. This estimated liability is scheduled to be repaid in the first half of 2016. The management believes that the actual flow of payments for the above purposes will not exceed the amount of the recognized estimated liabilities.

Estimated Liabilities for Unused Vacations Payments

The value of estimated liabilities for the payment for unused vacations in the amount of 207,075 thousand rubles was determined by the Company on the basis of statistics of accounting data of working days and vacation days within the period 2008-2015. The Company recognized the estimated liability for the payments for vacations unused as of December 31, 2015, including insurance contributions.

The estimated liability for the unused vacations payments shall be recalculated as of each reporting date and adjusted to reduced (increased) depending on the reduction (increase) in the number of the unused vacation days. The estimated liability may be fully repaid in the event of simultaneous dismissal of employees during the reorganization (liquidation) of the Company

Estimated Liability for Unfinished Legal Proceedings

The Company sets up the estimated liabilities for the ongoing court proceedings based on the assessment of the probability of the unfavorable results of the court proceedings for the Company. Within the reporting year, the estimated liability was recognized in the amount of 3,481 thousand rubles.

In addition, within the reporting year, the estimated liability recognized in 2013 based on the findings of the on-site tax inspections of the Company and affiliated organizations as a result of the reorganization in 2012 in the amount of 6,232 thousand rubles was written off to other income due to the fact that the respective amount had been disputed by the Company in the court.

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Other Estimated Liabilities

The estimated liability for possible losses in the amount of 203,439 thousand rubles was recognized in 2011 based on the data as to the probable reduction in the economic benefits due to fulfillment by the Company of the claim as to the repayment of the liability of its subsidiary, JSC "Inter RAO Capital". The estimated liability is expected to be terminated in 2016.

Within the reporting year, the Company recognized the estimated liabilities in the amount of 10,095,546 thousand rubles based on the best-case assessment of the expected outflows of economic benefits to the Company under the guarantee contracts, concluded as a surety for the final liability of INTER RAO Credit B.V. in relation to the debt liabilities of Silverteria Holdings Limited under the loan agreement, due to the fact that Silverteria Holdings Limited did not have sufficient amounts of funds to discharge its liabilities under the loan contracts, concluded with INTER RAO Credit B.V. Since the said estimated liability is not scheduled to be repaid in 2016, it is recognized within long-term liabilities on the balance sheet.

12. CREDITS AND LOANS

In 2015, the Company raised borrowed funds in the form of the bank loans and credits from subsidiary companies. The Company has no overdue debts under borrowings.

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The information as to the loans and credits, raised by the Company within the reporting period, is presented in the table below:

Bank – creditor	Currency of credit	Balance as of December 31, 2014	Received in 2015	Repaid in 2015	Exchange differences balance	Balance as of December 31, 2014
Bank credits						
Sberbank PJSC ¹	rubles	-	950,195	-	-	950,195
Loans						
INTER RAO Credit B.V.	US Dollars	9,170,119	-	(10,495,700)	1,325,581	-
RN-Energo LLC	rubles	-	3,000,000	(3,000,000)	-	-
TOTAL net of interest		9,170,119	3,950,195	(13,495,700)	1,325,581	950,195
Debts on interest (short-term)		8,149	517,135	(513,357)	(11,328)	599
TOTAL, with interest		9,178,268	4,467,330	(14,009,057)	1,314,253	950,794

¹ Credit repayment period — November 2022.

The total amount of long-term credits and loans subject to repayment within 1 year from the reporting date and reclassified to the short-term indebtedness net of interest as of December 31, 2015, is absent (9,170,119 thousand rubles — as of December 31, 2014; absent — as of December 31, 2013).

Within the reporting period, the loan portfolio was reduced due to the fact the Company repaid the loan denominated in foreign currency.

The credit from Sberbank PJSC was raised by the Company in order to fund the investment project "Construction of CCPP 440 MW for Zatonskaya CHPP". The Company funded the project via the assurance of payments for the goods and works related to the project under the loan contracts concluded with its subsidiary, BGK LLC.

The interest rates for the long-term credits and loans in 2015 ranged within 11.5 % p.a. (11.845 % — in 2014) for RUB loans and from 4.05 % up to 4.14 % p.a. (from 4.0 % up to 5.1 % — in 2014) for foreign currency loans.

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The interest rates for RUB short-term loans in 2015 ranged within 11.4 % p.a. (the Company had no short-term loans in rubles in 2014).

The information as to the loans and credits, raised by the Company in 2014, is presented in the table below:

Bank – creditor	Currency of credit	Balance as of December 31, 2013	Received in 2014	Repaid in 2014	Exchange differences balance	Balance as of December 31, 2014
Loans						
INTER RAO Credit B.V.	US Dollars	5,334,860	-	-	3,835,259	9,170,119
INTER RAO Credit B.V.	Rubles	-	9,600,000	(9,600,000)	-	-
TOTAL net of interest		5,334,860	9,600,000	(9,600,000)	3,835,259	9,170,119
Indebtedness on the interest (short-term)		5,905	513,985	(604,341)	92,600	8,149
TOTAL, with interest		5,340,765	10,113,985	(10,204,341)	3,927,859	9,178,268

Interests on Borrowings Included in the Value of Investment Assets

In 2014 and 2015, there were no interest payments for the loans and credits, included in the value of the investment assets.

Credit Lines

The information as to the free cash balances, available to the Company under the credit lines as of December 31, 2015, is presented in the table below:

Bank – creditor	Limit	Unused balance as of December 31, 2015	Availability deadline
Sberbank PJSC	10,536,000	9,585,805	November 2017
RN-Energo LLC	5,000,000	5,000,000	June 2018
TOTAL	15,536,000	14,585,805	

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Information on credit lines as of December 31, 2014:

Bank – creditor	Limit	Unused balance as of December 31, 2014	Availability deadline
Alpha-Bank (JSC)	3,800,000	3,800,000	December 2015
TOTAL	3,800,000	3,800,000	

Information on credit lines as of December 31, 2013:

Bank – creditor	Limit	As of December 31, 2013	Availability deadline
JSB Russia (OJSC)	2,000,000	2,000,000	May 2014
INTER RAO Credit B.V.	2,000,000	2,000,000	August 2014
Alpha-Bank (JSC)	3,800,000	3,800,000	December 2015
TOTAL	7,800,000	7,800,000	

13. ACCOUNTS PAYABLE

13.1 Other Long-Term Liabilities

Within other long-term liabilities as of December 31, 2015, the Company recognized its indebtedness on the advances, received from the buyers of power equipment. Within the reporting period, a portion of indebtedness on advances received from the buyers of power equipment in the amount of 88,041 thousand rubles was reclassified from the short-term indebtedness (in 2014 — reclassification to the short-term indebtedness in the amount of 390,634 thousand rubles) due to the clarifications as to the agreed schedules for the export of power equipment. In addition, the indebtedness on the settlements with the insurance company concerning the voluntary medical insurance in the amount of 27,135 thousand rubles was reclassified to the short-term indebtedness.

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The information as to the presence and flows of long-term accounts payable is presented in the table below:

Item	Code	Period	Balance as of the beginning of the year	Changes for the period				Balance as of the end of the year
				receipt	disposal		reclass	
				as a result of business transactions	repayment	writing-off to financial result		
Long-term payables - total	5551	2015	38,571	-	-	-	60,906	99,477
	5571	2014	402,070	27,348	(213)	-	(390,634)	38,571
including:								
advance payments received	5553	2015	11,436	-	-	-	88,041	99,477
	5573	2014	402,070	-	-	-	(390,634)	11,436
other debts	5554	2015	27,135	-	-	-	(27,135)	-
	5,574	2014	-	27,348	(213)	-	-	27,135

Other long-term liabilities of the Company, split by creditor, are presented below:

Other long-term liabilities	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Advances received from the buyers of power equipment, total	99,477	11,436	402,070
Including:			
CELEC EP (The Republic of Ecuador)	99,477	11,436	402,070
Indebtedness to insurance companies	-	27,135	-
TOTAL	99,477	38,571	402 0

13.2 Short-Term Payables

As of December 31, 2015, and 2013-2014, the structure of the Company's accounts payable included current (not overdue) debts to suppliers and contractors, personnel of the organization, tax authorities, extra-budgetary funds and other creditors.

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The information as to the presence and flows of accounts payable is presented in the table below:

Item	Code	Year	Balance as of the beginning of the year	Changes for the period				Balance as of the end of the year
				Receipt	Disposal		reclass	
				as a result of business transactions	repayment	writing-off to financial result		
Short-term payables - total including:	5560	2015	12,470,928	70,366,173	(75,143,850)	(2,894)	(60,906)	7,629,451
	5580	2014	8,601,206	52783381	(49,297,383)	(6,910)	390,634	12,470,928
Debt to suppliers and contractors								
for the purchased electricity (power)	5561	2015	1,753,696	36,290,093	(37,077,331)	-	-	966,458
	5581	2014	1,259,455	27,017,665	(26,523,424)	-	-	1,753,696
for electricity transportation	5562	2015	1,586,652	4,303,560	(5,676,730)	-	-	213,482
	5582	2014	275,938	3,203,784	(1,893,070)	-	-	1,586,652
other debts	5564	2015	1,465,452	8,011,440	(7,017,980)	(117)	-	2,458,795
	5584	2014	781,587	5,224,775	(4,540,900)	(10)	-	1,465,452
Total debt to suppliers and contractors	5565	2015	4,805,800	48,605,093	(49,772,041)	(117)	-	3,638,735
	5585	2014	2,316,980	35,446,224	(32,957,394)	(10)	-	4,805,800
Other payables								
on securities transactions	5566	2015	354117	24,997	(203,661)	-	-	175,453
	5586	2014	370,992	290,314	(307,189)	-	-	354,117
on transactions with financial instruments	5567	2015	735	27,415	(28,150)	-	-	-
	5587	2014	545	36,790	(36,600)	-	-	735
other debts (including taxes and levies, payments to employees)	5568	2015	1,409,432	1,664,903	(1,967,182)	(2,276)	27135	1,132,012
	5588	2014	1,279,731	1,857,900	(1,723,388)	(4,811)	-	1,409,432
Total other payables	5569	2015	1,764,284	1,717,315	(2,198,993)	(2,276)	27135	1,307,465
	5589	2014	1,651,268	2,185,004	(2,067,177)	(4,811)	-	1,764,284
Advance payments received								
Advance payments received	5570	2015	5,900,844	20,043,765	(23,172,816)	(501)	(88,041)	2,683,251
	5590	2014	4,632,958	15152153	(14,272,812)	(2,089)	390,634	5,900,844

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13.2.1 Payables to Suppliers and Contractors

The accounts payable on the settlements with suppliers in the amount of 2,404,565 thousand rubles as of December 31, 2015, (1,315,107 thousand rubles — as of December 31, 2014; 710,315 thousand rubles — as of December 31, 2013) was denominated in foreign currency (EUR or USD).

The major creditors of the Company as of December 31, 2015:

- NGO Privod LLC The Company's indebtedness to NGO Privod LLC on the power equipment amounts to 2,347,731 thousand rubles (1,254,615 thousand rubles — as of December 31, 2014; 648,793 thousand rubles — as of December 31, 2013);
- The Company's indebtedness to the electricity (power) suppliers under the commission agency contracts with Financial Settlements Center JSC amounts to 539,885 thousand rubles (1,082,014 thousand rubles — as of December 31, 2014; 604,013 thousand rubles — as of December 31, 2013);
- JSC "Inter RAO - Electric Power Plants" The Company's indebtedness to JSC "Inter RAO - Electric Power Plants" for the supplied electricity (power) amounts to 195,533 thousand rubles (195,895 thousand rubles — as of December 31, 2014; for the supplied electricity (power) and leasing in the amount of 207,180 thousand rubles — as of December 31, 2013);
- FGC UES PJSC. The Company's indebtedness to FGC EUS PJSC on the electricity transportation amounts to 188,889 thousand rubles (1,522,727 thousand rubles — as of December 31, 2014; 260,068 thousand rubles — as of December 31, 2013).

13.2.2 Other Payables

The other accounts payable mainly include the amounts of the indebtedness on the settlements for electricity (power) under the commission agency contracts, indebtedness on contributions to the authorized capital of the subsidiary, as well as settlements with other creditors of the Company.

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The Company's other payables are given below:

Other payables	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Other creditors, total	1,304,889	1,762,679	1,642,378
Including:			
Indebtedness on settlements for electricity (power) under commission contracts and assignment contracts	886,863	877,996	542,294
Value added tax on advanced granted ¹	212,301	473,686	666,656
Debts to the subsidiary on payment for securities	-	200,039	200,039
Indebtedness on contribution to the authorized capital of the subsidiary company	175,453	154,078	170,953
Indebtedness on claim right assignment to the subsidiary companies	-	-	24,316
Indebtedness to insurance companies	27,615	25,875	-
Other creditors	2,657	31,005	38,120

Includes VAT on the advance payments provided for the delivery of the power equipment to Venezuela in the amount of 207,063 thousand rubles (467,374 thousand rubles — as of December 31, 2014; 666,654 thousand rubles — as of December 31, 2013) (see Section 7.4. "Advance Payments Granted" of these Notes).

14. PROCEEDS FROM SALES

The Company discloses the information as to the sales revenues for 2014-2015 in Section 20 "Information by Segments" of these Notes.

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15. COSTS ON COMMON TYPES OF ACTIVITIES

Expenses, associated with common types of activities are specified in the table below.

Item	Code	for 2015	for 2014
Tangible costs - total	5610	33,370,070	25,338,269
including:			
electricity (power) for resale	5611	29,682,962	23,108,412
energy equipment for export	5614	3,687,108	2,229,857
Expenses on labor remuneration	5620	2,877,275	2,090,669
Allocations for social needs	5630	530,707	295,629
Depreciation — Total	5640	59,225	78,042
			including:
fixed assets depreciation	5641	52,578	54,574
intangible assets depreciation	5642	6,647	23,468
Other costs - total	5650	6,179,438	5,310,409
including:			
electricity transportation costs	5651	2,955,783	2,155,514
property operational lease	5652	345,280	347,160
infrastructure services costs	5653	577,335	444,858
taxes and levies, including customs payments	5654	5318	5,668
fixed assets repairs and maintenance costs	5655	39,230	41,333
consultation and information, legal, audit services	5657	409,524	547,499
travel, transportation costs	5658	620,863	500,626
financial lease (leasing)	5659	267,168	199,911
expenses on voluntary property insurance, civil liability insurance, medical insurance	5660	39,885	35,991
expenses on acquisition and maintenance of software products	5661	375,285	424,724
security services costs	5662	9,463	7,404
representation and advertisement costs	5663	43,024	88,941
services of agents concerning sale of power equipment	5664	183,814	251,094
other expenses	5665	307,466	259,686
TOTAL expenses on common types of activities	5600	43,016,715	33,113,018

16. OTHER INCOME AND COSTS

In the profit & loss statement of the Company for 2011 and 2010, the structure of other income and costs mainly reflects proceeds (costs) from operations with currency, exchange differences from revaluation of assets and liabilities denominated in foreign currency, income (costs) from lease of property, income (costs) from revaluation of quoted securities, adjustments to estimated values, etc.

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Other income and costs of operations effected are given in the table below:

Other income	For 2015	For 2014
Other income, total	58,452,642	47,215,117
Including:		
income from operations on sale of currency	28,195,487	25,415,239
Exchange differences from revaluation of assets and liabilities in foreign currency	21,360,669	16,766,578
income received as a result of revaluation of quoted securities	5,926,743	437,282
Income derived from disposal of financial investments not traded on the Organized Market of the Central Bank	860,487	10,272
Recovery of provision for bad debts	723,768	106,181
Income derived from disposal of financial investments traded on the Organized Market of the Central Bank	534,738	345,798
Exchange differences from the purchase of currency at the exchange rate other than that fixed by the RF Central Bank	466,937	1,133,938
Recovery of provision for impairment of financial investments upon their disposal	134,080	-
Penalties, fines under business agreements	84,037	65,415
Insurance indemnity	48,470	-
Income from lease of property	37,634	63,545
income from disposal of fixed assets, material assets and other property	21,338	764,610
Income from property transfer to authorized capital	10,195	659,199
Estimated liabilities write-off	6,232	224,832
income of previous years	8,847	58,849
income from written-off accounts payable with an expired period of limitation	2,800	6,910
Expenses reimbursement under credit agreement	8	218,338
Recalculation of tax liabilities for past periods	-	889,514
Other income	30,172	48,617

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Other expenses	For 2015	For 2014
Other costs, total:	62,215,687	50,821,854
Including:		
Expenses on currency sales operations	28,723,519	31,069,180
Exchange differences from revaluation of assets and liabilities in foreign currency	20,218,275	13,758,514
Estimated liabilities	10,099,027	365,451
Provision for bad debts	1,902,550	
Costs of disposal of financial investments not traded on the Organized Market of the Central Bank	705,316	21,746
Provision for impairment of financial investments, not traded on the Organized Market of the Central Bank	259,412	1,070,899
Bank services	86,375	70,277
Social expenses	47,283	55,479
Shareholders' meetings costs	27,910	25,322
Other taxes (including VAT)	25,624	30,818
Costs of disposal of fixed assets, material assets and other property	24,458	
Costs of organizing the issue and service of securities	23,619	13,676
Contributions to non-profit organizations	14,270	18,106
Costs of lease of property	5,581	40,241
Losses of previous years	3,414	135,113
Writing-off receivables with expired period of limitation	3,016	1,888
Penalties, fines under business agreements	1,310	1,803
Costs of revaluation of quoted securities	—	3,426,288
Exchange differences from the purchase of currency at the exchange rate other than that fixed by the RF Central Bank	-	26,596
Other expenses	44,728	64 86

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17. TAXES

Profit Tax

Indicator	For 2015	For 2014
Profit (loss) before taxation (except for income from participation in other organizations) according to accounting data	4,388,612	(234,681)
Amount of conditional profit (loss) under profit tax	(877,722)	46,936
Currency differences for dividends	(259)	-
Permanent difference within reporting period, Including:	6,448,029	4,996,316
- for estimated liabilities	9,995,248	(131,907)
- managerial and administrative expenses	1,188,899	1,121,104
- under provision for bad debts	659,347	30,059
- under provision for financial investments impairment	125,332	847,283
- for accounts receivable write-off	50,402	9,389
- for sports events	47,283	55,356
- for contributions to non-profit organizations	12,832	16,740
- for depreciation of fixed assets	6,304	10,080
- for income, associated with depreciation premium recovery	1,108	5,397
- for realization of fixed assets	(1,108)	9,467
- for revaluation of financial investments (listed shares)	(5,926,743)	2,989,006
- for liquidation of subsidiary (affiliated) companies	-	(74,109)
-for other expenses (income)	289,125	108,451
Deductible temporary differences of the reporting period, including:	(2,187,599)	876,128
- for sales of securities, traded the organized market of the Central Bank	(1,843,110)	(345,798)
- for electricity transportation costs	(1,001,434)	1,001,434
- for sales of securities, which are not traded on the organized market of the Central Bank	(322,651)	-
- under provision for bad debts	436,905	219,364
- for estimated liabilities	599,252	(39,753)
-for other expenses (income)	(56,561)	40,881

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Indicator	For 2015	For 2014
Taxable temporary differences of the reporting period,		
Including:	32,949	(5,560)
- for voluntary medical insurance	22,918	46,960
- for fixed assets	9,913	(65,800)
- for other costs	118	13,280
Taxable profits as per tax accounting data	8,681,732	5,632,203
Profit tax rate	20 %	20 %
Profit tax	1,736,346	1,126,441

Revenues from participation in other organizations (dividends) received by the Company in 2015 amounted to 1,691,371 thousand rubles (1,625,558 thousand rubles — in 2014). The Company records the profit tax, accrued for the income from shareholding interests in other organizations, in line 2460 "Other" of the Profit and Loss Statement. Revenues from participation in other organizations in the amount of 680,632 thousand rubles (843,251 thousand rubles — for 2014) are liable to profit tax at the rate of 0 %.

The breakdown for line 2460 "Other" of the Profit and Loss Statement is presented in the table below:

Indicator	2015	2014
Tax on the profit from participation in other organizations (dividends)	(131,396)	(69,469)
Profit tax to be additionally paid based on the results of the on-site tax inspection	(727)	-
Profit tax to be reduced under clarified tax returns	229,849	127,149
Profit tax to be additionally paid under clarified tax returns	(34)	-
Penalties under taxes	(1,507)	(182)
Adjustment (write-off) of a deferred tax asset	(287,439)	(61,840)
Adjustment (charging) of a deferred tax liability	-	(38)
TOTAL	(191,254)	(4,380)

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Value-Added Tax

The total indebtedness on the VAT recovery from the federal budget, including export of electricity, as of December 31, 2015, amounts to 1,357,853 thousand rubles (1,612,327 thousand rubles — as of December 31, 2014; 2,173,880 thousand rubles — as of December 31, 2013). This amount is recorded within other accounts receivable on the balance sheet.

18. PROFIT PER SHARE

The base profit per share reflects a part of the profits of the reporting period, which can be potentially distributed among the shareholders – holders of ordinary shares. It is calculated as the ratio of the base profit for the reporting year to the average quantity of outstanding ordinary shares over the reporting year.

The calculation of the average quantity of shares outstanding during the reporting period has been made according to the Methodical Recommendations on Disclosure of Information on Profits per Share, approved by the RF Ministry of Finance Order No. 29n of March 21, 2000.

Indicator	2015	2014
Base profit for the reporting period, thousand rubles	3,721,453	434,170
Number of shares, pieces	104,400,000,000	104,400,003,326
Base profit per share, rubles	0.0356	0.0042

In 2015 and 2015, the Company had no diluting effect in place.

19. RELATED PARTIES

19.1. Predominating Companies

As of December 31, 2015, the Companies shareholder, ROSNEFTEGAS OJSC owns 26.37 % shares of the Company. Within the reporting period, the Company did not carry out any settlements with this organization.

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The Company has no other shareholders (legal entities and individuals), whose participation interest exceeds 20 % of the authorized capital of the Company.

The Russian Federation, acting via the state agencies and other organizations, has direct and indirect control and influence over a large number of companies (collectively referred to as the "state-related companies").

The Company transacts with these companies in order to sell and purchase electricity (power), goods, works and services, deliver equipment, place deposits and arrange for cashier services, currency exchange transactions, provision and receipt of guarantees, as well as transactions with securities and derivatives. The transactions to purchase and sell electricity (power) with the state-related companies account for a significant portion of the transactions, carried out by the Company.

19.2 Subsidiary and Affiliated Companies

A complete list of subsidiaries and affiliated companies is available on the website of the Company <http://www.interrao.ru/investors/disclosure/affiliated/2015.php>

19.2.1 Proceeds from Sales to Subsidiaries and Affiliated Companies

Proceeds of the Company from sales of goods (works, services) to subsidiaries and affiliated companies for 2011 amounted to 14,919,431 thousand rubles (13,228,210 thousand rubles — for 2014), excluding VAT.

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Electricity sale was carried out on normal commercial terms at market rates for the corresponding regions of supplies. Other sales mainly include agents remuneration and services under contract for operation and maintenance. The prices for provided services are aligned with the market levels.

Proceeds from sales	Amount	
	2015	2014
Revenues, total	14,919,431	13,228,210
Including.		
Sale of electricity (power) under bilateral contracts	13,159,834	11,360,859
Sales of electricity (power) under commission agreement, concluded with FSC JSC	1,665,342	1,803,874
Other sales	94,255	63,477

19.2.2 Income in the form of dividends received from subsidiaries and affiliated companies

Name	Amount	
	2015	2014
Dividends — total	1,691,371	1,625,558
Including.		
- on ordinary shares	1,691,371	1,625,558

19.2.3 Interest Income on All Types of Borrowings Issued by Subsidiaries and Affiliated Companies

The income in the form of the interest for all types of borrowed funds provided to the subsidiary and affiliated companies in 2015 amounted to 4,052,559 thousand rubles (3,194,406 thousand rubles — in 2014). The interest rates corresponded to the market levels of interest rates for similar borrowings within the loans provision period.

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19.2.4 Other Income in the Form of Revenues from Realization of Property, Lease of Property, Fines under Contracts, fees for Surety Provision and Other Income Received from Subsidiaries and Affiliated Companies

Other income in the form of income from property sales, property leasing, fines under contracts, fees for surety provision and other income received from subsidiary and affiliated companies in 2015 amounted to 116,507 thousand rubles (1,576,788 thousand rubles — in 2014), excluding VAT. Within 2015, the Company leased its assets with the original cost amounting to 11,556 thousand rubles as of December 31, 2014 (1,103,591 thousand rubles — as of December 31, 2013), in May 2015 the same property was sold to its subsidiary.

19.2.5 Purchases of Goods (Works, Services) from Subsidiaries and Affiliated Companies

The cost of the purchased goods, performed works and provided services by the subsidiary and affiliated companies within 2015 amounted to 4,334,069 thousand rubles (3,993,249 thousand rubles — in 2014), excluding VAT.

Purchases were carried out on normal commercial terms and conditions.

Name	Amount	
	2015	2014
Purchase of electricity (power)	3,307,352	2,871,107
Purchase of services	1,026,717	1,122,142
TOTAL	4,334,069	3,993,249

The structure of expenses on services purchase includes expenses on the office premises leasing from the subsidiary company with the total book value of 1,012,009 thousand rubles as of December 31, 2015 (953,608 thousand rubles — as of December 31, 2014; 953,650 thousand rubles — December 31, 2013).

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19.2.6 State of Settlements with Subsidiaries and Affiliated Companies

Receivables

Name	As of December 31, 2015		As of December 31, 2014		As of December 31, 2013	
	Receivables	Provisions for bad debts	Receivables	provisions for bad debts	Receivables	provisions for bad debts
<i>Long-term accounts receivable from subsidiary and affiliated companies</i>						
Indebtedness on sold property	1,991,000	-	6,909,490	-	22,273,472	-
Interest on provided loans	2,116,244	(637,578)	1,675,442	-	1,266,027	-
Indebtedness on shares purchase	-	-	-	-	1,455,878	-
Indebtedness, transferred to the Company following the 2012 reorganization	-	-	2,043,375	-	6,354,759	-
TOTAL	4,107,244	(637,578)	10,628,307	-	31,350,136	-
<i>Short-term accounts receivable from subsidiary and affiliated companies</i>						
Short-term receivables of buyers and customers	876,107	-	1,234,944	(28,129)	600,314	-
Short-term receivables from buyers of electricity (power) under commission agreement entered into with FSC JSC.	68,261	-	127,983	-	70,663	-
Advances paid to suppliers and contractors	32,024	-	32,618	(261)	33,111	(261)
Other receivables	7,498,493	(611,311)	11,861,612	(14,868)	1,630,393	(14,868)
Including						-
<i>Indebtedness on sold property</i>	5,679,408	(279,408)	8,823,915	-	423,915	-

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Name	As of December 31, 2015		As of December 31, 2014		As of December 31, 2013	
	Receivables	provisions for bad debts	Receivables	provisions for bad debts	Receivables	provisions for bad debts
Debt on settlements for electricity under contracts of commission, assignment	1,059,170	-	1,960,941	-	647,600	-
Due interest indebtedness on borrowed funds, installment payments plan	410,811	-	562,614	-	484,543	-
Debts on dividends due	324,924	(322,748)	483,843	-	8,340	-
Other debts	24,180	(9,155)	30,299	(14,868)	65,995	(14,868)
total	8,474,885	(611,311)	13,257,157	(43,258)	2,334,481	(15,129)

¹ See Section 7.1. "Long-Term Accounts Receivable" of these Notes.

Accounts Payable

Short-Term Accounts Payable to Subsidiary and Affiliated Companies

Name	Accounts payable		
	As of December 31, 2015	As of December 31, 2014	As of December 31, 2013
Payables to suppliers and contractors	248,335	390,175	172,822
Advances received from buyers	30,514	-	283,739
Other payables	183,450	367,797	397,693
TOTAL	462,299	757,972	854 4

19.2.7 Loans Issued to Subsidiaries and Affiliated Companies

The interest rates for the borrowed funds, provided to subsidiary and affiliated companies within 2015 amounted to 4 %-10 % p.a. in currency (from 10 % up to 15 % p.a. — in 2014), from 11 % up to 16.65 % p.a. in rubles (from 7.25 % up to 12.68 % p.a. — in 2014).

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The presence and flows of the loans provided to subsidiary and affiliated companies for the reporting period is specified in the table below net of interest.

Name of related party	Loan balance as of December 31, 2014	Provided in 2015	Repaid in 2015	Exchange differences balance	Loan balance as of December 31, 2015
Moldavskaya GRES CJSC	2,993,044	“	(865,276)	714,657	2,842,425
Electric Networks of Armenia CJSC	2,266,876	-	-	404,638	2,671,514
Electroluch JSC	2,314,354	“	“	—	2,314,354
Bashkir Generating Company LLC	1,300,000	950,195	-	-	2,250,195
RAO Nordic Oy	“	822,168	(138,678)	113,482	796,972
Saint-Petersburg Sales Company JSC	209,276	2,600,000	(2,300,000)	-	509,276
RGT LLC	-	481,012	(57,012)	“	424,000
LTD QUARTZ Group	-	300,000	“	“	300,000
Inter RAO IT, LLC	-	217,716	-	-	217,716
INTER RAO – Orlovsky Energosbyt, LLC	150,006	-	(21,500)	-	128,506
Opencast Coal Mine LLC	“	250,000	(125,000)	-	125,000
JSC "Inter RAO - Electric Power Plants"	4,389,618	-	(4,389,618)	-	-
Energy without Borders CTC LLC	23,000	-	(23,000)	-	-
JSC "Inter RAO Capital"	“	18,192,571	(18,192,571)	“	-
JSC "Altayenergosbyt"	“	380,000	(380,000)	“	-
Tomskenergosbyt PJSC	-	50,000	(50,000)	“	-
TOTAL	13,646,174	24,243,662	(26,542,655)	1,232,777	12,579,958

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The presence and flows of the loans, provided to subsidiary and affiliated companies in 2014, is specified in the table below, net of interest.

Name of related party	Loan balance as of December 31, 2013	Provided in 2014	Repaid in 2014	Exchange differences balance	Loan balance as of December 31, 2014
Electric Networks of Armenia CJSC	1,573,292	-	(111,260)	804,844	2,266,876
ASIA ENERGY B.V.	8,109	-	(10,329)	2,220	-
Moldavskaya GRES CJSC	1,856,050	630,061	(814,839)	1,321,772	2,993,044
Electroluch JSC	2,444,354	-	(130,000)	-	2,314,354
Opencast Coal Mine LLC	706,000	-	(706,000)	-	-
JSC "Inter RAO - Electric Power Plants"	3,721,903	5,689,618	(5,021,903)	-	4,389,618
Bashkir Generating Company LLC	-	1,300,000	-	-	1,300,000
Saint-Petersburg Sales Company JSC	-	1,000,000	(790,724)	-	209,276
INTER RAO – Orlovsky Energosbyt, LLC	-	199,724	(49,718)	-	150,006
Energy without Borders CTC LLC	-	23,000	-	-	23,000
TOTAL	10,309,708	8,842,403	(7,634,773)	2,128,836	• 13,646,174

19.2.8 Loans Received from Subsidiary and Affiliated Companies

Long-Term Loans Issued in Foreign Currency

In 2015, the Company received no loans in currency from its subsidiary and affiliated companies.

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The data as to the long-term loans in currency received from subsidiary and affiliated companies for 2014 are presented in the table below, including interest:

Name of related party	Loan balance as of December 31, 2013	Provided/accrued in 2014	Repaid in 2014	Reclassified to short-term	Exchange differences balance	Loan balance as of December 31, 2014
INTER RAO Credit B.V.	5,340,765	241,039	(142,886)	(7,596,969)	2,158,051	-
Including interest	5,905	241,039	(142,886)	(116,475)	12,417	-

¹In 2011, the Company raised borrowed funds in the amount of 163,000 thousand USD.

The interest rates corresponded to the market interest rates for similar borrowings. The repayment period — 2015.

Long-Term Loans in Rubles

In 2015, the Company received no loans in rubles from its subsidiary and affiliated companies.

The data as to the long-term loans in rubles received from subsidiary and affiliated companies for 2014 are presented in the table below, including interest:

Name of related party	Loan balance as of December 31, 2013	Provided/accrued in 2014	Repaid in 2014	Reclassification to short-term	Loan balance as of December 31, 2014
INTER RAO Credit B.V.	-	9,814,962	(9,814,962)	-	-
Including interest	-	214,962	(214,962)	-	-

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Short-Term Loans in Currency

The data as to the short-term loans in currency received from subsidiary and affiliated companies for the reporting period are presented in the table below, including interest:

Name of related party	Loan balance as of December 31, 2014	Provided/accrued in 2015	Repaid in 2015	Exchange differences balance	Loan balance as of December 31, 2015
INTER RAO Credit B.V.	9,178,268	348,815	(10,841,336)	1,314,253	
Including interest	8,149	348,815	(345,636)	(11,328)	~

The data as to the short-term loans in currency received from subsidiary and affiliated companies for 2014 are presented in the table below, including interest:

Name of related party	Loan balance as of December 31, 2013	Provided/accrued in 2014	Repaid in 2014	Reclassification from long-term	Exchange differences balance	Loan balance as of December 31, 2014
INTER RAO Credit B.V.	-	57,984	(246,493)	7,596,969	1,769,808	9,178,268
Including interest	-	57,984	(246,493)	116,475	80,183	8,149

Short-Term Loans in Rubles

In 2015, the Company raised short-term borrowings in rubles. The interest rates corresponded to the market interest rates for similar borrowings.

The data as to the short-term loans in rubles received from subsidiary and affiliated companies for the reporting period are presented in the table below, including interest:

Name of related party	Loan balance as of December 31, 2014	Provided/accrued in 2015	Repaid in 2015	Loan balance as of December 31, 2015
RN-Energo LLC	-	3,167,721	(3,167,721)	-
Including interest	-	167,721	(167,721)	

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In 2014, the Company did not raise any short-term loans in rubles from subsidiary and affiliated companies.

Credit lines

The information as to the credit line opened by subsidiary and affiliated companies as of December 31, 2015, is specified in the table below:

Bank – creditor	Limit	Unused balance as of December 31, 2015	Availability deadline
RN-Energo LLC	5,000,000	5,000,000	June 2018
TOTAL	5,000,000	5,000,000	

The credit lines opened by subsidiary and affiliated companies as of December 31, 2014, were absent.

The information as to the credit line opened by subsidiary and affiliated companies as of December 31, 2013, is specified in the table below:

Bank – creditor	Limit	As of December 31, 2013	Availability deadline
INTER RAO Credit B.V.	2,000,000	2,000,000	August 2014
TOTAL	2,000,000	2,000,000	

19.3 Information on Transactions with Key Management Personnel

The Company attributes Management Board and Board of Directors members to the key management personnel. Their lists are given in the "General Information" section of these Explanatory Note.

In 2015, the Company accrued the remunerations for the participation in the meetings for the members of the Board of Directors for the total amount of 24,611 thousand rubles (26,403 thousand rubles — in 2014). No other payments to the members of the Board of Directors were effected in 2015 and 2014.

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In 2015, the Company accrued remunerations for the members of the Management Board (salary, bonuses, benefits) for the total amount of 817,803 thousand rubles (526,699 thousand rubles — in 2014). In addition, in 2015, the Company transferred the voluntary retirement pension contributions to the non-state pension fund of "GAZFUND" to the benefit of the members of the Management Board in the amount of 29,016 thousand rubles (25,375 thousand rubles — in 2014). No other payments to the members of the Management Board were effected in 2015 and 2014.

In 2015, the Company accrued remunerations for the members of the Revision Commission (salary, bonuses, benefits, considerations) for the total amount of 7,296 thousand rubles (5,985 thousand rubles — in 2014). In 2015, the Company transferred the voluntary retirement pension contributions to the non-state pension fund of "GAZFUND" to the benefit of the members of the Revision Commission in the amount of 742 thousand rubles (654 thousand rubles — in 2014). No other payments to the members of the Revision Commission were effected in 2015 and 2014.

In order to fulfill the Shares Options Program of the Company, approved by the Board of Directors, in 2011, the Company provided interest-free loans to the senior management team in the amount of 51,733 thousand rubles. As of December 31, 2015, the indebtedness under these loans amounts to 1,125 thousand rubles (40,486 thousand rubles — as of December 31, 2014; 40,486 thousand rubles — as of December 31, 2013). The loans repayment period — 2016.

19.4 Cash Flows on Transactions with Related Parties

Item	Code	For 2015	For 2014
Cash flows from current transactions			
Proceeds - total	4110	17,684,043	16,874,167
Including			
From sales of products, goods, works and services	4111	15,739,547	12,414,657
From the sale of electricity (power) under commission agreement entered into with FSC JSC	4111	1,715,954	1,755,297
Lease payments, license fees, royalties, commissions and other similar payments	4112	126,824	126,694
Other proceeds	4119	101,718	2,577,519

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Item	Code	For 2015	For 2014
Payments - total	4120	(6,124,975)	(5,315,399)
Including			
To suppliers (contractors) for raw materials, works and services	4121	(4,458,701)	(3,905,150)
Due to payment of employees' remuneration	4122	(999,298)	(629,884)
Interests on debt liabilities	4123	(513,357)	(652,341)
Other payments	4129	(153,619)	(128,024)
Cash flows from investment transactions			
Proceeds - total	4210	19,696,751	19,061,982
Including			
From sales of non-current assets (other than financial investments)	4211	6,847,371	6,500,456
From sales of shares (participatory interest) in other organizations	4212	-	275,000
From repayment of loans provided, from sales of debt securities (rights of demand of cash to other persons)	4213	8,350,087	7,634,774
Dividends, interest on debt financial investments and similar proceeds from equity participation in other organizations	4214	4,499,145	4,641,480
Other proceeds	4219	148	10,272
Payments - total	4220	(24,248,130)	(12,855,592)
Including			
Due to acquisition of shares (participatory interest) in other organizations	4222	(4,019)	(4,013,189)
Due to acquisition of debt financial investments (right of demand of cash to other persons), provision of loans to other entities	4223	(24,243,662)	(8,842,403)
Other payments	4229	(449)	-
Cash flows from financial transactions			
Proceeds - total	4310	3,000,000	9,600,355
Including			
Obtaining credits and loans	4311	3,000,000	9,600,000
Other proceeds	4319	-	355

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Item	Code	For 2015	For 2014
Payments - total	4320	(13,604,243)	(9,600,124)
Including			
For payout of dividends and other payments on distribution of profits in favor of owners (participants)	4322	(108,543)	(124)
Due to repayment (repurchase) of bills of exchange and other debt securities, repayment of credits and loans	4323	(13,495,700)	(9,600,000)

20. INFORMATION BY SEGMENTS

Risks and profits of the Company are defined mainly by distinctions between the geographical regions where the Company sells electricity. The Company singles out the reporting segments in the form of geographical segments based on the electricity sale markets.

In 2015, the share of sales at the domestic market amounted to 19 % (in 2014 — 30 %).

The significant volume of electricity is supplied to Lithuania (17 %), Belarus (16 %), Finland (12 %), Ukraine (12 %). The segment "Other Countries" includes electricity supplies to Azerbaijan, Kazakhstan, Georgia, South Ossetia, as well as deliveries of power equipment to Venezuela and Ecuador. The share of proceeds falling on sales to each of the listed countries separately is less than 10 %.

Within the reporting year, the share of the revenues corresponding to the electricity sale to Kazakhstan, decreased as compared to the previous year from 10 % down to 8 %, the share of revenues corresponding to the electricity sale to Belarus, increased from 9 % to 16 %, and the share of revenues corresponding to the electricity sale to the Ukraine increased from 1 % up to 12 %. In comparable indicators by geographical segments for 2014, from the "Other Countries" reporting segment separate segments for "Belarus" and "Ukraine" were singled out, while the data for the "Kazakhstan" reporting segment were included in the "Other Countries" reporting segment.

Indicators of the reportable segments to be disclosed are set out in the assessment, in which they are submitted to the Company's management for decision making (according to management accounting).

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Retained costs represent the costs related to the Company in general. Segment assets consist mainly of fixed assets, intangible assets, and receivables. Segment assets generally do not include investments. Segment liabilities comprise operating liabilities and exclude items such as tax liabilities and certain types of loans related to the Company in general. Capital expenses include the receipt of fixed assets and intangible assets. Estimated values relate to a segment only if they relate to the assets thereof.

In the reporting period there were no changes in the methods to assess indicators used for determining the financial result (profit, loss) of the reportable segment, as compared to previous periods and, accordingly, there was no effect of changes in the financial result (profit, loss) of the reportable segment in the reporting period.

The tables below present information on income and profits, as well as assets and liabilities by the Company's geographical segments.

Name	Russia	Finland	Lithuania	Belarus	Ukraine	Other countries	Total
For 2015							
Revenues	8,914,526	5,639,225	7,826,333	7,319,624	5,605,948	10,647,870	45,953,526
Prime Cost	(11,145,301)	(4,480,511)	(3,744,059)	(3,939,672)	(3,390,840)	(6,669,687)	(33,370,070)
Profit (loss) by segment	(2,230,775)	1,158,714	4,082,274	3,379,952	2,215,108	3,978,183	12,583,456
Retained expenses (commercial, managerial, other expenses)							(6,503,473)
Total profit (loss) before tax							6,079,983
Assets by segments	14,259,518	22,993	824,111	26,225	21,428	4,953,736	20,108,011
Retained assets							334,591,322
Total on assets							354,699,333
Non-currents assets by segments	72,349	-	-	-	-	1,141,075	1,213,424
Retained non-current assets							312,474,884
Total on non-current assets							313,688,308
Liabilities by segment	4,637,150	31,059	7,891	24,594	-	3,025,658	7,726,352
Retained liabilities							12,605,556
Total liabilities							20,331,908
Capital investment	32,589	-	-	-	-	-	32,589

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Name	Russia	Finland	Lithuania	Belarus	Ukraine	Other countries	Total
For 2014							
Revenues	9,736,232	4,780,149	6,951,195	2,871,421	426,325	7,881,346	32,646,668
Prime cost	(11,063,714)	(3,657,184)	(3,661,130)	(1,767,821)	(209,192)	(4,979,228)	(25,338,269)
Profit (loss) by segment	(1,327,482)	1,122,965	3,290,065	1,103,600	217,133	2,902,118	7,308,399
Retained expenses (commercial, managerial, other expenses)							(5,917,522)
Total profit (loss) before tax							1,390,877
Assets by segments	27,841,753	352,096	965,773	27,429	262,655	4,577,239	34,026,945
Retained assets							319,389,634
Total on assets							353,416,579
Non-currents assets by segments	145,171	-	-	-	-	721,367	866,538
Retained non-current assets							294,916,068
Total on non-current assets							295,782,606
Liabilities by segment	6,259,755	168	2,803	63,924	1,315,600	4,865,644	12,507,894
Retained liabilities							1,0142,949
Total liabilities							22,650,843
Capital investments	9,381	-	-	-	-	-	9,381

The following table represents information on buyers (customers), sales to which provide proceeds at least 10 % of total proceeds from sales to the Company's buyers (customers):

Name of buyer	Total value of proceeds	Share in total proceeds from sales, %	Name of reporting segment
For 2015			
Urkinterenergo GPVD	5,027,400	10.94	Ukraine
RAO Nordic Oy	5,333,501	11.61	Finland
Belenergo GPO	7,319,624	15.93	Belarus
UAB "INTER RAO Lietuva"	7,826,333	17.03	Lithuania
FSC JSC	8,751,628	19.04	Russia
TOTAL	34,258,486	74.55	

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Name of buyer	Total value of proceeds	Share in total proceeds from sales, %	Name of reporting segment
For 2014			
RAO Nordic Oy	4,409,664	13.51	Finland
UAB "INTER RAO Lietuva"	6,951,195	21.29	Lithuania
FSC JSC	9,643,062	29.54	Russia
TOTAL	21,003,921	64.34	
For 2013			
RAO Nordic Oy	6,061,546	14.71	Finland
UAB "INTER RAO Lietuva"	6,240,988	15.14	Lithuania
Belenergo GPO	6,815,796	16.53	Belarus
FSC JSC	13,303,676	32.27	Russia
TOTAL	32,422,006	78.65	

These parameters are given in the assessment applicable for reflection of the similar parameters of the Company in general in the accounting (financial) statements.

21. DISCLOSURE OF INFORMATION ON OFF-BALANCE LINE-ITEMS

Description of Securities and Other Bonds Issued by the Company

The total amount of security guarantees and other obligations issued by the Company as of December 31, 2015, amounted to 79,544,020 thousand rubles (117,479,756 thousand rubles as of December 31, 2014; 90,032,261 thousand rubles — as of December 31, 2013).

The remuneration for the surety provision by the Company is recorded within other income in the Profit and Loss Statement.

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Description of securities and other issued bonds is given below:

Name of security issued	Date of issue	Fulfillment period	Organization, in which favor the surety has been issued	Security amount as of December 31, 2015
Surety for the credit provided by VTB Bank (VTB Bank (Deutschland) AG) to the benefit of INTER RAO Credit B.V.	December 4, 2013	December 4, 2018	INTER RAO Credit B.V.	22,544,053
Surety under credit, issued for EBRD to the benefit of INTER RAO Credit B.V.	July 31, 2012	July 31, 2017	INTER RAO Credit B.V.	9,819,716
Surety for credit, provided by EADB (Vnesheconombank) to the benefit of Stantsiya Ekibastuzskaya GRES-2 JSC	December 23, 2011	September 30, 2018	Stantsiya Ekibastuzskaya GRES-2 JSC	9,586,266
Surety under credit, issued for EBRD to the benefit of INTER RAO Credit B.V.	December 18, 2013	November 27, 2020	INTER RAO Credit B.V.	7,946,980
Surety, issued for liability of INTER RAO Turkey Enerji Holding A.S. under Credit Agreement to ING Bank B.V.	December 4, 2012	December 4, 2018	INTER RAO Turkey Enerji Holding A.S.	6,035,418
Counter-guarantees for Deutsche Bank LLC, Moscow, provided to the benefit of Deutsche Bank AG, Netherlands, which provided direct guarantees to the benefit of BARIVEN S.A.	May 5, 2015	March 1, 2016	BARIVEN S.A., (Venezuela)	3,380,169
Surety under the contract, under bank guarantees, issued by BNP PARIBAS BANK JSC to the benefit of INTER RAO — Export LLC.	July 10, 2013	April 3, 2017	INTER RAO – Export LLC	2,359,924
Liability for payment of the cash funds (investments repayment), stand-by letter of credit provided by VTB Bank PJSC to the benefit of GE Energy Holdings Vostok B.V.	August 17, 2012	August 17, 2020	GE Energy Holdings Vostok B.V.	2,319,985
Surety under credit issued for JSB Russia OJSC to the benefit of INTER RAO Credit B.V.	July 31, 2014	July 31, 2017	INTER RAO Credit B.V.	2,270,200

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Name of security issued	Date of issue	Fulfillment period	Organization, in which favor the surety has been issued	Security amount as of December 31, 2015
Counter-guarantees for ING BANK (EURASIA) JSC, provided to the benefit of CITIBANK, NA (Ecuador), which provided direct guarantees to the benefit of CELEC EP	September 22, 2015	October 23, 2016	CELEC EP (Ecuador)	2,192,392
Surety for the credit, provided by ING Bank N.V., to the benefit of INTER RAO Credit B.V.	September 27, 2011	September 23, 2016	INTER RAO Credit B.V.	2,172,904
Surety for the credit, provided by Raiffeisenbank JSC, to the benefit of INTER RAO Credit B.V.	August 26, 2013	August 26, 2016	INTER RAO Credit B.V.	2,015,101
Surety for the credit, provided by ING Bank N.V., Branch ING DiBa AG to the benefit of INTER RAO Credit B.V.	December 18, 2013	June 19, 2023	INTER RAO Credit B.V.	1,779,427
Surety under the credit issued by EBRD to Electric Networks of Armenia CJSC	June 17, 2009	October 1, 2018	Electric Networks of Armenia CJSC	1,268,476
Pledge of shares of Stantsiya Ekibastuzskaya GRES-2 JSC (7,559,026 of ordinary shares, which makes 50% of the authorized capital) for securing obligations of Stantsiya Ekibastuzskaya GRES-2 JSC with respect to EADB (Vnesheconombank)	October 17, 2011	June 23, 2025	Stantsiya Ekibastuzskaya GRES-2 JSC	1,138,507
Surety for RAO Nordic Oy concerning the discharge of liabilities under the electricity trade contract, concluded with Boliden Kokkola Oy	March 12, 2014	UNTIL fulfillment of obligations	RAO Nordic Oy	796,972
Surety for the credit granted by the EBRD to the benefit of Telasi JSC	February 2, 2011	November 4, 2020	Telasi JSC	712,194
Surety for the credit issued by Vnesheconombank to the benefit of Electric Networks of Armenia CJSC	March 9, 2010	October 1, 2018	Electric Networks of Armenia CJSC	681,187
Surety for counter-guarantee granted by ING BANK (EURASIA) JSC to the benefit of RAO Nordic Oy	July 1, 2014	July 29, 2016	RAO Nordic Oy	399,190
Surety under the bank guarantee, provided by Sberbank PJSC to the benefit of Russian Gas Turbines LLC	June 4, 2014	July 30, 2019	Russian Gas Turbines LLC	124,959
TOTAL				79,544,020

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Among provided securities there are sureties issued by the Company to the following banks: VTB Bank (Deutschland) AG, EBRD, JSB Russia OJSC, to the benefit of the subsidiary, INTER RAO Credit B.V., under the loan agreements for the amount of 33,363,769 thousand rubles. The respective amount includes, among others, the amount of the estimated liability, recognized by the Company in 2015 under the guarantee contract, concluded with INTER RAO Credit B.V. in the amount of 10,095,546 thousand rubles (See Section 11 "Estimated Liabilities" of these Notes).

Description of Securities of Obligations and Payments Received by the Company

The total amount of obligations and payments securities obtained by the Company as of December 31, 2015 amounted to 24,627,696 thousand rubles (34,816,967 thousand rubles — as of December 31, 2014; 40,860,969 thousand rubles — as of December 31, 2013).

Description of securities and other bonds is given below:

Name of security received, Guarantor	Term of validity of the guarantee	Organization, for which the guarantee has been received/pledger	Security amount as of December 31, 2015
Surety under Master Agreement with Sistema-Invest JSC and Ecu Gest Holding S.A. dated May 12, 2012, concerning the performance of the contractual obligations	November 6, 2018	Sistema-Invest JSC Ecu Gest Holding S.A.	22,500,000
Bank guarantees for the repayment of advance provided by Gazprombank JSC under the contract with TYAZHMASH JSC	November 30, 2016	TYAZHMASH JSC	1,662,521
Surety under the Contract without number dated October 27, 2015 with Roselektronika JSC for the discharge by New Light Technology CJSC of its obligations under the sales contract in relation to shares of INTER RAO LED Systems OJSC	October 27, 2018	New Light Technologies CJSC	461,417
Liabilities received from individuals under apartments sales contracts	2024-2027	Individuals	3,758
TOTAL			24 27,696

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22. CONDITIONAL LIABILITIES AND FACTS OF BUSINESS ACTIVITIES

Factors Influencing the Financial Position of the Company

Conditions of the Company's Activities

In Russia, economic reforms and development of the legal, tax and administrative infrastructure to meet the requirements of the market economy are in progress. Stability of the Russian economy will to a high degree depend on the course of such reforms, as well as on the efficiency of the measures taken by the Government in the sphere of economics, financial and monetary policy.

In 2015, the Russian economy was badly influenced by a significant decrease in oil prices and a significant devaluation of Russian ruble, as well as the sanctions, imposed against Russia by certain countries. In 2015, interest rates in rubles increased significantly due to the fact that the Bank of Russia increased the key rate up to 11 %. The joint impact of the above factors resulted in the squeeze of available capital, increase in the cost of capital, increase in inflation and uncertainty as to the future economic growth, which may negatively impact future financial positions, results of transactions and economic potential of the Company. The Company's management believes that they undertake all necessary measures aimed at ensuring economic stability of the Company in these conditions.

Taxation

The Russian tax, currency and customs laws allow different interpretations and are subject to frequent changes. Interpretation by the Company's management of these regulations in relation to the transactions and activities of the Company, may be disputed by the competent regional and federal bodies. As the practice shows, tax authorities are often willing to take a more stringent position upon the interpretation of the laws and tax calculations checks. As a consequence, tax authorities may make claims as to those transactions and methods of accounting, to which they have never made claims before. As a result, significant taxes, fines and penalties may be charged. Determination of amounts of claims under possible but not filed suits, as well as estimation of the probability of negative outcome seem impossible. Tax audits may cover three calendar years of activity immediately preceding the year of audit. In certain conditions, earlier periods may also be subject to auditing.

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In the management's opinion, as of December 31, 2011, corresponding provisions of the laws are interpreted by them correctly, and the probability of preservation of the Company's position in connection with the tax, currency, and customs laws with account of recognized estimated liabilities is high.

Sureties, Securities and Other Liabilities Provided by the Company

As of December 31, 2015, the Company provided to creditors of the third parties sureties, securities and other liabilities, which are not yet mature, for the total amount of 79,544,020 thousand rubles (117,479,756 thousand rubles — as of December 31, 2014; 90,032,261 thousand rubles — as of December 31, 2013). The Company's management does not expect the occurrence of any material liabilities in connection with these sureties and securities.

23. EVENTS AFTER THE REPORTING DATE

In January 2016, the Company provided short-term loans to its subsidiaries in the amount of 2,200,000 thousand rubles.

Within January 2016, the exchange rate of the Russian ruble to USD and EUR continued to fluctuate within significantly wide ranges, with changes of the currency exchanges rates varying from 10 to 14 %. As of January 31, 2016, the exchange rate for USD amounted to 75.1723 rubles and for EUR 81.9077 rubles. Due to the fact that one of the main activities of the Company is foreign economic activities, the changes to the currencies exchange rates may impact the settlements under contracts in foreign currency, as well as revaluation of the assets and liabilities, denominated in foreign currency. The Company regularly carries out the assessment as to the exposure to the currency risk. Based on the Company's assessment, the currency risk currently may not significantly impact the Company's capabilities to discharge its obligations, with account of the measures taken to reduce thereof.

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24. RISKS OF BUSINESS ACTIVITIES

The information as to the risks of business activities of the Company shall be published in the quarterly issuer report, posted at the website, Section "For Shareholders and Investors"
<http://www.interrao.ru/investors/disclosure/quarterly/2015.php>

Chairman of the Management Board */Signature/* ***B.Yu. Kovalchuk***

February 12, 2016

/Round official seal/:

Public Joint Stock Company Primary State Registration Number 1022302933630
INTER RAO UES

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