

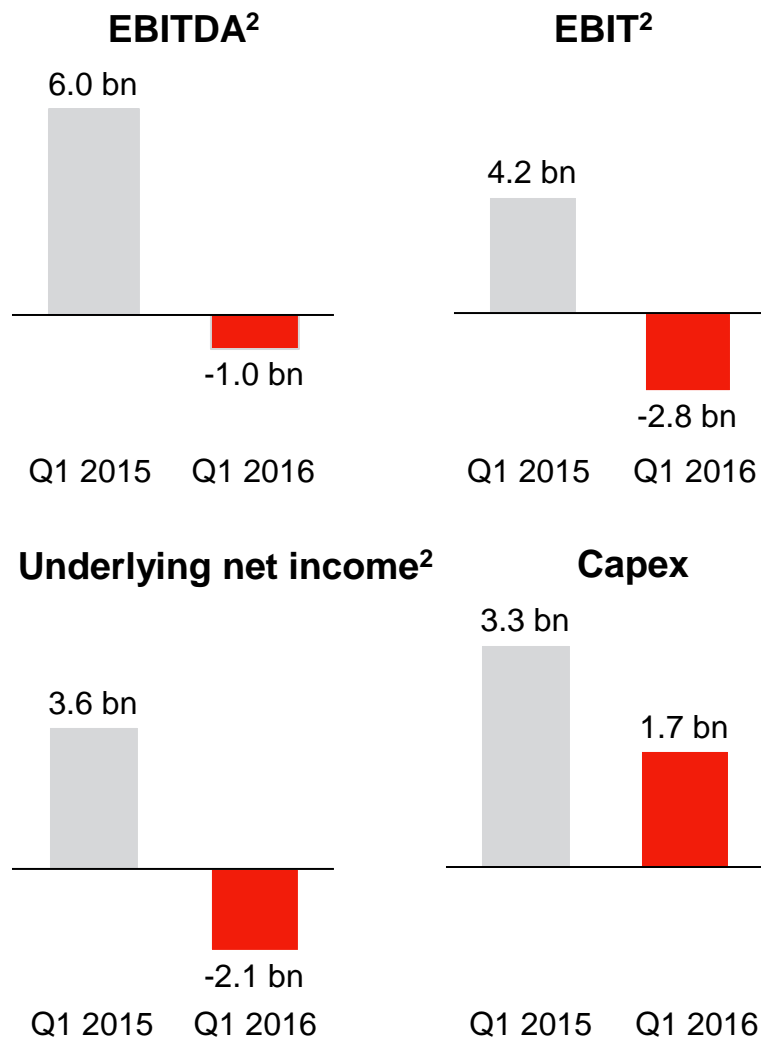


# E.ON Russia 2016 first three months results

12 May 2016

**e-on**

# 2016 first three months results<sup>1</sup>



- Stable underlying business
- Earnings decline mainly due to reduction of the carrying amount of Berezovskaya 3 by RUB 9bn caused by accident in February 2016
- Capex mainly allocated to Berezovskaya 3 (finalization works in context of commissioning)

<sup>1</sup> E.ON Russia IFRS stand alone, in RUB

<sup>2</sup> Adjusted for extraordinary effects

# Details on accident at Berezovskaya Unit 3



## **Reason**

- Fire caused by leak in a fuel oil pipeline

## **Property damage and repair works**

- Part of boiler equipment and boiler house have to be replaced
- Costs of repair will amount to at least RUB 15bn
- Repair works will last at least until end 2017

## **Insurance**

- Significant compensation for business interruption and property damage expected

# Market environment and regulation

## European zone

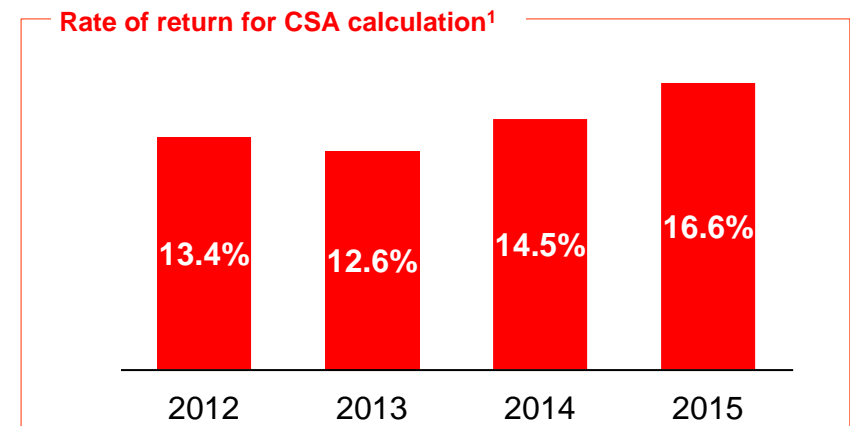
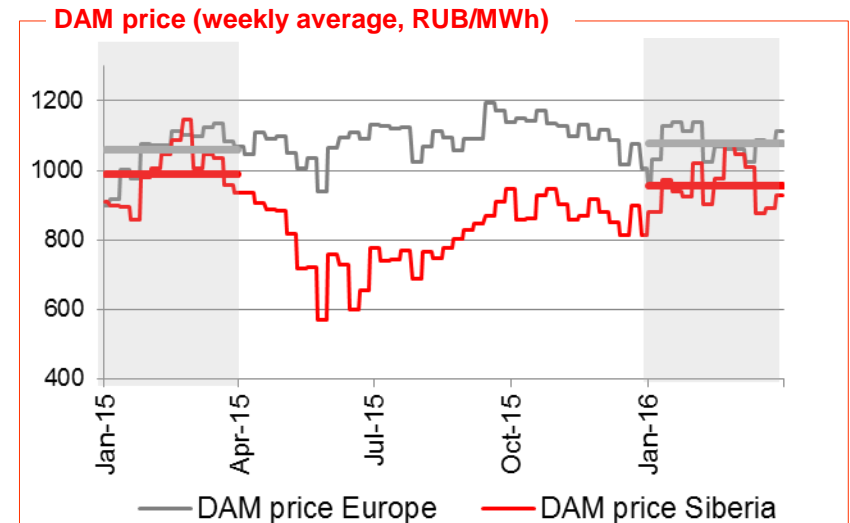
- Day ahead market price +2.0% YoY
- Overcapacity due to the commissioning of new capacities under capacity supply agreements

## Siberian zone

- Day ahead market price -3.6% YoY
- Mainly due to higher hydro generation in Q1 2016 comparing to Q1 2015

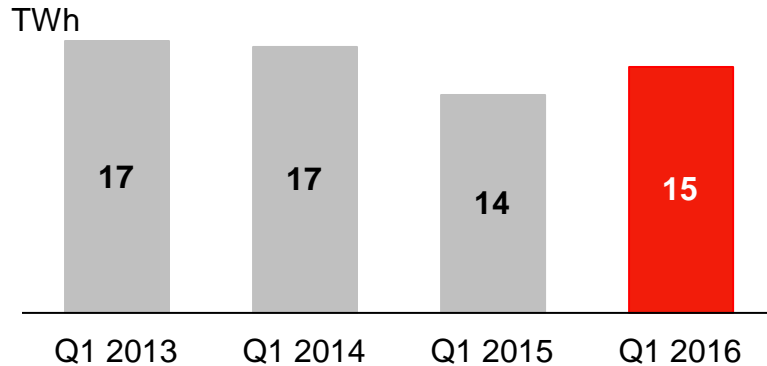
## Regulation

- Gas tariff indexation from July 2015 by +7.5%
- Increase of capacity payments based on growing rate of return relevant for capacity supply agreements

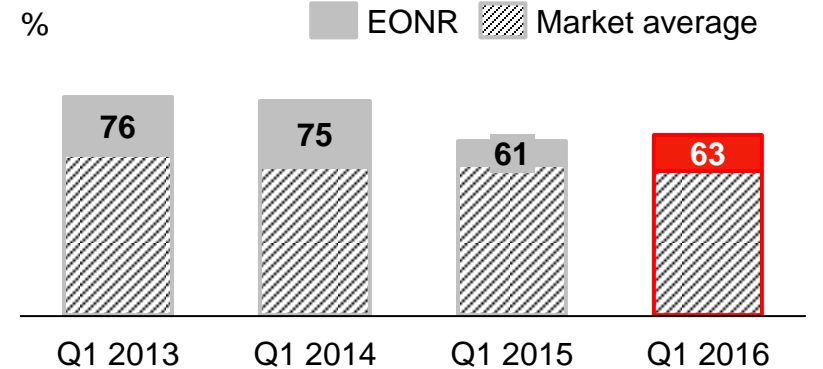


# Operational development

## Electric power generation

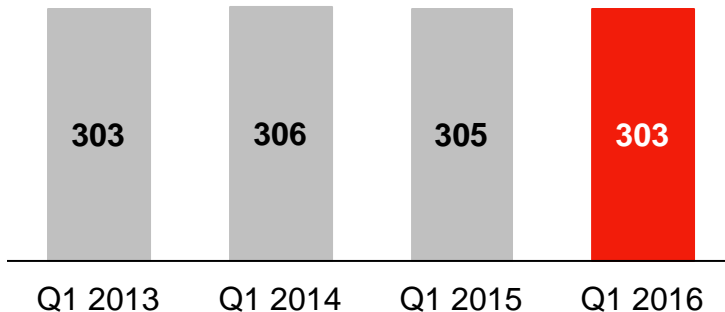


## Load factor



## Efficiency

Gfe/kWh – Fuel equivalent grams per 1 kWh

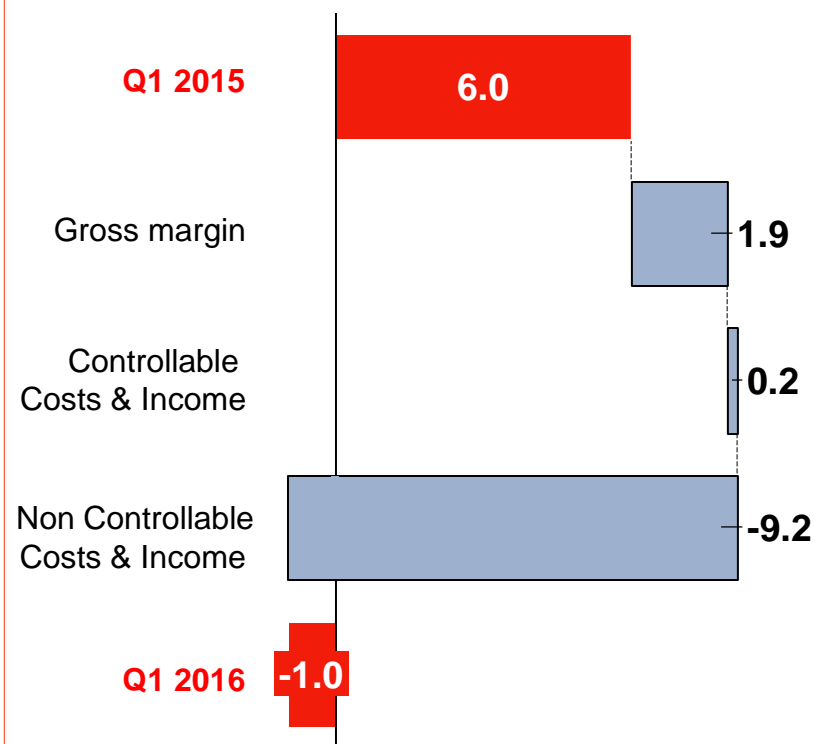


Power generation increased by 13% mainly due to higher level of load factor at Surgutskaya 2

# Earnings development

## EBITDA<sup>1</sup> drivers Q1 2016 vs. Q1 2015

RUBbn



### Gross margin: +20.0% to RUB 11.6bn

- One month earnings contribution from newly commissioned Berezovskaya 3
- Higher power production at Surgutskaya 2
- Increase of capacity payments under CSA

### Controllable costs: -6.8% to RUB 3.0bn

- Mainly due to decreased maintenance costs at Surgutskaya 2

### Non Controllable costs: Significant increase

- Reduction of the carrying amount of Berezovskaya 3 by RUB 9.0bn

# E.ON Russia IR - Reporting calendar & contact

## Reporting calendar

Date	Event
July 28, 2016	Publication of the RAS statements of E.ON Russia for 6 months of 2016
August 11, 2016	Presentation of results and performance and publication of IFRS condensed financial information of E.ON Russia for 6 months of 2016
October 21, 2016	Publication of the RAS statements of E.ON Russia for 9 months of 2016
November 10, 2016	Publication of the IFRS financial results of E.ON Russia for 9 months of 2016

## Contact

Dmitri Ermilichev

Mail: [Ermilichev\\_D@eon-russia.ru](mailto:Ermilichev_D@eon-russia.ru)

Phone: +7 (495)545-3838

# Disclaimer

This presentation may contain forward-looking statements based on current assumptions and forecasts made by E.ON Russia and other information currently available to E.ON Russia. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. E.ON Russia does not intend, and does not assume any liability whatsoever, to update these forward-looking statements or to conform them to future events or developments.