



E.ON Russia 2014 first quarter results

15 May 2014

e-on

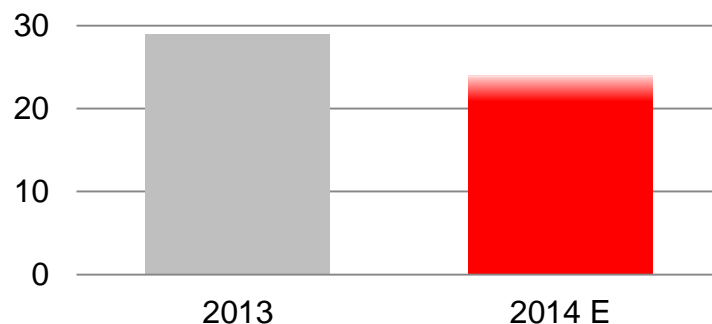
First quarter 2014 highlights

Key financials – IFRS¹

		Q1 2014	Q1 2013	% YoY
Sales	RUB bn	20.6	20.7	-1%
EBITDA²	RUB bn	6.3	8.1	-22%
EBIT²	RUB bn	4.2	5.9	-31%
Underlying Net Income²	RUB bn	3.7	5.4	-31%
Underlying EPS^{2, 3}	RUB	0.06	0.09	-31%
Operating Cash Flow	RUB bn	8.3	7.5	+10%
Capex	RUB bn	3.3	2.0	+61%

Outlook unchanged

- EBITDA (RUB bn):



- Capex 2014 confirmed at ~RUB16bn
- Boiler erection of Berezovskaya ahead of schedule - Commissioning planned in H1 2015
- Further development of on-site generation business. Acquisition of 67% stake in Noginskiy Teplovoy Tsentrl LLC in April

1 E.ON Russia stand alone

2 Adjusted for extraordinary effects

3 Based on number of shares outstanding (63,048mln)

Market environment

1st pricing zone

Day ahead market price (DAM) +12% Q on Q, but

- new commissioning under CSA
- decrease of power consumption (-1.6% Q on Q)

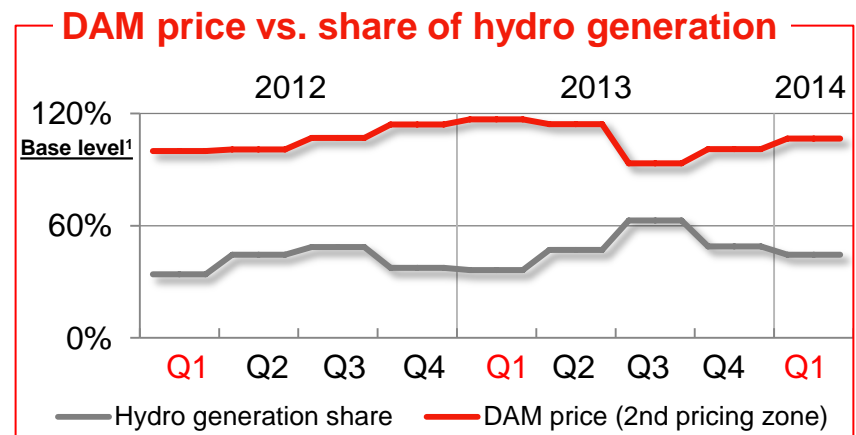
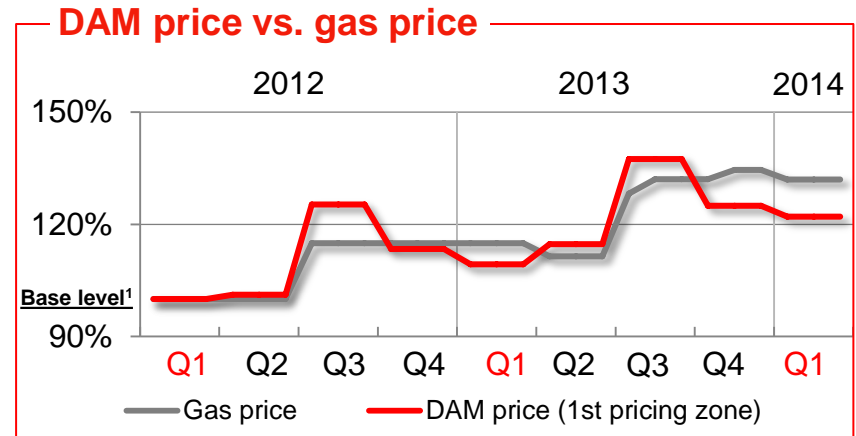
put pressure on full year DAM price, thus DAM price dynamic is lower than gas price growth

2nd pricing zone

DAM price -9% Q on Q mainly due to high share of hydro generation based on strong water inflow

Regulation

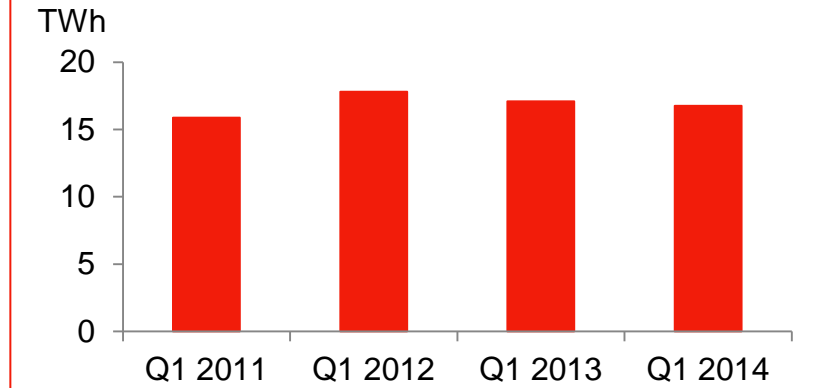
Against expectations capacity payments for old capacities (KOM) have been indexed in 2014



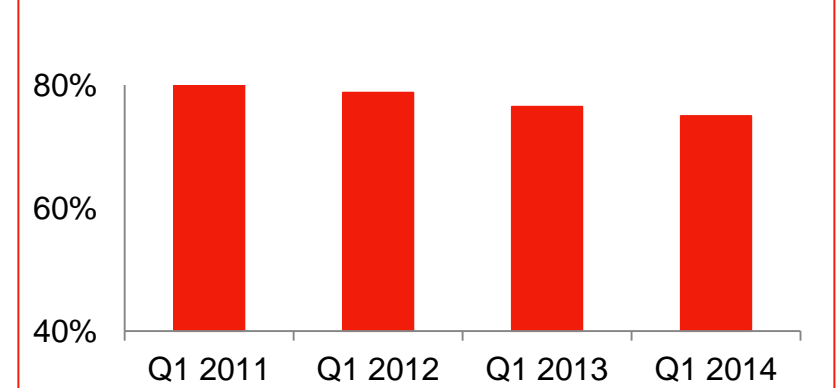
1 Base level for DAM and gas prices is equal to 100% in 01.01.2012

Operational development

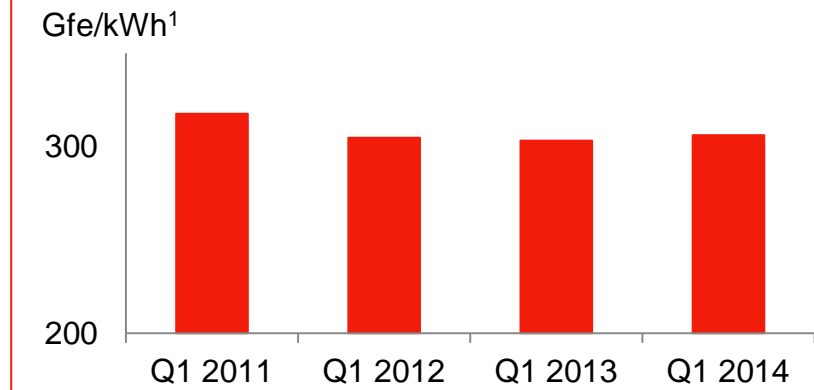
Electric power generation



Load factor



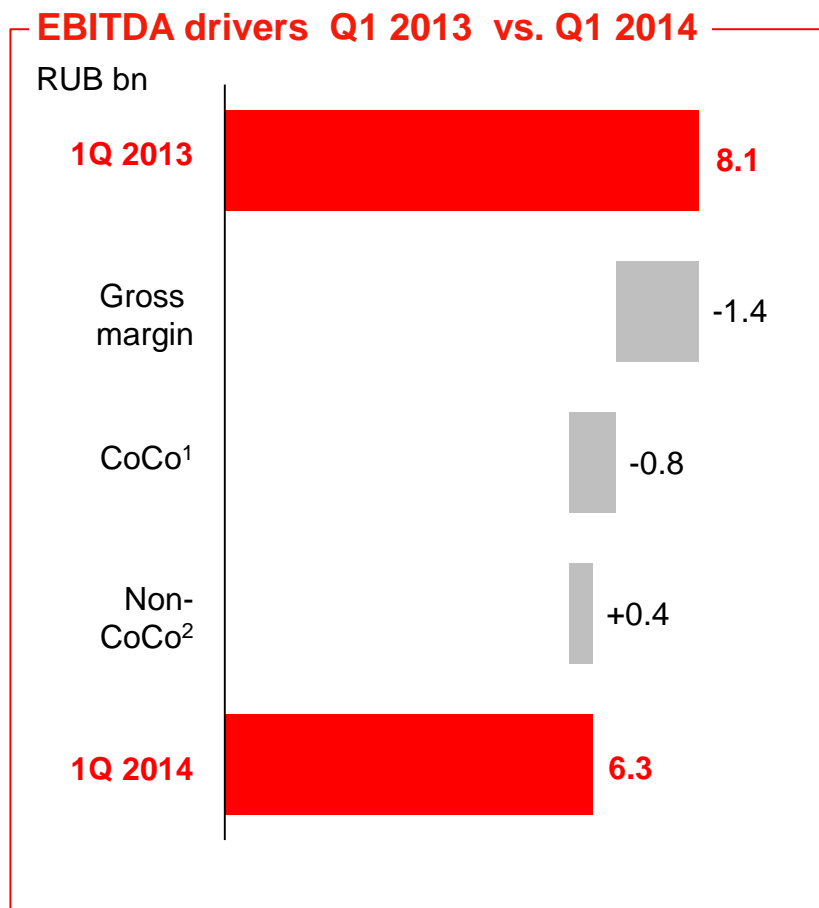
Efficiency



- Load factor and fuel efficiency remain on the highest level in the market
- Power generation in Q1 2014 declined by 2% to 16.8 billion kWh mainly due to hot gas pass inspections for new CCGT units at Yaivinskaya and Surgutskaya-2 TPP

1 Gfe/kWh – Fuel equivalent grams per 000' Watts

Earnings development



Gross margin: -13% to RUB9.5bn

- Electricity price growth could not completely offset the increase of fuel costs
- Reduced capacity (KOM) payments for Berezovskaya

Controllable costs: +43% to RUB2.7bn

- Increase mainly due to one-off provision of RUB0.7bn

Non controllable costs: -35% to RUB0.7bn

- Improvement of debtors payment discipline

1 CoCo = Controllable Costs and Income

2 Non-CoCo = Non-Controllable Costs and Income

E.ON Russia IR - Reporting calendar & contact

Reporting calendar

Date	Event
July 28, 2014	Publication of the RAS statements of E.ON Russia for 6 months of 2014
August 21, 2014	Publication of the IFRS statements of E.ON Russia for 6 months of 2014
October 27, 2014	Publication of the RAS statements of E.ON Russia for 9 months of 2014
November 13, 2014	Publication key figures of the IFRS statements of E.ON Russia for 9 months of 2014

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