Debt Portfolio

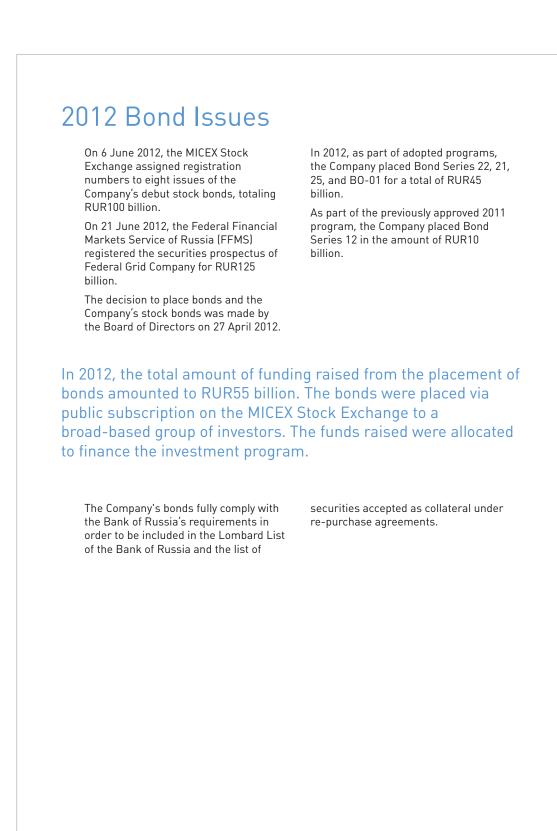
By the end of 2012, Federal Grid Company's debt portfolio grew to RUR212.5 billion. It occurred due to: placing bond issues, raising credit from Gazprombank and placing Eurobonds on the Irish Stock Exchange. The Company meets its obligations on servicing its debt portfolio and debt re-payment in full and on time.

The Company's debt portfolio as of 31 December 2012:

Type of debt	Amount, RUR billion	Maturity
Bond issues	160	2.5-10 years
Gazprombank loan	35	3-5 years
Eurobonds	17.5	6.25 years
Total	212.5	-

In addition, the Company has revolving and non-revolving credit facilities opened with major Russian banks (Sberbank of Russia, Gazprombank, Alfa-Bank, NOMOS-Bank, Raiffeisenbank, ACB Russia, and Bank Saint Petersburg) with a maturity of 5-15 years. As of 31 December 2012, the total free limit of the credit facilities amounted to RUR122.5 billion.

We will continue to use all available tools to attract funding - bonds, Eurobonds and bank loans to finance the 2013-2017 investment program and to re-finance current debt. Furthermore, our Company plans to primarily use market-based instruments that provide lesser funding costs with longer borrowing terms. The Company intends to cover cash shortages from existing and scheduled credit facilities and by offering bond issues on both Russian and foreign markets. The use of specific loan instruments will depend on market conditions.



Eurobonds

In 2012, Federal Grid Company entered the international borrowing market. The decision to place Eurobonds was made by the Board of Directors 27 April 2012. On 13 December 2012, the placement of Federal Grid Company's inaugural issue of Eurobonds in the amount of RUR17.5 billion with a coupon rate of 8.446% per annum and a maturity in 2019 occurred. The securities were listed and admitted to trading on the Irish Stock Exchange.

The Eurobond issue was assigned ratings from the leading rating agencies, Standard & Poor's and Moody's, at the Company's ratings - BBB and Baa3.

lssue	Outstanding issue	Maturity date		
RUR17.5 billion	RUR17.5 billion	13.03.2019		
Coupon payment period	Rating	ISIN		
Two times per year	Moody's: Baa3 S&P: BBB	XS0863439161		
Debt Portfolio Performance				
	35			
25	17,5 160			
105				
56	21.12.2012	Loans Eurobonds Bond issues		
	RUR17.5 billion Coupon payment period Two times per year	RUR17.5 billionRUR17.5 billionCoupon payment periodRatingTwo times per yearMoody's: Baa3 S&P: BBBSce35 17,5 16025 56105		