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PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS

OJSC IDGC of Urals

Consolidated Statement of Financial Position as of 31 December 2016

(in thousands of Russian Roubles, unless otherwise stated)

	Notes	31,December 2016	31,December 2015
ASSETS			
Non-current assets			
Property, plant and equipment	11	60,515,637	60,912,946
Investment property	11	100,241	65,366
Intangible assets	10	286,786	297,145
Non-current accounts receivable	14	49,991	55,817
Deferred tax assets	9	304,070	183,279
Assets related to the employee benefit	20	,149,367	186,654
Investments available for sale	12	1,475,600	452,736
Total non-current assets		62,881,692	62,153,943
Current assets			
Inventories	13	784,403	709,768
Income tax receivable		106,938	255,701
Trade and other receivables	14	10,465,185	9,849,665
Prepayments for current assets	15	56,064	98,304
Cash and cash equivalents	16	1,270,720	4,291,372
Total current assets		12,683,310	15,204,810
TOTAL ASSETS		75,565,002	77,358,753
EQUITY AND LIABILITIES			
Equity			
Share capital		8,743,049	8,743,049
Other reserves		(611,890)	(1,308,446)
Retained earnings		33,356,865	33,235,620
Total equity attributable to shareholders of the Company		41,488,024	40,670,223
Non-controlling interest		633,171	689,447
TOTAL EQUITY		42,121,195	41,359,670
Non-current liabilities			
Loans and borrowings	18	12,248,215	7,525,215
Trade and other payables	19	801,741	882,852
Employee benefit liabilities	20	2,772,916	2,522,436
Deferred tax liabilities	9	3,411,751	3,096,390
Total non-current liabilities		19,234,623	14,026,893
Current liabilities			
Loans and borrowings	18	213,432	7,760,545
Trade and other payables	19	9,116,829	11,234,990
Provisions	21	3,311,970	1,894,573
Other taxes payable	22	1,321,826	1,056,828
Income tax payable		245,127	25,254
Total current liabilities		14,209,184	21,972,190
TOTAL LIABILITIES		33,443,807	35,999,083
TOTAL EQUITY AND LIABILITIES		75,565,002	77,358,753

OJSC IDGC of Urals
Consolidated Statement of Cash Flows for the year ended 31 December 2016
(in thousands of Russian Roubles, unless otherwise stated)

	Notes	Year ended 31 December 2016	Year ended 31 December 2015
OPERATING ACTIVITIES			
Profit before income tax		2,369,389	1,925,142
Adjustments:			
Depreciation and amortization	5	6,008,928	5,924,278
Impairment of property, plant and equipment	5	1,147,103	1,527,923
Change in allowance for impairment of accounts receivable	5	(459,219)	932,354
Net finance costs	8	887,332	750,454
Loss on disposal of property, plant and equipment	5	139,042	285,432
Write-off of accounts payable	7	(32,294)	(8,385)
Change in provisions	21	1,518,896	(56,146)
Other non-cash transactions		(156,028)	34,940
Operating profit before changes in working capital		11,423,149	11,315,992
Change in taxes payable other than income tax		264,997	143,867
Change in assets related to the employee benefits		45,541	5,595
Change in inventories		(74,635)	(95,717)
Change in trade and other payables and advances received		(3,082,271)	(770,859)
Change in trade and other receivables and prepayments for current assets		919,535	(1,365,802)
Change in employee benefit liabilities		(116,164)	(59,954)
Cash flows from operations before income tax paid		9,380,152	9,173,122
Interest received		190,781	385,283
Income tax paid		(648,281)	(995,803)
Cash flows from operating activities		8,922,652	8,562,602
INVESTING ACTIVITIES			
Proceeds from repayment of loans issued		509,360	22,094
Proceeds from disposal of property, plant and equipment		11,983	18,257
Loans issued		(519,227)	(301)
Acquisition of intangible assets		(44,373)	(292,470)
Acquisition of property, plant and equipment		(6,691,758)	(7,083,451)
Dividends received		8	-
Cash flows used in investing activities		(6,734,007)	(7,335,871)
FINANCING ACTIVITIES			
Received loans and borrowings		22,315,732	6,647,003
Dividends paid		(1,261,285)	(518,809)
Interest paid		(1,101,935)	(1,187,671)
Repayments of loans and borrowings		(25,161,809)	(5,540,896)
Cash flows from financing activities		(5,209,297)	(600,373)
Net increase in cash and cash equivalents		(3,020,652)	626,358
Cash and cash equivalents at the beginning of the year		4,291,372	3,665,014
Cash and cash equivalents at the end of the year	16	1,270,720	4,291,372

OJSC IDGC of Urals
Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2016
(in thousands of Russian Rubles, unless otherwise stated)

	Notes	Year ended 31 December 2016	Year ended 31 December 2015
Revenue	4	74,725,582	69,671,656
Operating expenses	5	(72,656,112)	(68,214,664)
Other operating income	7	1,187,251	1,218,605
Result from operating activities		3,256,721	2,675,597
Finance income	8	231,409	409,801
Finance costs	8	(1,118,741)	(1,160,256)
Profit before income tax		2,369,389	1,925,142
Income tax	9	(1,037,431)	(447,361)
Profit for the year		1,331,958	1,477,781
Other comprehensive income / (loss)			
Items that may be reclassified subsequently to profit or loss:			
Change in fair value of available-for-sale assets		1,023,545	52,688
Income tax expense relating to other comprehensive income		(204,709)	(9,669)
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of net defined benefit liability		(153,286)	(314,828)
Income tax expense relating to other comprehensive income		30,657	58,271
Other comprehensive income / (loss) for the year, net of income tax		696,207	(213,538)
Total comprehensive income for the year		2,028,165	1,264,243
Profit for the year attributable to:			
Shareholders of the Company		1,358,830	1,763,554
Non-controlling interest		(26,872)	(285,773)
Total comprehensive income for the year attributable to:			
Shareholders of the Company		2,055,386	1,552,642
Non-controlling interest		(27,221)	(288,399)
Earnings per share	17	0,0155	0,0202
Basic and diluted earnings per share (in RUB)			

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: Full version of the financial statements :
: prepared under RAS and IFRS is available :
: at company's official web-site :
: www.mrsk.ural.ru :
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