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# Oblenergos

## A Whole New World

Cherkassyoblenergo	CHON	N/R
Chernihivoblenergo	CHEON	BUY
Chernivtsioblenergo	CHEN	HOLD
Dniprooblenergo	DNON	HOLD
Donetskoblenergo	DOON	N/R
Kharkivoblenergo	HAON	BUY
Khersonoblenergo	HOEN	HOLD
Khmelnitskoblenergo	HMON	HOLD
Kirovogradoblenergo	KION	SELL
Krymenergo	KREN	SELL
Lvivoblenergo	LVON	HOLD
Mykolaivoblenergo	MYON	N/R
Odessaoblenergo	ODEN	N/R
Poltavaoblenergo	POON	BUY
Prykarpatlenergo	PREN	BUY
Sevastopolenergo	SMEN	HOLD
Sumyoblenergo	SOEN	N/R
Ternopiloblenergo	TOEN	BUY
Vinnitsaoblenergo	VIEN	HOLD
Volynoblenergo	VOEN	SELL
Zakarpatlenergo	ZOEN	BUY
Zaporizhiaoblenergo	ZAON	HOLD
Zhytomiroblenergo	ZHEN	SELL

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## INVESTMENT CASE

	Price USD	12M TP USD	Upside
TOEN	0.36	0.62	71%
POON	0.37	0.54	45%
PREN	0.4	0.57	43%
ZOEN	0.25	0.32	30%
CHEON	0.4	0.51	27%
HAON	0.62	0.74	19%
LVON	0.5	0.5	0%
DNON	59	58.84	0%
CHEN	0.49	0.45	-7%
VIEN	22	20.22	-8%
HMON	0.5	0.44	-11%
HOEN	0.4	0.35	-14%
SMEN	1.25	1.03	-17%
ZAON	1.28	1.04	-19%
VOEN	0.1	0.07	-22%
ZHEN	0.85	0.64	-24%
KREN	0.7	0.49	-31%
KION	0.75	0.48	-36%
DOON	1.3	n/a	n/a
CHON	n/a	0.53	n/a
MYON	n/a	n/a	n/a
ODEN	n/a	0.51	n/a
SOEN	n/a	0.35	n/a

	MCap USD mln	Free Float	
		%	USD mln
TOEN	22.0	8.9%	2.0
POON	81.8	0.1%	0.1
PREN	41.5	13.6%	5.7
ZOEN	31.2	14.5%	4.5
CHEON	47.7	9.9%	4.7
HAON	159.1	6.2%	9.9
LVON	97.0	21.1%	20.4
DNON	353.5	9.1%	32.2
CHEN	27.5	8.0%	2.2
VIEN	68.1	4.7%	3.2
HMON	67.3	11.3%	7.6
HOEN	71.6	3.5%	2.5
SMEN	33.6	4.8%	1.6
ZAON	229.6	10.9%	25.0
VOEN	45.3	6.9%	3.1
ZHEN	104.0	8.4%	8.7
KREN	121.1	18.4%	22.3
KION	89.5	6.0%	5.4
DOON	85.2	10.0%	8.52
CHON	n/a	14.1%	n/a
MYON	n/a	9.2%	n/a
ODEN	n/a	9.4%	n/a
SOEN	n/a	6.3%	n/a

### BUY:

CHEON, POON, PREN - Overlooked because of corporate conflicts.

Risks related to the existing conflict between the two main shareholders are over-estimated. The privatization of 25%+1 stakes expected in 2007 is likely to lead to a resolution of the conflicts.

- + No overdue debt to the wholesale energy market.
- + Among the top companies by operating performance.
- Wholesale energy market does not recognize their debt write offs.
- Free float is very limited as involved parties have tried to concentrate shares.

HAON, TOEN, ZOEN – Performance improvements not fully captured by market.

- + Significant improvements in reducing electricity losses and increasing payment collection.
- + Privatization in 2007 will increase liquidity.
- Large debts to the wholesale energy market remain, but are expected to be restructured soon.
- HAON's management has a conflict with the local administration and the NC ECU.
- ZOEN's corporate governance is one of the poorest in sector.
- TOEN: The only state-controlled company without a stake up for privatization in 2007.

### HOLD:

CHEN, DNON, HOEN, HMON, VIEN: Improvements priced in by the market.

LVON: Price grew despite corporate conflicts.

### SELL:

KREN, VOEN, ZAON: The market has over-priced their sound fundamentals.

KION, SMEN, ZHEN: An expected reduction in profitability is not factored into the market price.

### Not Rated:

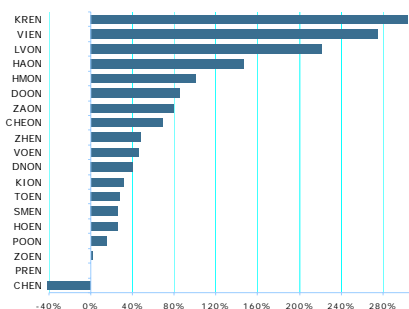
CHON, ODEN, SOEN: Too much uncertainty about their market prices.

DOON, MYON: Too poor performing to be considered for investments.

### Not Covered:

KOEN, ROEN: Shares cannot be freely traded.

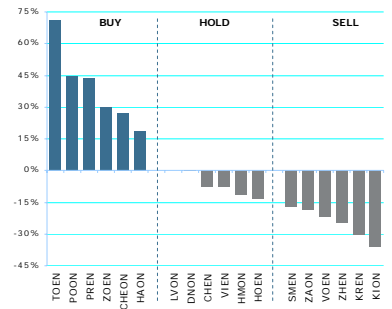
Performance, Dec. 12, ytd



Oblenergo\*\* vs PFTS



Implied Upside



Source: PFTS, Concorde Capital research

\* By deal prices

\*\* MCap-weighted index of the six most liquid companies: DNON, HAON, KION, KREN, ZAON and ZHEN

## SUMMARY

In 2006, Oblenergos' combined MCap almost doubled after bull runs in spring and autumn. Intrinsic factors in the capitalization growth were a complete recovery in payment collection and commercial electricity losses, as well as debt restructuring that began in 2006. An external factor that impacted market capitalization was the emergence of a strong demand for electricity stocks in neighboring Russia that spilled over to Ukraine. The impact on liquidity was mixed: growing volumes and narrowing spreads but also dramatically shrinking supply. The market is hungry for some more, in anticipation of major triggers – privatization and a transition to tariffs set based on RAB.

The privatization of small stakes in state-controlled Oblenergos, scheduled for 2007, will help increase liquidity by replenishing evaporated free float and attracting new institutional investors to the sector. We expect privatization to continue in the mid-term - another growth booster for state-controlled Oblenergos.

An asset-based (RAB) tariff model, expected to be introduced in 2008, will totally change the rules by which the electricity market plays and create the background for long-term value growth for Oblenergos that are currently overregulated by the "cost+" tariff policy.

Market darlings for quite a while, the Oblenergos privatized in 2001, have nothing more to offer. Their preferential regulatory treatment, warranted by the privatization terms, ends in 2008 – meaning no more abnormal profitability. We do not see any triggers for these stocks.

Our top picks are state-controlled Oblenergos whose improved operations is still not captured by the market and the so-called "conflict" Oblenergos overlooked due to corporate conflicts between their main shareholders.

### Oblenergo Summary\*

	Price, USD	12M target USD	Upside	Rec.	MCap, USD mln	EV/S 07E	EV/EBITDA 07E	EV/El. inflow USD/MWh	EV/Network USD/m
TOEN	0.36	0.62	71%	BUY	22	0.47	4.3	19.0	0.98
POON	0.37	0.54	45%	BUY	82	0.57	3.6	26.1	2.19
PREN	0.40	0.57	43%	BUY	41	0.50	5.0	21.7	2.07
ZOEN	0.25	0.32	30%	BUY	31	0.49	7.0	15.1	1.87
CHEON	0.40	0.51	27%	BUY	48	0.63	5.9	29.7	1.50
HAON	0.62	0.74	19%	BUY	159	0.65	5.0	25.7	3.18
LVON	0.50	0.50	0%	HOLD	97	0.61	6.6	25.6	2.84
DNON	59.00	58.84	0%	HOLD	354	0.23	8.4	11.7	4.85
CHEN	0.49	0.45	-7%	HOLD	28	0.59	10.5	18.1	1.63
VIEN	22.00	20.22	-8%	HOLD	68	0.73	11.1	29.0	1.46
HMON	0.50	0.44	-11%	HOLD	67	0.85	6.5	32.4	1.91
HOEN	0.40	0.35	-14%	HOLD	72	0.83	5.3	31.6	2.70
SMEN	1.25	1.03	-17%	SELL	34	0.76	3.4	32.5	16.63
ZAON	1.28	1.04	-19%	SELL	230	0.40	7.3	20.4	5.62
VOEN	0.10	0.07	-22%	SELL	45	0.83	10.1	32.6	1.78
ZHEN	0.85	0.64	-24%	SELL	104	0.98	5.5	45.0	2.86
KREN	0.70	0.49	-31%	SELL	121	0.70	10.7	23.1	3.33
KION	0.75	0.48	-36%	SELL	90	1.19	5.5	54.7	2.95
CHON	n/a	0.53	n/a	N/R	n/a	n/a	n/a	n/a	n/a
ODEN	n/a	0.51	n/a	N/R	n/a	n/a	n/a	n/a	n/a
SOEN	n/a	0.35	n/a	N/R	n/a	n/a	n/a	n/a	n/a

Source: Company data, Bloomberg, RTS, Concorde Capital

\* We do not list DOON and MYON, because we do not consider them an investment opportunity.

## OBLENERGO UNIVERSE

To better analyze typical stock reaction to trigger events, we separate Oblenergos into three groups based on their ownership structure and then further into a total of five subgroups that share a common ownership structure and operational profile.

### I: Privately-controlled Oblenergos:

I-a: **Those currently benefiting from preferential tariffs.** The profitability of these companies will shrink since 2008 because of expected changes in the tariff policy (see page 20 for more information). Therefore, we believe these companies are **not a good short-term investment opportunity**. In the mid to long-term, these companies are expected to invest heavily in fixed assets, increasing their asset base and margins, so we consider this group is comfortable only for long-term investments.

I-b: **Those with a common tariff policy.** These companies are less efficient and much less profitable than the first subgroup. However, their profitability is expected to increase with the new tariff policy, giving them **significant potential for short-term growth in value**.

### II: "Conflict" Oblenergos:

These companies are mired in conflicts between their main shareholders. The companies are operated by skilled management, and are among the most efficient in the market. We believe they are **best predisposed to see short-term value growth** if tariff policies change.

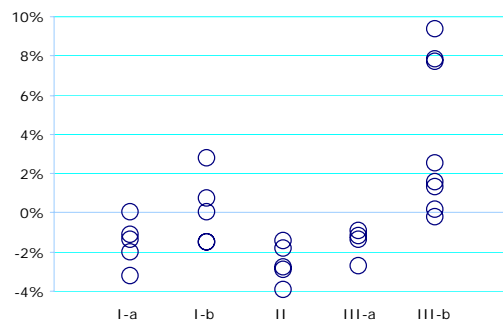
### III: State-controlled Oblenergos:

III-a: **Those with efficient, skilled management.** These Oblenergos are close to I-a and II companies, in terms of operating performance. If the tariff policy is changed, their profits will grow significantly. In the mid-term, they are less likely to increase in value as fast as private companies (I-b) due to higher capital restrictions. The arrival of private investors (expected in 2008-2009) will raise their efficiency and profits further.

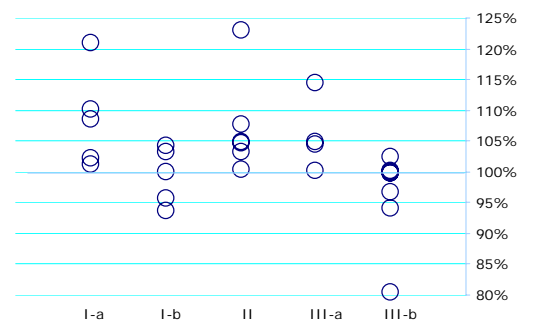
III-b: **Those with inefficient management.** Due to multiple problems inside the companies and considerable capital restrictions, a change in the tariff policy will not cause sharp profitability growth. Despite that, we expect **privatization to be the main trigger for value growth** due to resultant increases in efficiency and reductions in capital restrictions.

### Performance by Groups, 1H06:

**Excessive Electricity Losses**

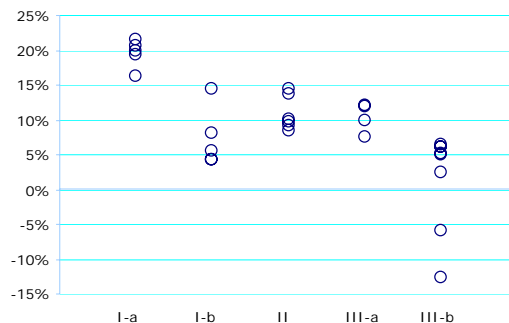


**Payments for Purchased Electricity**

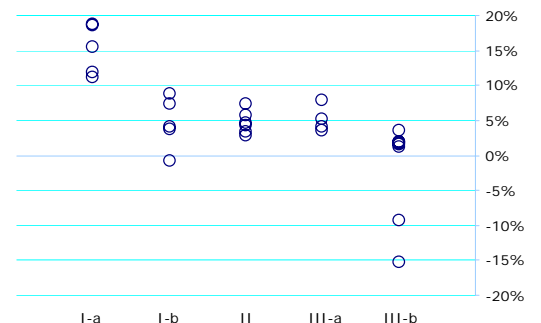


Source: EnergoBiznes, Concorde Capital calculations

**EBITDA margins**



**EBIT Margins**



Source: Company data, Concorde Capital calculations

### Oblenergo Mapping: Summary

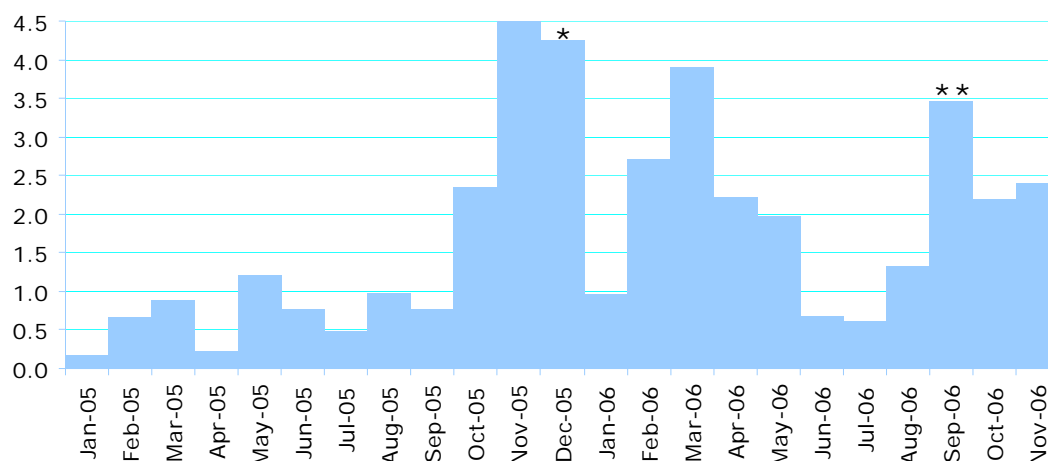
Group		I: Privately-Controlled		II: "Conflict"	III: State-Controlled	
Subgroup	Companies	I-a: Preferential Tariffs	I-b: Common Tariffs		III-a: Skilled Management	III-b: Poor Management
		KION, KOEN ROEN, SMEN ZHEN	ENUG, HOEN ODEN Luhansk EU Servis-Invest	CHEON, LVON POON, PREN SOEN, TOEN	CHON, HAON HMON, VOEN	CHEN, DNON DOON, KREN MYON, VIEN ZAON, ZOEN
<b>Current Performance</b>	Transparency of business	Medium	Low	Low	Medium	Low
	Operations	High	Medium	Highest	Medium	Low
	Profitability	Highest	Medium	High	Medium	Low
<b>Response To Events</b>	New tariff policy	Negative in short-term	Positive in short-term	Positive in short-term	Positive in short-term	Positive in mid-term
	Privatization	-	-	Neutral	Positive in mid-term	Positive in mid/long-term
<b>Best Investment Horizon</b>		Long-term	Short-term	Short-term	Short- & Mid-term	Long-term

## STOCK MARKET, CORPORATE GOVERNANCE

### Market Liquidity

Increased interest in Ukrainian stocks and specifically in the energy sector was reflected in the doubling of Oblenergo PFTS trading volumes and market prices, as well as a significant decrease in bid/ask spreads. At the same time, growing demand was not satisfied and free float almost dried up.

#### Stock Trading Volume, USD mln



Source: PFTS, Concorde Capital calculations

\*December 2005: Excluding USD 13.37 mln in transactions in PREN (6.8% of shares outstanding), POON (6.4%), CHEON (6.2%) and LVON (5.5%) on Dec. 29, 2005

\*\* September 2006: Excluding a USD 2.73 mln trade in KION on September 29

#### Bid/Ask Spread

	Spread (Nov. 28, 2005)	Spread (Nov. 28, 2006)	Change pp
CHEN	88%	44%	-45
CHEON	78%	43%	-35
DNON	3%	2%	-2
DOON	78%	15%	-64
HAON	33%	17%	-16
HMON	81%	40%	-41
HOEN	50%	61%	11
KION	29%	14%	-14
KREN	54%	24%	-30
LVON	71%	63%	-8
POON	96%	63%	-33
PREN	90%	62%	-28
SMEN	38%	17%	-21
TOEN	80%	48%	-32
VIEN	88%	48%	-40
VOEN	43%	47%	4
ZAON	35%	18%	-17
ZOEN	72%	69%	-3
ZHEN	50%	7%	-43

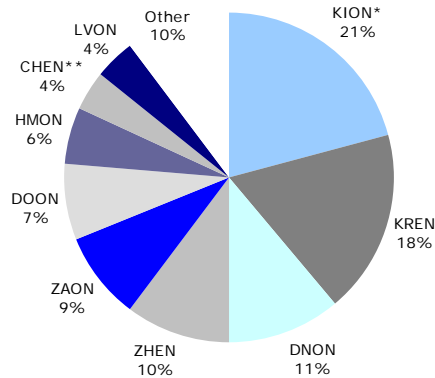
Source: PFTS, Concorde Capital calculations

Note: two stocks, KOEN and ROEN, were de-listed, as Kievlenergo and Rivnenergo are now closed joint-stock companies; four stocks: CHON, MYON, ODEN, SOEN were de-listed due to limited free float

Despite a considerable reduction in bid/ask spreads, market prices for most Oblenergos remain highly sensitive to the volume of the order, and determining the real market price is challenging.

Three stocks (KION, KREN and DNON) made up almost 50% of total Oblenergo trading volume during 11M06.

**Oblenergos Trade Breakdown, 11M06**



Source: PFTS, Concorde Capital

\* KION: 52% of the trading volume was from two deals on September 29

\*\* CHEN: 46% of the trading volume was from two deals on November 21

Price growth leaders were state-controlled Oblenergos which improved their operating results significantly during the last year (refer to the chart on page 3). Companies that saw smaller growth were state-controlled companies with poor performance, private Oblenergos and "conflict" Oblenergos (with the exception of LVON). The latter group, we believe, has the largest upside potential, as they are among best performing companies but their corporate conflicts have made potential buyers skittish.



## Privatization in 2007

Parliament approved the list of Oblenergos to be privatized in 2007. According to the law:

- The state is going to reduce its stakes to 60% in the companies where it has more than 60%. The remaining stake will still allow for full control of operational activities. These stakes will most likely be sold via stock exchanges.
- The sale of the state's remaining 25%-27% stakes in six Oblenergos (five "conflict" Oblenergos and one controlled by VS Energy, ODEN) might also take place in 2007. The most likely buyers have already accumulated large blocks.
- The sale of 6% in CHON is also expected and will reduce the state's stake to 40%. A 50% stake in TOEN is not for sale.

It does not make sense for the state to sell large blocks in Oblenergos on the eve of a change of tariff policy. After the new policy is implemented, Oblenergos' value is expected to increase.

However, the right time is ripe to sell blocking stakes in "conflict" Oblenergos because each of the involved parties is ready to pay a significant premium for the state's stakes.

Since private shareholders have interests in every state-controlled Oblenergo (see Appendix 1), the most probable buyers are current minority shareholders: VS Energy, Privat group, the Energy Standard group and SCM (DFEC), which would imply no increase in the stocks' free float. However, since the SPF will sell the stakes on stock exchanges, we believe the privatization might increase Oblenergos' free float, boosting their liquidity.

### State's Privatization Plan 2007, Summary

	Current Stake	For Sale	Stake to Retain		Current Stake	For Sale	Most Probable Buyer	Stake to Retain
CEON	70.0%	10.0%	60.0%	CHEON	25.0%	25.0%	Privat	0.0%
DNON	75.0%	15.0%	60.0%	LVON	27.0%	27.0%	Privat	0.0%
DOON	65.1%	5.1%	60.0%	ODEN	25.0%	25.0%	VSE	0.0%
HAON	65.0%	5.0%	60.0%	POON	25.0%	25.0%	Privat	0.0%
HMON	70.0%	10.0%	60.0%	PREN	25.0%	25.0%	Privat	0.0%
KREN	70.0%	10.0%	60.0%	SOEN	25.0%	25.0%	Privat	0.0%
MYON	70.0%	10.0%	60.0%					
VIEN	75.0%	15.0%	60.0%					
VOEN	75.0%	15.0%	60.0%					
ZAON	60.2%	0.2%	60.0%	CHON	46.0%	6.0%		40.0%
ZOEN	75.0%	15.0%	60.0%	TOEN	50.0%	0.0%		50.0%

Source: State Property Fund of Ukraine, Concorde Capital

The Ministry of Fuel and Energy insisted on a plan that would have fully privatized Oblenergos in 2007. However, the current political situation made this plan unfeasible. The next wave of privatization is most likely to occur in 2008-2009, which will be the main trigger for state-controlled Oblenergos.

## Corporate Conflicts: No Major Incidents in 2006

This year has passed without corporate conflicts and physical attacks on several company offices that took place last year (refer to our Dec. 15, 2005 report). The shareholders of 36%-40% stakes in CHEON, LVON, POON, PREN, SOEN and TOEN have been trying to solve their conflicts in international courts.

We do not believe the corporate conflicts raise the risk of investing in these companies. Moreover, we believe the conflicts are attracting the regulator's and mass media's attention to the companies' performance and are forcing management to improve operating results. Since a year ago, all the "conflict" companies are among the best performing according to our scoring (refer to page 35).

As was shown on page 3, most "conflict" Oblenergo stocks experienced below-average market price growth during 2006, which we explain by the high risk premium demanded by investors – that we believe was over-estimated.

## Change in Control Bodies at State Oblenergos

The new government and new managers at the National Energy Company initiated EGMs for most state-controlled Oblenergos in November-December 2006. The two main agenda items were replacing the supervisory boards and audit commissions.

Until November, Oblenergo boards were comprised of members representing the old guard. Following staff changes and new appointments to the NC ECU and the Ministry in August & September, replacing the boards became necessary for the NC ECU to restore operating control over the Oblenergos.

### EGM Schedule:

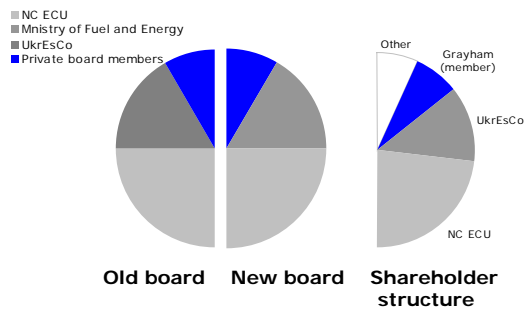
28-Nov-06	CHON	5-Dec-06	DNON	13-Dec-06	VOEN
29-Nov-06	VIEN	6-Dec-06	ZAON	19-Dec-06	HAON
30-Nov-06	DOON	12-Dec-06	MYON	20-Dec-06	CHEN

*Note: Other state-controlled HMON, KREN, TOEN and ZOEN will not hold EGMs in 2006*

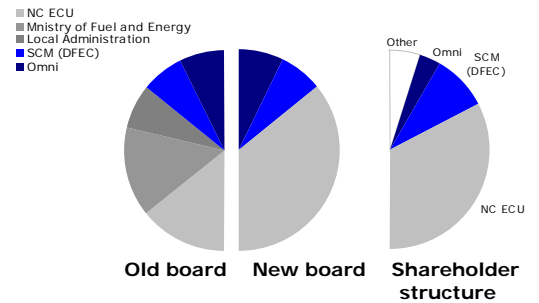
## Supervisory Board Replacement Summary

Only boards at CHON and DOON have representatives of minority shareholders. The boards at all other state-controlled Oblenergos only have representatives from the NC ECU.

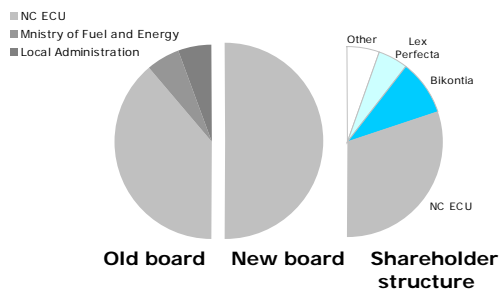
### CHON: Status Quo



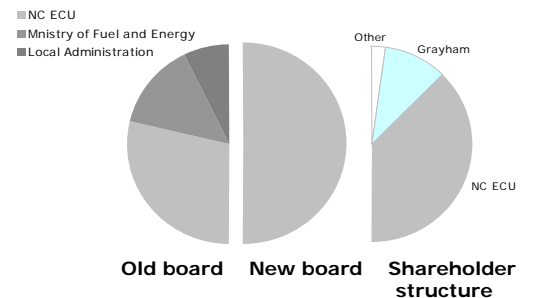
### DOON: Local Administration Out



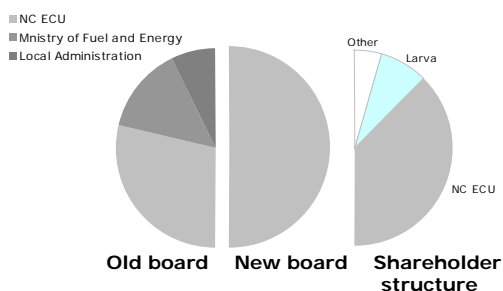
### ZAON: Only the NC ECU



### DNON: Only the NC ECU



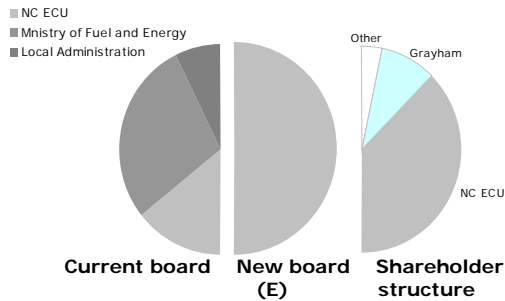
### ZAON: Only the NC ECU



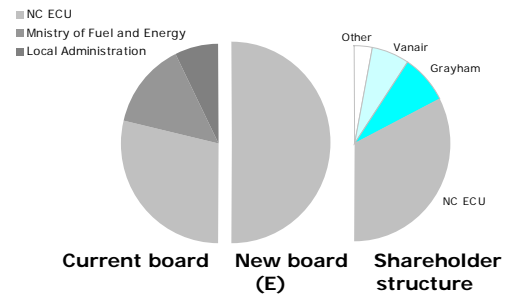
## Expected Replacements

At VIEN and HAON's EGMs, we expect the supervisory board to be completely taken over by NC ECU representatives.

### VIEN: Only the NC ECU

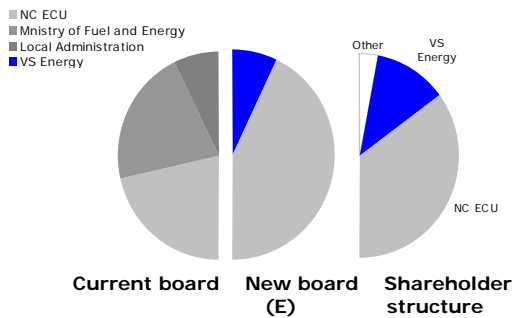


### HAON: Only the NC ECU

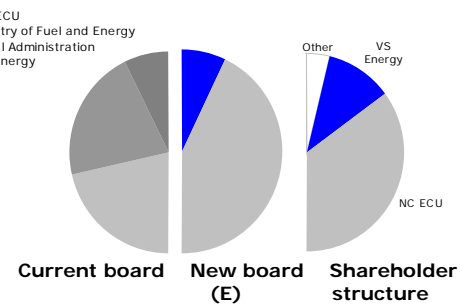


The most interesting situation will be at MYON and CHEN, where VS Energy has more than 20% but does not have any representation on the supervisory boards. We believe the new government will allow VS Energy to obtain at least one out of seven positions on the companies' boards.

### MYON: VS Energy Might Get In



### CHEN: VS Energy Might Get In



Representation on the board (if it occurs) will allow VS Energy to value their stakes in the companies higher. This is important because VS Energy is continuing negotiations with CEZ to sell their energy business in Ukraine.

## Dividend Policy

### State Oblenergos: 40% as Usual

State-controlled Oblenergos have a uniform dividend policy, with dividend payouts of 40% of 2005 net income, if positive. Only KREN did not pay dividends, because the company said it was undergoing an intensive investment program. VIEN was forbidden from paying dividends by the court, as the company had negative equity. The 40% payout has become usual for state-controlled Oblenergos during the last couple of years.

Oblenergos where the state has less than a 50% stake do not pay dividends at all, due to either intensive investment programs or the failure to hold shareholder meetings.

#### Dividend Summary

	Dividends 2006, USD mln	% of Net Income 2005	DPS, USD	Div. yield
CHEN	0.02	40%	0.000	0%
HAON	1.06	40%	0.004	1%
VOEN	0.18	40%	0.000	1%
HMON	0.59	40%	0.004	1%
ZAON	1.43	40%	0.008	1%
CHON	1.46	40%	0.010	4%
VIEN	0.30	40%	0.096	1%
ZOEN	0.21	40%	0.002	1%

Source: Company data, Concorde Capital

#### No dividends paid:

DNON, DOON, KREN, MYON, TOEN – state owns above 50%

CHEON, LVON, POON, PREN, SOEN – “conflict” companies, the state owns less than 50%

### Private Oblenergos: Getting Back Their Investment

#### Dividend Summary

	Dividends 2006, USD mln	% of Net Income 2005	DPS, USD	Div. yield
ROEN (AES)	7.4	131%	0.087	22%
KOEN (AES)	10.9	102%	0.010	21%
KION (VSE)	0.5	95%	0.005	1%
SMEN (VSE)	2.9	95%	0.106	17%

Source: Company data, Concorde Capital

#### No dividends paid:

HOEN, ZHEN, ODEN (all controlled by VSE)

Oblenergos controlled by AES Corporation directed most of their net income (95% of retained earnings) to dividends. A high dividend payout ratio suggests that AES's strategy in Ukraine is to take advantage of preferential tariffs, which are in place for privatized companies during 2002-2007.

It seems like AES is treating Oblenergos as if it might be a financial instrument. According to the pre-privatization agreement, Oblenergos privatized in 2001 have tariffs which imply an annual return of 17% during 2002-2007 on the companies' privatization value, and not less than an 11% return after 2008. An investment in Oblenergos in 2001 yields similar results with buying an annuity with annual payments of 17% between 2003 and 2008 and 11% afterward.

**Example: 2001 Privatization = Coupon Bond**

<b>Oblenergos</b>	<b>Annuity</b>
Privatization value = USD 100 mln	Buying annuity for USD 100 mln
Annual profit for shareholders: USD 17% (2003-2008); 11% (since 2009)	Coupon payments: 17% (2003-2008), 11% later
IRR = 11.9%	Yield = 11.9%

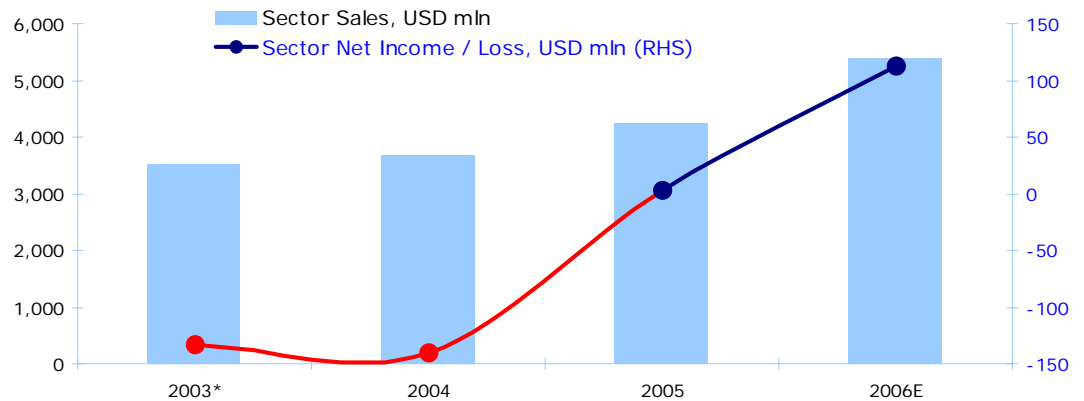
AES effectively used investments in KOEN and ROEN as if it bought an annuity instrument: no additional investments were made from the companies' profits and 95% of its profit was taken off by shareholders. Note, however, in fact the IRR of AES's investments is not more than 10.8%.

## RECENT SECTOR CHANGES

### Top and Bottom Lines Up

The last few years have seen significant growth in Ukrainian electricity distribution sector revenues (mainly due to growing wholesale electricity price) and profits.

#### Sector Results



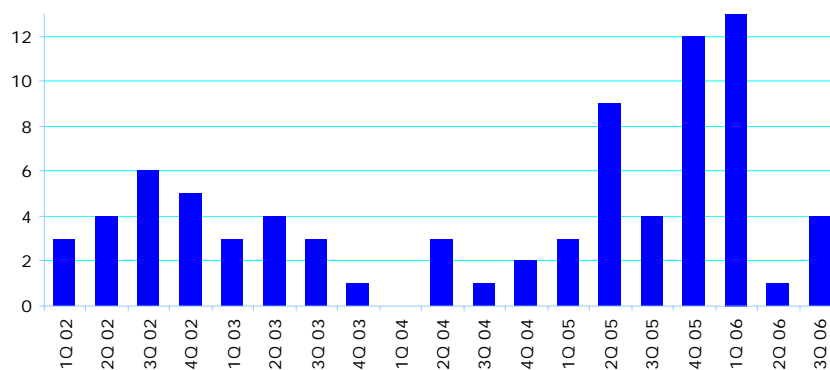
Source: Company data, Concorde Capital calculations

\* 2003 sales are adjusted for difference in accounting policies (refer to our Feb. 28, 2005 report)

### More Frequent Tariff Revisions

The distribution sector's profitability growth was mainly due to more frequent revisions of Oblenergo tariffs since mid-2005.

#### Number of Oblenergos that Increased Tariffs



Source: NERC, Concorde Capital calculations

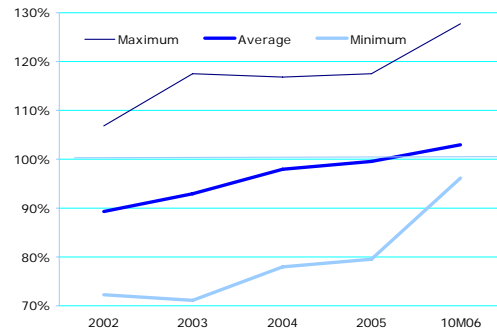
As we expected, after the government set uniform industrial tariffs in every region in September 2005, tariffs started being actively revised. Retail electricity tariffs in each region were almost insensitive to changes in the regional distribution companies' transmission and supply tariffs, so there was no local opposition to revising tariffs.

In addition, the National Energy Company (NC ECU) started helping state-controlled Oblenergos with their applications to increase tariffs, leading to a growth in profits in late 2005-early 2006.

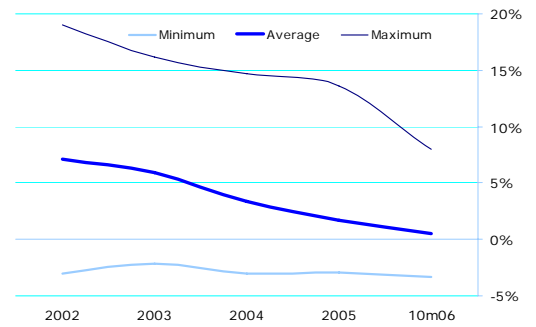
## Improvement in Payments and Electricity Losses

Other important changes in most Oblenergos' performance in 2006 that positively affected their profitability were increased payment collection and a significant decrease in excess electricity losses.

Payments Collection Level



Excess Electricity Losses\*



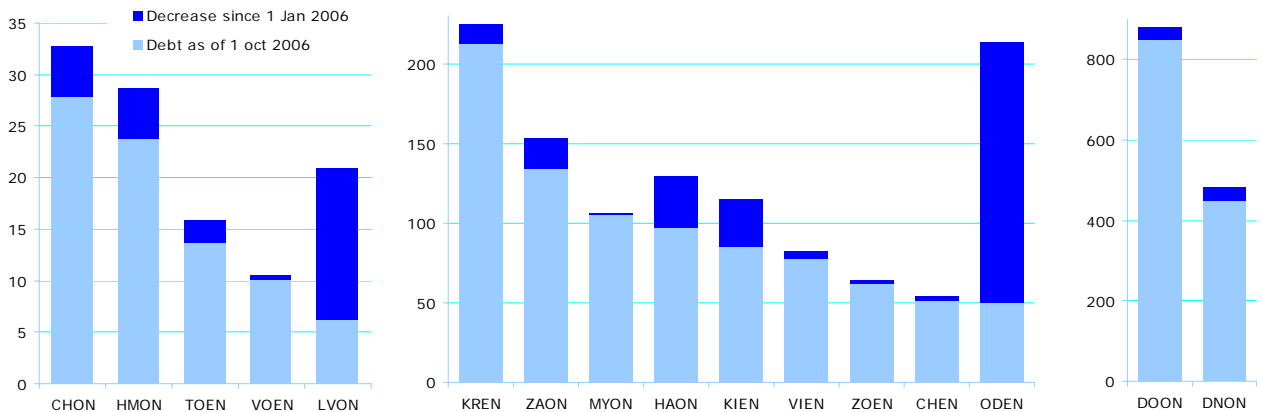
Source: EnergoBiznes, Concorde Capital calculations

\* Electricity losses in excess of the allowed level (compensated by tariff)

## Debt Offsetting: Interim Results

All Oblenergos participated in a debt offsetting process 2006 (refer to our previous reports for more details).

Decrease in Accounts Payable, 2006, USD mln\*



Source: Company data

\* Note: Only companies which had an initial A/P higher than USD 10 mln are illustrated. The following companies are not illustrated: CHEON, KOEN, POON, PREN, ROEN, SOEN, SMEN, HOEN and ZHEN.

Odessaoblenergo restructured its debt to wholesale electricity market operator (WEMO) Energorynok (USD 180 mln) to over 40 years, which significantly reduced the company's accounts payable.

Other companies reduced their payables by paying back debt and by mutual reconciliation of payables and receivables.

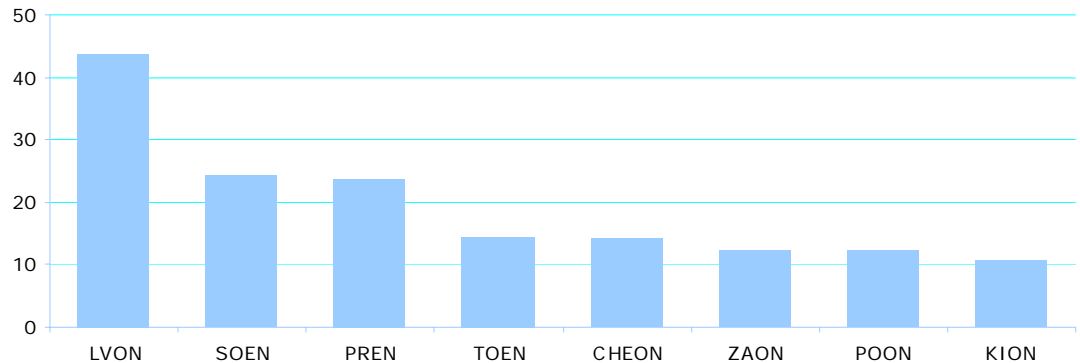
ZAON, MYON, HAON, KREN, DOON and DNON continue to have large debts to Energorynok. These companies are expected to restructure their debt by at least 10 years, as is allowed by law.



## Inconsistency in Debt Accounts Continue

There is a discrepancy between Oblenergos' debt accounts and the data provided by Energorynok. Combined, eight Oblenergos stated their debt to Energorynok by USD 150 mln lower than what Energorynok reported.

### Difference in Oblenergos' Debt to the WEMO, USD mln\*



Source: Company data, Energorynok, Concorde Capital estimates

\* The value of the difference in debt to the WEMO reported by Energorynok and the Oblenergos

Company representatives explain the difference by two events:

- Mutual reconciliation of debts between Oblenergos and power generation companies, which took place in 2000 but are not recognized by Energorynok.
- Writing off payables after the statute of limitations (three years) expired. As Energorynok failed to timely claim debt owed to it in court, several Oblenergos managed to write off part of their debts.

Energorynok's decision not to recognize the write offs and reconciliations, despite court rulings, have negatively impacted several Oblenergos:

- PREN, CHEON, POON claim they do not have any debt to Energorynok, which should give them the right to obtain all the money accumulated from customers to their business account. However, since Energorynok does not recognize their lack of debt, these companies have obtained only part of money collected, according to a special NERC algorithm.
- TOEN was fined by the NERC in 2005 for varying its reported debt from that which Energorynok reported.

## UPCOMING REGULATORY ADJUSTMENTS

### Uniform Tariffs: End of the Experiment?

Since September 2006 industrial retail tariffs for Oblenergos started to converge in every regions across the country (refer to our September 15, 2005 report), which caused inter-regional cross subsidization of electricity tariffs. There are currently two levels of electricity tariff cross-subsidization:

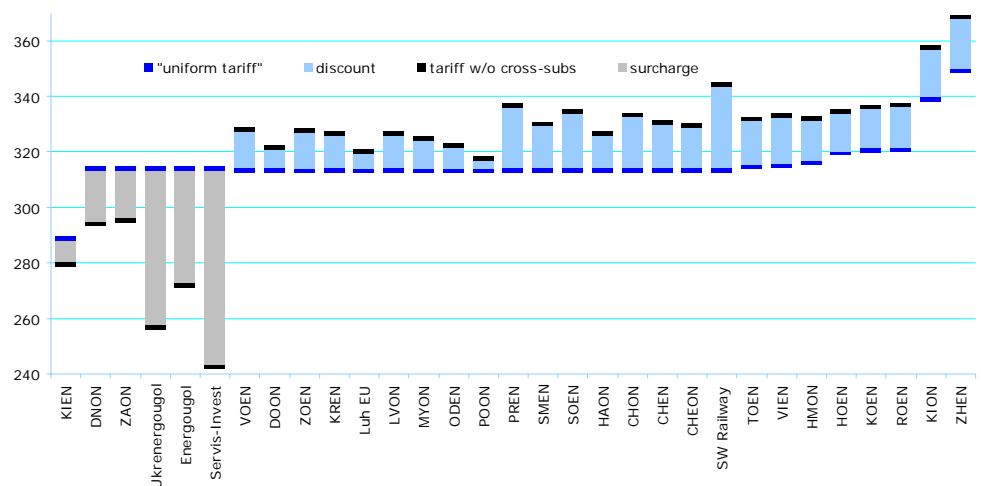
- 1) Household subsidization by industrial consumers, which has existed since Soviet times. The size this subsidization is about USD 0.9 bln p.a.
- 2) Industrial consumer subsidization in most regions by consumers in the city of Kyiv and Donetsk, Dnipropetrovsk and Zaporizhya regions; which has existed since September 2005. The size of this subsidization is about USD 0.2 bln p.a.

New staff at the NERC is considering directing reversing the uniform tariff policy to different tariffs for industrial consumers in different regions. According to a NERC draft decree, beginning in January 2007 non-residential retail tariffs for Oblenergos will diverge from the uniform level to values based on the cost of electricity transmission and distribution in each region.

#### Case study: Inter-regional Cross-subsidization

With uniform tariffs, the final retail price of electricity is calculated as a weighted average of the retail prices of all Oblenergos. This means consumers of low-cost Oblenergos pay a premium to their own tariff, which allows consumers of high-cost Oblenergos to obtain a discount to their tariffs. Effectively, consumers in industrial regions cross-subsidize consumers in other regions (see also our report of Dec. 15, 2005).

#### Retail Tariff With and Without Cross-Subsidization (UAH/MWh, w/o VAT) \*

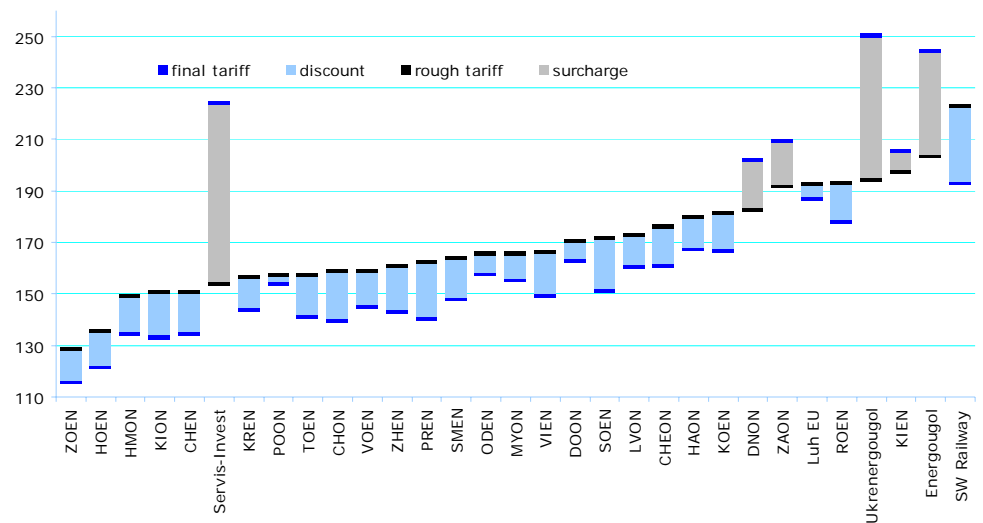


Source: NERC, EnergoBiznes, Concorde Capital calculations

\* Tariff for low-voltage consumers for October 2006

Note that in October 2006, not all the companies had uniform tariffs because the NERC stipulated that month-on-month retail tariff increases could not be higher than 5%, and KIEN's tariffs still has not converged with the average over the last 13 months.

Only the customers of Oblenergos feel the benefits and problems of cross-subsidization; Oblenergos' cash flow and profits have been indifferent. However, as the Oblenergos that pay premiums to their purchase price have higher reported sales, margins of these companies are lower than they were under individually-set tariffs. The opposite is true for Oblenergos that receive discounts.

**Premiums and Discounts to Oblenergos' Purchase Price (UAH/MWh, w/o VAT) \***


Source: NERC, EnergoBiznes, Concorde Capital calculations

\* Premiums and discounts for Oblenergos' purchase price for electricity directed to low-voltage consumers in October 2006

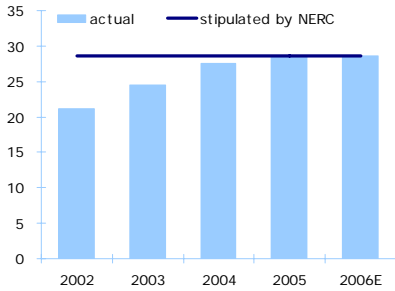
The return of individually-set tariffs will cause a relative decrease in tariffs for industrial consumers located in the city of Kyiv and Dnipropetrovsk, Donetsk and Zaporizhya regions, where most of Ukraine's industrial enterprises are located. This will be beneficial for large Ukrainian business groups, where their main enterprises are located. Therefore, we do not expect any opposition to the return of individual regional tariffs. The process will take about one year, because according to NERC draft, increases in tariffs from the uniform level cannot be higher than 2% per month.

If individual tariffs make a comeback, there will be more transparency in setting retail tariffs, more reliable reported sales, and less cross subsidization between regions. Though, we do not expect it to have a direct impact on Oblenergos' income.

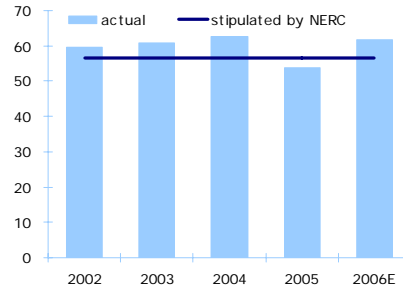
## Privatized Oblenergos: End of the Honeymoon

According to the tariff policy for Oblenergos privatized in 2001 a 17% return on invested capital (equal to the Oblenergos' privatization capitalizations) is included in the companies' tariffs.

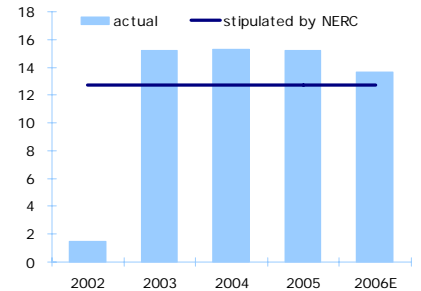
Net Income (UAH mln):  
ROEN (AES)



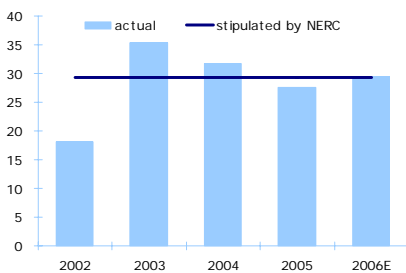
KOEN (AES)



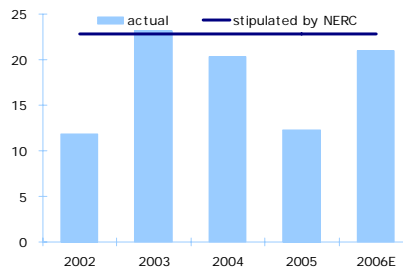
SMEN (VS Energy)



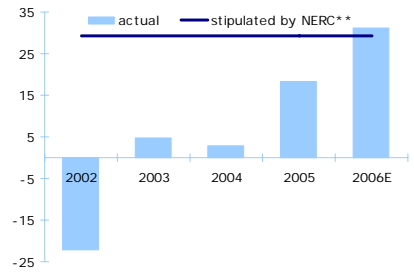
KION\* (VS Energy)



ZHEN (VS Energy)



HOEN (VS Energy)



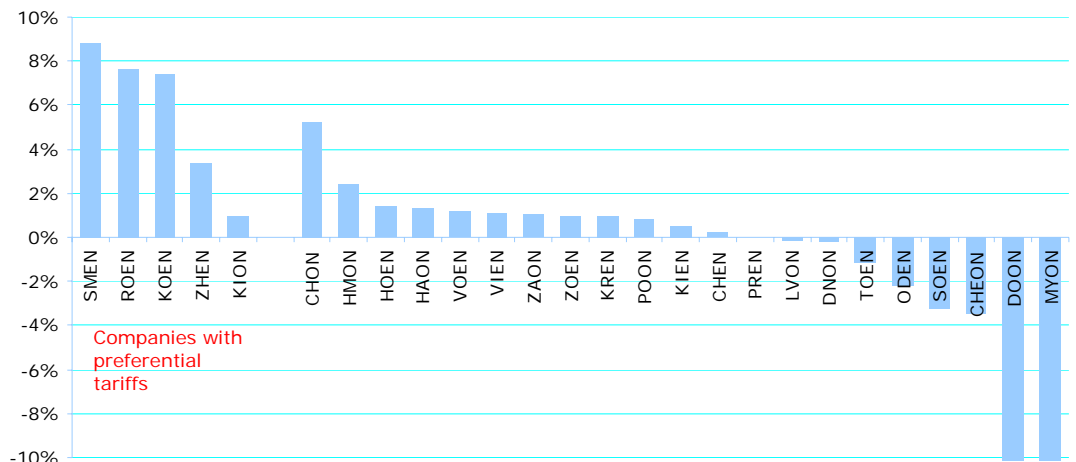
Source: Company data, NERC, Concorde Capital

\* Net income for KION is adjusted by adding extra D&A expenses that are not covered by tariffs

\*\* HOEN did not meet the requirements for a preferential tariffs, thus income stipulated by the NERC is theoretical

In contrast to other Oblenergos that *de jure* do not generate a profit (all their profit is the result of cost savings), five out of six Oblenergos privatized in 2001 (KOEN, KION, ROEN, SMEN and ZHEN) are extremely profitable and pay high dividends.

### Net Margins, 2005



Source: Company data

The rate of return for privatized Oblenergos is going to be reduced by the NERC after 2008 when it will be allowed to change to any other rate "not less than 11%". Based

on our conversation with NERC representatives, we expect the companies' rate of profitability on invested capital to decrease to 11%, adjusting closer to the rest of the sector. We believe the current prices of privatized Oblenergos do not fully account for the expected decrease in return and the stocks are therefore over-priced.

The transition might not be as dramatic for these companies as we reasonably expect that lower profitability rate might be offset by a higher asset base according to the new tariff setting model (see the next section for more information).

## TARIFF REFORM

The NERC is now working on implementing an asset-based tariff methodology for all Oblenergos, with profit determined by the regulatory asset base (RAB) rather than an arbitrary mix of historical costs, investment needs and dividend payouts, as it is currently.

### The new model in brief:

Tariffs are set at a rate that would cover the so-called Required Revenue of an Oblenergo:  $RR = Cost + Profit$ .

Profit is calculated on top of costs recognized by the regulator.

**Cost recognition** is the first important difference to the existing model. Costs will be benchmarked to best industry standards and failure to meet the standard leads to a reduction in costs covered by the tariff. (Under the existing policy, costs are negotiated with the management of each Oblenergo individually, which leads to numerous misuses and manipulations).

The second important difference is a uniform and transparent **approach to profit**:

- Regulatory Asset Base will be determined
- Rate of return (RoR) will be set, to be applied to RAB uniformly across the industry

The NERC's new methodology was planned to be implemented in 2007, but we believe there are several reasons for it to be delayed until 2008:

- The NERC director changed in August 2006; and
- five Oblenergos will enjoy special tariffs until the end of 2007 and will resist any changes in the policy until the end of this period.

## Basic Assumptions

The NERC will introduce new tariffs which will cover Oblenergos' following items:

- Allowed profit, to be calculated as the return on regulated asset base (RAB). The methodology for calculating the RAB and rate of return are now in the process of being worked out
- Operating expenses, with a gradual reduction in expense compensation for those companies which are relatively inefficient
- Depreciation and amortization
- Tax expenses

## Regulated Profit: RAB-Based

Regulated profit is calculated by multiplying the regulatory assets base (**RAB**) by the required rate of return (**ROR**). This is the key component, which will determine Oblenergos' value under the new regulation.

According to the NERC, the regulated asset base (**RAB**) in the initial period will be calculated as the net value of fixed assets and construction in progress, plus needed working capital and a share of current CapEx.

There is a problem with the preliminary estimation of RAB because of different approaches in Oblenergos accounting practices with respect to their fixed assets (which has a weight of about 80% in the RAB). Some of the Oblenergos re-valued their fixed assets by up to three times during 2000-2004 (see our report of Dec. 15, 2005), while most of Oblenergos left them untouched during the period.

Our conversation with NERC representatives led us to belief that the value of fixed assets will most likely be re-adjusted backward for those Oblenergos which re-valued them in 2000-2004. This will yield a lower RAB for several companies compared to the RAB estimated based on the reported book value of net fixed assets.

#### RAB Estimated According to the NERC's Draft Methodology (As of Jan. 1, 2007E)

	RAB @ Reported FA USD mln	RAB Re-Adjusted USD mln	Difference
CHEN	17.9	17.9	
CHON	61.0	61.0	
CHEON	48.7	48.7	
DOON	153.3	153.3	
DNON	230.2	230.2	
ZOEN	44.9	44.9	
ZAON	110.6	110.6	
KOEN	67.8	67.8	
KION	78.4	26.7	-66%
KREN	115.1	75.2	-35%
LVON	87.1	68.9	-21%
MYON	55.8	55.8	
POON	116.7	75.0	-36%
PREN	46.4	40.6	-13%
ROEN	38.4	38.4	
SOEN	74.7	50.7	-32%
SMEN	11.5	11.5	
TOEN	30.5	27.8	-9%
HAON	186.8	190.8	+2%
HMON	76.2	44.8	-41%
HOEN	62.3	24.9	-60%
ODEN	190.4	97.4	-49%
ZHEN	50.0	50.0	
VIEN	53.3	53.3	
VOEN	22.1	22.1	

Source: Company data, NERC, Concorde Capital estimates

#### Return on RAB

The return on RAB is a required rate of return on investments in distribution assets, given the target debt-to-equity ratio.

Based on information from the NERC, we expect a return on RAB close to 11.0% for the initial regulatory period, with new financing to be done on 40% of debt and 60% of equity. This is in line with an 11% return for investments in Oblenergos privatized in 2001 after 2008.

Income calculated by applying 11% profitability to the privatization value of the 2001 Oblenergos (expected be applied from 2008) gives results close to the profit calculated on an 11% return on RAB. Therefore, we do not expect opposition to implementing the new policy from private Oblenergos.

#### Private Oblenergos' Net Income (USD mln): Old Policy vs. RAB Policy

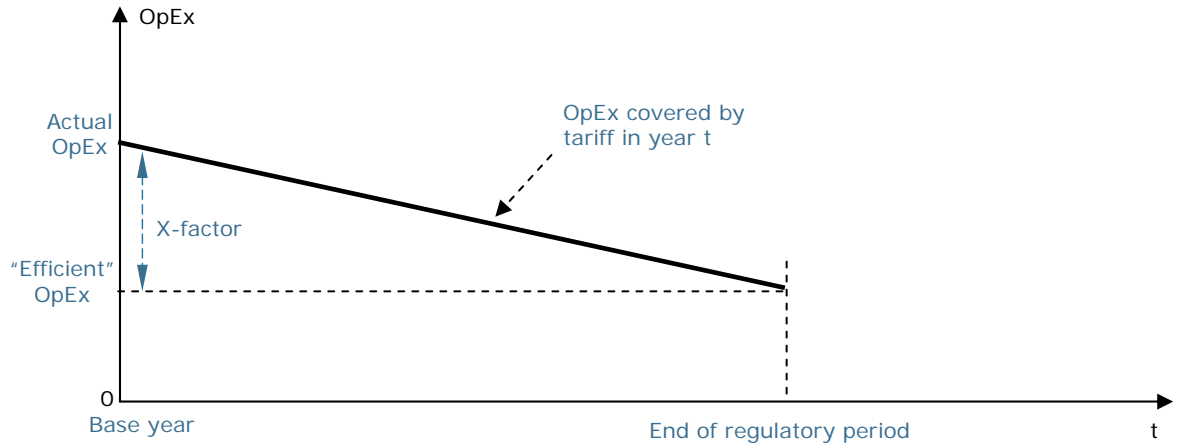
	Old Policy, 11% Return on Privatization Value	New policy, 11% Return on RAB
KOEN	6.8	7.5
KION	3.5	2.9
ROEN	3.5	4.2
SMEN	1.5	1.3
ZHEN	3.9	5.5

Source: Company data, Concorde Capital estimates

## Operating Expenses: "Incentive Regulation"

As the experience of other countries shows, OpEx that are expected to be covered by tariffs will be fixed during the regulatory period (three to five years), with a correction by the inflation rate and the so-called inefficiency factor (or X-factor): if the company is cost-inefficient compared to other companies, it is required to decrease its operating costs to an "efficient" level during the regulatory period. This methodology is called "incentive regulation."

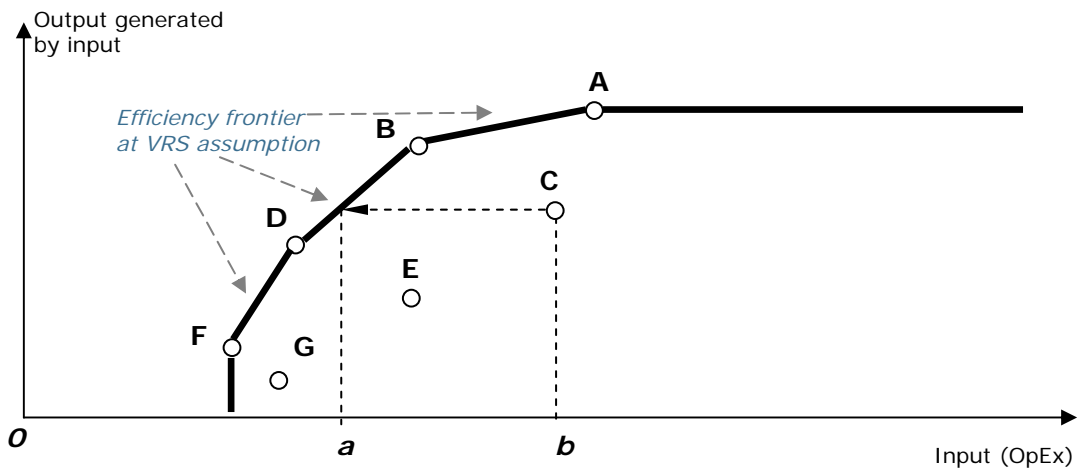
### Demonstration: OpEx Allowed During the Regulatory Period



Adapted from Jamasb & Pollitt, 2002

Efficient OpEx is usually calculated by benchmarking other companies in the sector. An efficiency benchmark is calculated by using non-parametric benchmarking methods. Below is an example of how efficient OpEx can be calculated. For simplicity, only one input (OpEx) and one output are considered.

### Demonstration: Calculation of the Efficiency Frontier in the Sample of Companies



Adapted from Jamasb & Pollitt, 2002

The assumption of variable return to scale (VRS) technology implies the possibility of a non-proportional input/output ratio when determining efficient companies. Under this assumption, all the companies which have minimum input (in the sample) at a given amount of output are considered **efficient**. In our case, companies **F, D, B** and **A** are **relatively efficient**. Companies which have a relatively large input value at a given output are considered **inefficient**: **G, E** and **C**.



For company **C** to become relatively efficient, it must reach a combination of inputs and outputs to lie on the *efficiency frontier* (bold line). This can be reached by reducing its OpEx by at least an amount (**a:b**) at current level of output.

Note: The main drawback in estimating the efficiency frontier in the sample under the VRS assumption is that companies with a minimum input value (like **F**) and a maximum output value (like **A**) are always considered efficient.

The most widespread tool for calculating an efficiency benchmark is Data Envelopment Analysis (DEA), which is used by regulators in European countries.

Basic output values which are used by the regulators for benchmarking in different countries (where the input is OpEx) are:

- Customer base, electricity distributed and network length (Great Britain)
- Low and high voltage peak demand, network length, the number of small and large customers (Netherlands)

For a preliminary estimation of Oblenergos' relative OpEx efficiency, we used the output categories applied in the UK (customer base (households), electricity supply volume and power grid length). Our estimation based on 1H06 results led us to the following efficiency estimates:

#### Efficiency Frontier Model Output

	OpEx, 1H06 USD mln	Efficiency Score (DEA, VRS)	Efficient OpEx* USD mln
CHEN	4.3	100%	4.3
CHEON	8.8	100%	8.8
CHON	14.6	66%	9.6
DNON	35.6	100%	35.6
DOON	34.5	100%	34.5
HAON	22.1	88%	19.4
HMON	9.6	91%	8.7
HOEN	9.2	72%	6.6
KION	11.2	67%	7.5
KOEN	16.8	81%	13.6
KREN	21.6	63%	13.6
LVON	21.7	80%	17.3
MYON	8.3	81%	6.7
ODEN	18.8	87%	16.3
POON	14.7**	87%	12.1
PREN	10.5	73%	7.7
ROEN	5.8	100%	5.8
SMEN	3.4	100%	3.4
SOEN	10.0	79%	7.9
TOEN	6.7	84%	5.6
VIEN	12.5	100%	12.5
VOEN	7.3	76%	5.5
ZAON	16.9	99%	16.8
ZOEN	11.7	78%	9.2
ZHEN	9.1	72%	6.5

Source: Company data, Concorde Capital research

\* Efficient OpEx assuming constant outputs

\*\* Estimated OpEx for the network department of POON

We assume that there will be a five-year regulatory period, during which every cost-inefficient Oblenergo will be obliged to reach an "efficient" OpEx level.

## Depreciation and Amortization

In Ukraine, not all D&A expenses are actually covered by tariffs: those “D&A expenses” that are results or re-valuations of fixed assets are not, as the NERC does not recognize the re-valuation of assets. We believe this practice will continue under the new tariff policy.

Below is the list of Oblenergos that re-valued their fixed assets during 2000-2005, but their reported D&A expenses are not fully covered by tariffs.

### Part of D&A\* To Be Covered By Tariff

KION	41%	SOEN	70%
KREN	64%	TOEN	91%
LVON	77%	HMON	61%
POON	60%	HOEN	43%
PREN	86%	ODEN	53%

*Source: Company data, Concorde Capital estimates*

*\* Depreciation from financial reports.*

## Tax Expenses

Tax expenses are likely to continue being covered in full under the new tariff policy.

## Implications of the New Policy

### More Predictable Profits

Clear rules of setting tariffs will make forecasting Oblenergos' bottom lines and checking their transparency and efficiency easier. The clear rules are expected to decrease the relationship between Oblenergos' profits and success in substantiating tariffs.

### New Rules of the Game

Under tariffs policy changes, most Oblenergos will have to change their tactics in relations with regulators, in terms of business planning, development priorities, etc. This task will not be very easy for most state-controlled Oblenergos, whose management is not flexible enough to adapt quickly. Therefore, we may see slight decreases in performance from some companies in the short-term.

### Freedom of Money Use

Under the new policy, we expect Oblenergos will be more independent in their use of cash flow, including capital expenditures. We also believe regulators will have less power to limit companies' excessive profits (if generated).

### UVA to Decrease?

Incentive regulation implies a reduction in operating cost inefficiencies, which might force Oblenergos to decrease their excessive costs (which are usually unreported profits). However, it is not clear how regulators will enforce a reduction in excessive costs. The question of unreported profits and costs inflation (raised in our report of Dec. 15, 2005) remains open.

### Profit Re-distribution

The net value of fixed assets will be main component of Oblenergos' RAB. However, all the companies have a different accounting approach to fixed assets and re-valuation. The NERC planned to use a uniform accounting policy for fixed assets and to re-value all Oblenergos' assets according to this policy. However, this now looks unlikely and might distort a RAB calculation, creating different starting conditions for Oblenergos that are close by their asset conditions.

Moreover, under the new tariff policy some Oblenergos might have lower regulated profits than they have now, which implies that their value will decrease in the short-term. However, in the long-term, we expect that the companies to work on increasing their RAB and therefore, to raise their value.

### Investment Program Optimization

Since the current tariff policy is based on the companies' investment needs, Oblenergos' profits are functions of their investment program (and *vice versa*).

Most Oblenergos do not use debt financing so their investment program is equal to their D&A provisions plus net income (after dividend payouts), which forces them to over-report their investment program needs in order to be allowed higher profits. This is reflected in the inflated share non-CapEx needs in investment programs. For grid and transformer upgrades, Oblenergos only spend about 60% of their current investment program. Other targets are upgrading electronic systems (control and

dispatch systems, billing systems, automation of some processes, the purchase of PCs and software) and purchasing vehicles.

With the new tariff policy, Oblenergos' future profits will be tied to their asset base, so that companies will be interested in spending more on capital expenditures. We believe this will force the Oblenergos to revise their investment programs and economize on unnecessary expenditures.

## VALUATION

### RAB as an Estimate of Oblenergos' Value

Assuming the rate of return on RAB is set by the regulator close to the companies' WACC, the fair value of Oblenergos and their RAB are close to each other. Therefore, we can roughly utilize estimated RAB for Oblenergos as an approximation of their long-term value.

In the short-term, most Oblenergos will have much lower cash flows than implied from the return on asset base for the following reasons:

- Some Oblenergos will post lower profits (in the early years of new regulation) than implied by their RAB, as suggested by the experience of privatized Oblenergos (refer to charts on page 20).
- Most of the companies will have to use their profits for investments in network upgrades, as the current level of depreciation is not enough to cover capital investments.
- Companies' current capital structure does not correspond to the capital structure, which is taken by the regulator in estimating of the return rate.
- Incentive regulation will lead to a reduction in operating expenses, which will be covered by tariffs at some Oblenergos.

For more precise valuation (than provided by RAB estimates), we use a DCF valuation and peer comparison.

## DCF Valuation

In our DCF models, we assume the Oblenergos will start working under the new tariff policy in 2008. The assumptions on RAB and rate of return are summarized below (refer also to the *Tariff Reform* section on pages 22-25 for more information):

### New Tariff Policy Assumptions:

- **Operating expenses** will be covered by tariffs (except for those companies with relative inefficiency OpEx - their allowed OpEx will decrease to the "efficient" level). We assume inefficient Oblenergos will be forced to reach an efficient level within the five-year period. Efficiency is calculated using the DEA model described on page 24. We assume those Oblenergos that have enough capital to implement a CapEx program (refer to CapEx assumptions below) to reduce their OpEx in line with their plans.
- **Depreciation and amortization** that is not calculated on revalued fixed assets will be covered by regulators.
- **Allowed profit** is calculated as the return on RAB. The RAB is fixed for a five-year regulatory period, using the forecasts from the first year. The RAB is calculated as net fixed assets (without revaluation) plus 1/12 of annual operating expenses, plus 1/4 of material costs, plus 1/20 of CapEx (according to the NERC's proposed methodology). The rate of return is assumed to be 11% during the first five years, and 9.5% afterward.

### Operating Model Assumptions:

- **Electricity losses** which are above the allowed level will not be covered by tariffs and will decrease Oblenergos' profits. If electricity losses are below the allowed level, economization will generate additional profits. In the long-term, electricity losses will converge with the allowed level at all Oblenergos.
- **Oblenergos will invest** in their networks and transformers and fully replace all their assets in long-term. We calculated the replacement value with Oblenergos assuming average costs for network replacement at USD 0.12 mln per km, and for transformer replacement at USD 0.08 mln per MVA. We assume a 40-year life for assets, and believe Oblenergos will do their best to annually invest 1/40 of the replacement value in upgrading capacity. We also assume CapEx will constitute 90% of the companies' investment program in the future from 60%-80% currently.
- **Dividend payouts** will not be less than 40% for companies which have positive equity, which is in line with state companies' current dividend policy.
- **CapEx** will be funded by D&A costs; the rest being covered by profit (60% or less, if after dividend payouts) and loans (40% or less, to stay under a D/E ratio of 0.6). If a feasible amount of net income and loans is not enough for an annual CapEx program, actual CapEx will be lower than planned. We also assume that an unfulfilled CapEx plan will be negatively reflected on Oblenergos' OpEx efficiency in the next year, creating additional costs. For most Oblenergos, CapEx will exceed D&A expenses, but under the above assumptions they will converge within a 40-year period.
- **WACC** is calculated based on the assumption of the cost of capital decreasing from 16% currently to 11.5% by 2013. We also apply a 1% premium to the cost of capital for 2006-2007 for companies with scores less than 4.5 according to our methodology (page 35 below) and an additional premium of 2% for those with scores less than 4.0. The cost of debt will decrease from 12% now to 8% by 2013. WACC to perpetuity is assumed at 9.5%.

- We divided our **DCF model** into two periods:
  - o 2006-2018 (ten years after the new tariff policy is adopted) when operating inefficiencies should be eliminated, and
  - o 2019-2048 when D&A expenses and CapEx are expected to completely converge, so that afterward FCFF is equal to the return on RAB.
  - o The terminal value as of 2048 is calculated based on an assumption of zero FCFF growth.

**DCF Model Summary, USD mln**

	<b>RAB</b>	<b>RAB</b>	<b>Sum of Discounted FCFF</b>		<b>Disc. TV</b>	<b>EV</b>	<b>MCap</b>
	<b>2008E</b>	<b>2018E</b>	<b>2007E-18E</b>	<b>2019E-48E</b>			
CHEN	24.2	50.0	1.4	9.0	2.5	12.3	12.9
CHON	71.8	154.3	10.5	29.0	5.9	45.4	45.4
CHEON	52.9	93.9	16.6	19.5	5.7	36.2	41.9
DNON	293.7	598.9	79.0	138.5	19.2	236.7	236.7
ZOEN	47.7	79.1	12.3	16.0	2.7	28.8	31.0
ZAON	138.0	251.4	45.2	62.4	8.7	115.1	116.3
KION	24.5	49.7	6.0	11.8	4.7	20.0	22.5
KREN	73.9	126.1	16.9	23.9	6.1	45.9	46.8
LVON	84.3	173.6	25.2	37.6	6.6	64.6	69.4
POON	79.0	146.7	49.4	53.1	10.2	102.0	112.7
PREN	47.2	102.8	30.4	18.0	4.3	46.9	52.7
SOEN	50.4	82.1	15.9	13.4	4.8	30.5	34.1
SMEN	15.6	33.0	4.6	7.7	1.1	10.9	13.4
TOEN	31.9	65.3	4.9	12.9	3.6	19.5	21.4
HAON	204.2	280.3	80.9	67.3	7.8	156.0	156.0
HMON	47.6	93.2	6.5	16.2	5.0	26.7	27.8
HOEN	48.6	94.5	6.8	15.7	4.4	27.0	27.0
ODEN	113.6	195.3	19.7	42.2	7.7	69.7	69.7
ZHEN	51.5	92.4	18.0	17.1	5.5	37.6	40.6
VIEN	57.5	98.8	13.6	21.3	7.0	41.2	41.8
VOEN	26.9	55.6	3.7	11.6	3.7	18.5	19.0

Source: Company data, NERC, Concorde Capital research

## Peer Valuation

### Russian Peers

In the process of restructuring Russian regional vertically integrated energy companies, a series of transmission companies spun off. We believe these electricity transmission companies are the best benchmarks for Oblenergos in terms of their grid conditions, business profile and their regulatory environment. As in Ukraine, the Russian energy retail market is in the process of transitioning from a "cost+" tariff policy to a regulated asset base policy.

The only difference between Russian energos and Ukrainian Oblenergos is that the Russian companies are pure transmission companies and are not involved in supplying electricity. Despite that, we believe this difference is negligible because supplying electricity accounts for only 5%-10% of Oblenergos' cash revenues.

Due to the difference in business profiles, we cannot compare sales figures (since Oblenergos' sales encompass transmission as well as supply revenues and also electricity purchase values). On the other hand, we can readily compare by bottom lines (the main component is transmission profits for both groups), by network and electricity volume.

#### Russian Networks: Summary

Company	RTS	Price, USD (last deal)	MCap, USD mln	EV, USD mln	Network, ths km	El. Inflow, TWh		EBITDA, USD mln	
						2006E	2007E	2006E	2007E
Brianskenergo	BREN	7.4	70.3	73.6	29.32	4.0	4.1	8.7	9.9
Cheliabenergo	CHNG	0.073	339.3	356.9	46.66	23.9	24.7	18.4	21.0
Dagenergo	DGEN	0.028	147.5	147.5	32.69	4.0	4.1	10.0	10.9
Ivenergo	IVEN	0.07	76.8	76.8	17.33	3.9	4.0	6.8	7.8
Kurskenergo	KUEN	0.0825	94.2	98.8	34.46	5.6	5.8	19.0	21.3
Lenenergo	LSNG	1.85	1,417.2	1610.2	43.22	30.0	31.8	13.8	15.1
Nizhnovenergo	NNGE	70.0	274.4	287.9	56.81	16.5	17.3	26.1	30.1
Pskovenergo	PSEN	0.7	76.5	78.7	45.22	1.8	1.8	9.7	11.1
Riazanenergo	RZEN	0.57	118.0	118.9	33.21	4.3	4.5	13.6	14.7
Rostovenergo	RTSE	0.0811	253.7	259.1	74.39	13.2	13.8	32.4	36.1
Smolenskenergo	SMOE	0.45	87.9	96.3	39.74	4.1	4.2	15.1	17.4
Stavropolenergo	STRG	0.109	93.6	100.1	52.40	5.7	6.0	17.2	19.2
Sverdlovenergo	SVER	1.0	523.0	550.9	36.17	38.6	40.5	31.4	35.0
Tulaenergo	TLEN	0.095	148.8	157.4	32.69	7.3	7.6	13.9	15.5
Udmurtenergo	UDME	0.635	106.4	106.4	24.97	7.3	7.6	14.6	16.7
Volgogradenergo	VGEN	0.62	197.7	208.2	56.53	15.9	16.6	28.6	30.5
Voronezhenergo	VZEN	2.2	123.5	141.4	50.16	7.9	8.3	15.4	16.7

Source: RTS, Company data, RAO UES, IES Holding, Concorde Capital estimates

#### Oblenergo: Summary

PFTS	Price, USD	MCap, USD mln	EV, USD mln	Network, ths km	El. Inflow, TWh		EBITDA, USD mln	
					2006E	2007E	2006E	2007E
CHEN	0.49	27.5	27.4	16.88	1.43	1.52	2.4	2.6
CHEON	0.40	47.7	56.2	37.47	1.77	1.89	7.7	9.6
CHON	n/a	n/a	n/a	38.37	2.23	2.36	10.6	12.0
DNON	59.00	353.5	346.7	71.56	28.67	29.68	32.3	41.5
DOON	1.30	85.2	90.0	58.92	12.44	12.44	-39.6	-21.0
HAON	0.62	159.1	153.9	48.40	5.84	5.99	28.0	31.0
HMON	0.46	61.9	61.9	35.12	2.00	2.08	9.4	10.4
HOEN	0.40	71.6	79.6	29.45	2.44	2.52	14.0	15.1
KION	0.75	89.5	97.4	32.96	1.68	1.78	15.2	17.8
KOEN	n/a	n/a	n/a	45.81	4.33	4.55	42.8	47.5
KREN	0.70	121.1	120.8	36.25	4.93	5.22	10.7	11.3
LVON	0.50	97.0	113.0	39.76	4.26	4.41	14.7	17.1
MYON	0.13	20.6	20.7	29.34	2.67	2.73	-3.7	-2.1
ODEN	n/a	16.7	14.2	43.42	6.06	6.42	9.6	11.6
POON	n/a	n/a	n/a	44.44	2.31	3.72	25.4	26.7
PREN	0.27	28.0	40.4	25.99	2.34	2.48	9.3	10.8
ROEN	n/a	n/a	n/a	26.72	2.30	2.35	19.0	21.1
SMEN	1.25	33.6	35.9	2.16	1.04	1.10	9.3	10.7
SOEN	n/a	n/a	n/a	33.46	1.76	1.83	10.6	11.8
TOEN	0.36	22.0	23.5	23.94	1.17	1.24	4.7	5.5
VIEN	22.00	68.1	67.8	46.37	2.25	2.34	5.3	6.1
VOEN	0.10	45.3	44.6	25.05	1.29	1.37	3.9	4.4
ZAON	1.28	229.6	230.2	40.95	11.08	11.30	24.9	31.4
ZHEN	0.85	104.0	106.3	37.18	2.23	2.36	16.1	19.3
ZOEN	0.25	31.2	33.2	17.74	2.09	2.20	4.4	4.7

Source: Company data, Concorde Capital estimates



**Russian Networks: Multiples**

Company	RTS	EV/EBITDA		EV/Network USD/m	EV/EI. Inflow, USD/MWh	
		2006E	2007E		2006E	2007E
Brianskenergo	BREN	8.5	7.4	2.5	18.5	17.8
Cheliabenergo	CHNG	19.4	17.0	7.6	15.0	14.5
Dagenergo	DGEN	14.8	13.5	4.5	37.3	36.2
Ivenergo	IVEN	11.2	9.8	4.4	19.8	19.1
Kurskenergo	KUEN	5.2	4.6	2.9	17.7	16.9
Lenenergo*	LSNG	116.4	106.8	37.3	53.7	50.6
Nizhnovenergo	NNGE	11.0	9.6	5.1	17.5	16.6
Pskovenergo	PSEN	8.1	7.1	1.7	44.9	43.1
Riazanenergo	RZEN	8.7	8.1	3.6	27.5	26.3
Rostovenergo	RTSE	8.0	7.2	3.5	19.6	18.7
Smolenskenergo	SMOE	6.4	5.5	2.4	23.7	22.7
Stavropolenergo	STRG	5.8	5.2	1.9	17.7	16.8
Sverdlovenergo	SVER	17.5	15.7	15.2	14.3	13.6
Tulaenergo	TLEN	11.3	10.2	4.8	21.6	20.6
Udmurtenergo	UDME	7.3	6.4	4.3	14.5	14.0
Volgogradenergo	VGEN	7.3	6.8	3.7	13.1	12.5
Voronezhenergo	VZEN	9.2	8.5	2.8	17.9	17.0
Mean		10.0	8.9	4.4	21.3	20.4
Median		8.6	7.7	3.6	18.2	17.4

Source: RTS, Company data, RAO UES, IES Holding, Concorde Capital estimates

**Oblenergos: Multiples**

PFTS	EV/EBITDA		EV/Network USD/m	EV/EI. Inflow, USD/MWh	
	2006E	2007E		2006E	2007E
CHEN	11.4	10.5	1.6	19.2	18.1
CHEON	7.3	5.9	1.5	31.8	29.7
DNON	10.7	8.4	4.8	12.1	11.7
DOON	neg	neg	1.5	7.2	7.2
HAON	5.5	5.0	3.2	26.3	25.7
HMON	6.6	6.0	1.8	31.0	29.8
HOEN	5.7	5.3	2.7	32.6	31.6
KION	6.4	5.5	3.0	58.0	54.7
KREN	11.3	10.7	3.3	24.5	23.1
LVON	7.7	6.6	2.8	26.5	25.6
POON	3.8	3.6	2.2	42.1	26.1
PREN	4.4	3.8	1.6	17.3	16.3
SMEN	3.9	3.4	16.6	34.4	32.5
TOEN	5.0	4.3	1.0	20.1	19.0
VIEN	12.8	11.1	1.5	30.2	29.0
VOEN	11.4	10.1	1.8	34.5	32.6
ZAON	9.3	7.3	5.6	20.8	20.4
ZHEN	6.6	5.5	2.9	47.7	45.0
ZOEN	7.6	7.0	1.9	15.9	15.1
Mean	7.6	6.7	3.2	28.4	26.3
Median	7.1	5.9	2.1	27.0	25.8
Discounts to Russian mean	-24%	-25%	-28%	33%	29%

Source: Company data, Concorde Capital estimates

Oblenergos are involved in more business chains than Russian transmission companies so their premium to Russian EV/Electricity is justified. Oblenergos trade with significant discounts to their peers by EV/EBITDA and EV/Network, which we believe is not justified since the business environment and regulations are not worse in Ukraine than in Russia.

**Oblenergos: Implied MCap, USD mln**

	By peers' EV/EI, Inflow		By peers' EV/Network	By peers' EV/EBITDA	
	2006E	2007E		2006E	2007E
CHEN	29.3	31.1	75.0	20.6	19.5
CHEON	27.6	30.1	157.7	57.0	62.4
CHON	46.7	49.5	171.5	91.1	90.3
DNON	591.4	611.9	324.2	280.4	314.1
HAON	124.3	127.3	219.9	242.2	235.1
HMON	40.8	42.4	155.9	79.9	77.0
HOEN	41.8	43.3	122.6	111.0	104.0
KION	26.4	28.5	138.4	121.1	124.4
KREN	100.8	106.8	161.1	91.0	84.1
LVON	70.8	73.9	160.4	108.6	110.9
ODEN	126.0	133.4	195.1	83.4	88.3
POON	31.7	60.4	181.8	199.9	182.7
PREN	35.3	38.2	102.8	66.3	67.3
ROEN	43.0	43.9	114.6	157.5	152.7
SOEN	33.1	34.5	145.6	86.9	84.8
TOEN	22.3	23.7	104.7	38.0	39.1
VIEN	46.1	47.9	206.0	45.2	45.4
VOEN	27.1	28.7	111.9	34.0	33.4
ZAON	225.3	229.8	181.1	210.4	232.4
ZHEN	43.2	46.0	162.7	134.5	140.7
ZOEN	40.5	42.9	76.7	35.1	33.1

Source: Company data, RTS, Concorde Capital estimates

## EU Peers

We consider Czech and Hungarian power distribution companies the Oblenergos' closest EU peers. These companies are involved in the same businesses: transmission and distribution of electricity. In addition, Oblenergos and these peers are expected to work on the same network shortly, as per Ukraine's plans to joint the EU network (UCTE) in the mid-term. Currently, ZOEN and partially PREN and LVON are already working on the UCTE network.

As usual, we use a two-step valuation of Oblenergos with respect to EU peers' revenues, to account for the Oblenergos' relative inefficiencies and limiting regulations. We use margins, payment collection level, an NERC algorithm and excessive electricity losses to build a performance score for Oblenergos. We do not use a market sustainability factor for Oblenergos this time, because we do not believe the companies differ significantly from their peers on this parameter.

### Oblenergo Scoring

	Ex. Losses 10M06	Payments 10M06	EBITDA 1H06	100% NERC algorithm*	Total Score	Score '05 (old)**	Score '05 (new)**	Change 06/05	Discount				
SMEN	-1.3%	5	128%	5	21%	5	11	5	<b>5.0</b>	4.8	4.8	+0.3	0%
ZHEN	-0.9%	5	114%	5	16%	5	11	5	<b>5.0</b>	4.7	4.8	+0.3	0%
HOEN	-2.1%	5	112%	5	14%	5	0	4	<b>4.8</b>	4.2	4.5	+0.3	0%
KION	-3.3%	5	120%	5	20%	5	8	4	<b>4.8</b>	4.5	5.0	-0.3	0%
POON	-3.1%	5	115%	5	14%	5	0	4	<b>4.8</b>	4.7	4.8	0.0	0%
SOEN	-3.1%	5	104%	5	14%	5	0	4	<b>4.8</b>	4.7	4.8	0.0	0%
CHEON	-1.6%	5	100%	5	10%	4	0	4	<b>4.5</b>	4.7	4.8	-0.3	0%
CHON	-2.1%	5	117%	5	10%	4	0	4	<b>4.5</b>	4.0	4.8	-0.3	0%
HAON	-1.2%	5	126%	5	12%	4	0	4	<b>4.5</b>	4.0	4.0	+0.5	0%
HMON	-1.3%	5	112%	5	12%	4	0	4	<b>4.5</b>	4.3	4.0	+0.5	0%
LVON	-2.6%	5	113%	5	8%	4	0	4	<b>4.5</b>	4.7	4.5	0.0	0%
PREN	-1.9%	5	103%	5	9%	4	0	4	<b>4.5</b>	4.5	4.5	0.0	0%
ROEN	0.5%	4	101%	5	19%	5	3	4	<b>4.5</b>	4.2	4.3	+0.3	0%
TOEN	-1.3%	5	107%	5	10%	4	0	4	<b>4.5</b>	4.3	4.3	+0.3	0%
KOEN	0.1%	4	99%	4	22%	5	5	4	<b>4.3</b>	4.8	4.8	-0.5	25%
KREN	-0.2%	5	104%	5	6%	3	0	4	<b>4.3</b>	3.7	3.5	+0.8	25%
VOEN	-0.7%	5	102%	5	7%	3	0	4	<b>4.3</b>	4.2	4.0	+0.3	25%
ZAON	-0.4%	5	99%	4	5%	3	0	4	<b>4.0</b>	3.8	3.8	+0.3	25%
DNON	0.1%	4	100%	5	3%	2	0	4	<b>3.8</b>	3.2	3.5	+0.3	50%
VIEN	1.1%	3	110%	5	6%	3	0	4	<b>3.8</b>	3.5	3.3	+0.5	50%
ZOEN	2.1%	2	106%	5	6%	3	0	4	<b>3.5</b>	3.5	2.5	+1.0	50%
ODEN	2.4%	2	103%	5	4%	2	0	4	<b>3.3</b>	3.5	2.8	+0.5	50%
CHEN	7.8%	0	110%	5	5%	3	0	4	<b>3.0</b>	2.3	1.5	+1.5	50%
DOON	8.0%	0	100%	5	-13%	0	0	4	<b>2.3</b>	2.5	1.5	+0.8	n/m
MYON	6.8%	0	100%	4	-6%	0	0	4	<b>2.0</b>	2.8	1.8	+0.3	n/m

Source: Company data, NERC, EnergoBiznes, Concorde Capital

\* Note: Number of months (out of 11) when the company was granted 100% payments from its special account to its business account (for more details refer to our previous reports).

\*\* Since we revised our scoring methodology by excluding market sustainability, we report the scores from our 2005 report (old) and 2005 scores under the new methodology to provide a better comparison of the change in performance

Note that CHEN, ZOEN, DOON and KREN showed the highest improvements in their operating and financial results during 2006.

We apply 0% discounts to companies with scores of 4.5 and higher, a 25% discount for companies with scores of 4.0-4.49, and a 50% discount to companies with scores of 3.0-3.99. As in the past, we do not treat Oblenergos with scores of less than 3.0 as investment opportunities.

We will use calculated discounts for Oblenergo valuations on peers' EV/S and EV/Electricity.

**EU Peer Summary**

	Sales, USD mln		EBITDA, USD mln		El. input ,TWh		Network length, ths km
	2006E	2007E	2006E	2007E	2006E	2007E	
DEMASH	464.0	509.0	79.2	78.0	4.0	4.3	30.7
EMASZ	434.6	471.9	60.2	61.4	3.3	3.5	22.0
ELMU	994.0	1041.0	180.5	183.3	7.6	8.0	21.5
Prazska Energetika	542.2	562.3	114.1	121.0	6.1	6.3	11.2
Stredoceska Energeticka*	518.4	521.8	78.2	80.1	6.5	6.5	37.7

Source: Bloomberg, IBES, Company data

\* Stredoceska Energeticka became a subsidiary of CEZ group, but its shares are still traded independently

**EU Peer Multiples**

	MCap, USD mln	EV/S		EV/EBITDA		EV/El. Inflow USD/MWh		EV/Network USD/m
		2006E	2007E	2006E	2007E	2006E	2007E	
DEMASH	383.25	0.96	0.87	5.62	5.71	95.3	90.0	14.5
EMASZ	305.76	0.81	0.74	5.81	5.70	94.1	88.6	15.9
ELMU	933.10	1.01	0.96	5.54	5.46	122.1	116.6	46.6
Prazska Energetika	784.30	1.41	1.36	6.72	6.34	127.9	125.1	68.3
STC Energeticka	381.30	0.73	0.73	4.87	4.76	58.9	58.7	10.1
Mean		0.98	0.93	5.71	5.59	99.7	95.8	31.1

Source: Bloomberg, IBES, Company data

**Oblenergo Multiples**

	EV/S		EV/EBITDA		EV/El. Inflow USD/MWh		EV/Network USD/m
	2006E	2007E	2006E	2007E	2006E	2007E	
CHEN	0.63	0.59	11.4	10.5	19.2	18.1	1.6
CHEON	0.77	0.63	7.3	5.9	31.8	29.7	1.5
DNON	0.30	0.23	10.7	8.4	12.1	11.7	4.8
DOON	0.23	0.22	neg	neg	7.2	7.2	1.5
HAON	0.72	0.65	5.5	5.0	26.3	25.7	3.2
HMON	0.85	0.78	6.6	6.0	31.0	29.8	1.8
HOEN	0.89	0.83	5.7	5.3	32.6	31.6	2.7
KION	1.38	1.19	6.4	5.5	58.0	54.7	3.0
KREN	0.73	0.70	11.3	10.7	24.5	23.1	3.3
LVON	0.70	0.61	7.7	6.6	26.5	25.6	2.8
POON	0.60	0.57	3.8	3.6	42.1	26.1	2.2
PREN	0.43	0.38	4.4	3.8	17.3	16.3	1.6
SMEN	0.86	0.76	3.9	3.4	34.4	32.5	16.6
TOEN	0.55	0.47	5.0	4.3	20.1	19.0	1.0
VIEN	0.83	0.73	12.8	11.1	30.2	29.0	1.5
VOEN	0.92	0.83	11.4	10.1	34.5	32.6	1.8
ZAON	0.50	0.40	9.3	7.3	20.8	20.4	5.6
ZHEN	1.16	0.98	6.6	5.5	47.7	45.0	2.9
ZOEN	0.52	0.49	7.6	7.0	15.9	15.1	1.9
Mean	0.73	0.64	7.7	6.8	28.4	26.4	3.3
Median	0.72	0.63	7.2	6.2	26.5	25.7	2.2
Discount to peers	-26%	-31%	35%	21%	-71%	-72%	-90%

Source: Company data, Concorde Capital estimates

**Oblenergos' Implied Capitalization, USD mln**

	Discounts*	By peers' EV/S		By peers'EV/El. inflow		By peers' EV/EBITDA	
		2006E	2007E	2006E	2007E	2006E	2007E
CHEN	50%	21.4	21.8	71.5	72.8	13.9	15.1
CHEON	0%	63.2	75.1	167.9	172.9	35.6	46.2
CHON	0%	99.0	105.5	223.6	227.8	61.8	69.9
DNON	50%	584.9	705.5	1435.9	1428.2	191.2	243.7
HAON	0%	215.6	224.8	587.4	578.7	164.9	182.4
HMON	0%	71.7	74.4	199.2	199.1	53.9	59.4
HOEN	0%	80.2	81.3	235.6	233.1	72.2	78.4
KION	0%	61.6	68.8	159.6	162.7	79.0	94.1
KREN	25%	121.8	121.2	368.8	375.7	61.4	64.9
LVON	0%	142.6	157.8	408.5	406.2	68.0	81.8
ODEN	50%	103.9	118.2	304.5	310.1	57.0	68.6
POON	0%	144.7	143.2	214.8	340.9	129.7	137.3
PREN	0%	79.3	87.6	221.1	225.5	40.6	49.0
ROEN	0%	38.6	41.9	227.3	222.7	106.5	118.5
SOEN	0%	67.1	70.6	172.8	172.7	57.7	64.7
TOEN	0%	40.9	45.5	115.2	116.8	25.1	29.8
VIEN	50%	40.3	43.6	112.3	112.2	30.6	35.1
VOEN	25%	36.6	38.5	97.4	99.2	23.2	25.9
ZAON	25%	342.4	406.9	827.9	811.5	141.6	179.0
ZHEN	0%	87.7	98.9	220.1	224.2	89.9	108.0
ZOEN	50%	29.3	29.9	102.0	103.5	23.0	25.1

Source: Bloomberg, IBES, Company data, Concorde Capital

\* Discounts are applied to the valuation by EV/S and EV/Electricity

## Valuation Summary

In estimating 12M target prices for Oblenergos, we use the DCF model, RAB estimates and peer multiples. We give more weight to our DCF values and RAB (25% each). We give 10% weight to implied peer values: EV/EBITDA (both Russian and UCTE), EV/S (UCTE), and Russian EV/Electricity and EV/Network.

### 12M Target MCap Estimation (USD mln)

Weight:	25%		EU Peers		Russian Peers			Target MCap
	RAB	DCF	10% EV/S	10% EV/EBITDA	10% EV/EBITDA	10% EV/EL	10% EV/Netw	
CHEN	24.2	12.9	21.8	15.1	19.5	31.1	75.0	25.5
CHEON	52.9	41.9	75.1	46.2	62.4	30.1	157.7	60.8
CHON	71.8	45.4	105.5	69.9	90.3	49.5	171.5	78.0
DNON	293.7	236.7	705.5	243.7	314.1	611.9	324.2	352.5
HAON	204.2	156.0	224.8	182.4	235.1	127.3	219.9	189.0
HMON	47.6	27.8	74.4	59.4	77.0	42.4	155.9	59.8
HOEN	48.6	27.0	81.3	78.4	104.0	43.3	122.6	61.9
KION	24.5	22.5	68.8	94.1	124.4	28.5	138.4	57.2
KREN	73.9	46.8	121.2	64.9	84.1	106.8	161.1	84.0
LVON	84.3	69.4	157.8	81.8	110.9	73.9	160.4	96.9
ODEN	113.6	69.7	118.2	68.6	88.3	133.4	195.1	106.2
POON	79.0	112.7	143.2	137.3	182.7	60.4	181.8	118.5
PREN	47.2	52.7	87.6	49.0	67.3	38.2	102.8	59.5
SMEN	15.6	13.4	41.9	58.6	76.8	20.2	7.3	27.7
SOEN	50.4	34.1	70.6	64.7	84.8	34.5	145.6	61.1
TOEN	31.9	21.4	45.5	29.8	39.1	23.7	104.7	37.6
VIEN	57.5	41.8	43.6	35.1	45.4	47.9	206.0	62.6
VOEN	26.9	19.0	38.5	25.9	33.4	28.7	111.9	35.3
ZAON	138.0	116.3	406.9	179.0	232.4	229.8	181.1	186.5
ZHEN	51.5	40.6	98.9	108.0	140.7	46.0	162.7	78.6
ZOEN	47.7	31.0	29.9	25.1	33.1	42.9	76.7	40.4

Source: Company data, Bloomberg, IBES, RTS, Concorde Capital

### Valuation Summary

	Current price USD	Current MCap USD mln	Target price USD	Target MCap USD mln	Upside	Rec.
CHEN	0.49	27.5	0.45	25.5	-7%	HOLD
CHEON	0.40	47.7	0.51	60.8	27%	BUY
CHON	n/a	n/a	0.53	78.0	n/a	N/R
DNON	59.00	353.5	58.84	352.5	0%	HOLD
HAON	0.62	159.1	0.74	189.0	19%	BUY
HMON	0.50	67.3	0.44	59.8	-11%	HOLD
HOEN	0.40	71.6	0.35	61.9	-14%	HOLD
KION	0.75	89.5	0.48	57.2	-36%	SELL
KREN	0.70	121.1	0.49	84.0	-31%	SELL
LVON	0.50	97.0	0.50	96.9	0%	HOLD
ODEN	n/a	n/a	0.51	106.2	n/a	N/R
POON	0.37	81.8	0.54	118.5	45%	BUY
PREN	0.40	41.5	0.57	59.5	43%	BUY
SMEN	1.25	33.6	1.03	27.7	-17%	SELL
SOEN	n/a	n/a	0.35	61.1	n/a	N/R
TOEN	0.36	22.0	0.62	37.6	71%	BUY
VIEN	22.00	68.1	20.22	62.6	-8%	HOLD
VOEN	0.10	45.3	0.07	35.3	-22%	SELL
ZAON	1.28	229.6	1.04	186.5	-19%	SELL
ZHEN	0.85	104.0	0.64	78.6	-24%	SELL
ZOEN	0.25	31.2	0.32	40.4	30%	BUY

Source: Company data, Bloomberg, IBES, RTS, Concorde Capital

### Recommendation Change Summary

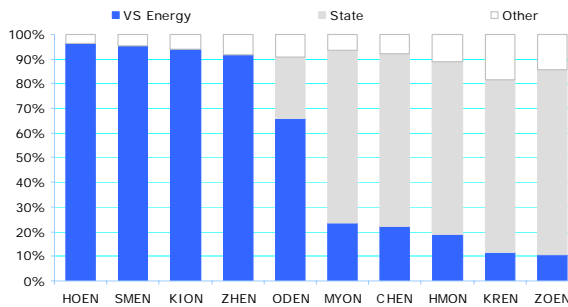
<u>Re-iterated</u>		<u>Upgrades</u>		<u>Downgrades</u>	
TOEN	BUY	ZOEN	SELL to BUY	LVON	BUY to HOLD
POON	BUY	CHEON	SELL to BUY	ZHEN	BUY to SELL
PREN	BUY	HMON	SELL to HOLD	KREN	BUY to SELL
HAON	BUY	HOEN	SELL to HOLD	SMEN	HOLD to SELL
DNON	HOLD	CHEN	N/R to HOLD	KION	HOLD to SELL
VLEN	HOLD				
ZAON	SELL				
VOEN	SELL				
DOEN	N/R				
MYON	N/R				

## APPENDIX 1: OWNERSHIP STRUCTURE

Four groups based on the private owners' interests:

**1. VS Energy.** These Oblenergos are likely fall under the interests of VS Energy holding, which is controlled by Russian businessman Alexander Babakov. The holding has controlling stakes in five Oblenergos and minority stakes in other five companies that are controlled by the NC ECU.

### Ownership Structure

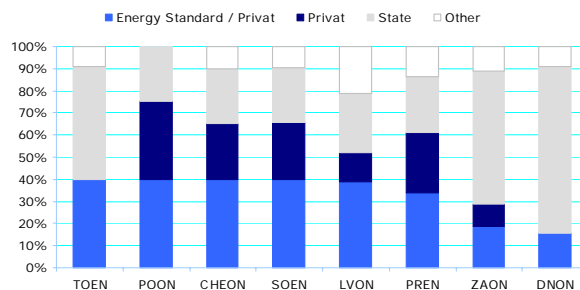


Source: State Securities Commission, Concorde Capital estimates

**2. Privat business group.** The group does not have a controlling stake in any Oblenergo, but indirectly participates in control of several "conflict" Oblenergos where it has large blocks: two offshore companies accumulated 33% to 40% in six Oblenergos belonging to the Privat and Energy Standard groups 50%/50%, and none of the "partners" can use its ownership rights in the offshore entities without the other party. Since Privat now controls management of the companies', we believe it will win its dispute with Energy Standard.

Two other companies, DNON and ZAON, are controlled by the state, but Privat might have an interest there.

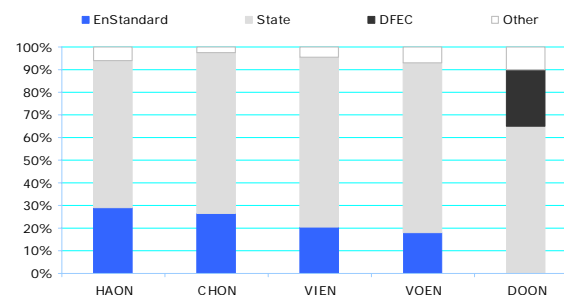
### Ownership Structure



Source: State Securities Commission, Concorde Capital estimates

**3. & 4. Energy Standard and DFEC.** This group is controlled by the state, but minority shareholders might have interests there. Energy Standard and DFEC have representatives on the supervisory boards at several companies.

### Ownership Structure



Source: State Securities Commission, Concorde Capital estimates



## APPENDIX 2: KEY DATA

	Sales USD mln		EBITDA USD mln		El. Inflow TWh		Network Length ths km		Shares mln	Free Float %
	2006E	2007E	2006E	2007E	2006E	2007E				
CHEN	43.3	46.5	2.4	2.6	1.43	1.52	16.88	CHEN	56.78	8.0%
CHEON	72.8	89.5	7.7	9.6	1.77	1.89	37.47	CHEON	119.32	9.9%
CHON	99.3	111.6	10.6	12.0	2.23	2.36	38.37	CHON	148.39	14.1%
DNON	1,174.9	1,495.8	32.3	41.5	28.67	29.68	71.56	DNON	5.99	9.1%
HAON	213.8	235.1	28.0	31.0	5.84	5.99	48.40	HAON	256.54	6.2%
HMON	72.8	79.5	9.4	10.4	2.00	2.08	35.12	HMON	134.55	11.3%
HOEN	89.6	95.6	14.0	15.1	2.44	2.52	29.45	HOEN	178.90	3.5%
KION	70.5	82.0	15.2	17.8	1.68	1.78	32.96	KION	119.38	6.0%
KREN	164.6	172.5	10.7	11.3	4.93	5.22	36.25	KREN	172.97	18.4%
LVON	161.1	186.0	14.7	17.1	4.26	4.41	39.76	LVON	193.97	21.1%
ODEN	206.2	247.9	9.6	11.6	6.06	6.42	43.42	ODEN	208.50	9.2%
POON	162.7	169.8	25.4	26.7	2.31	3.72	44.44	POON	220.96	0.1%
PREN	93.3	107.1	9.3	10.8	2.34	2.48	25.99	PREN	103.64	13.6%
SMEN	41.5	47.3	9.3	10.7	1.04	1.10	2.16	SMEN	26.89	4.8%
SOEN	71.1	78.7	10.6	11.8	1.76	1.83	33.46	SOEN	177.13	9.4%
TOEN	43.1	50.3	4.7	5.5	1.17	1.24	23.94	TOEN	61.09	8.9%
VIEN	81.4	92.6	5.3	6.1	2.25	2.34	46.37	VIEN	3.10	4.7%
VOEN	48.5	53.9	3.9	4.4	1.29	1.37	25.05	VOEN	477.28	6.9%
ZAON	464.8	581.6	24.9	31.4	11.08	11.30	40.95	ZAON	179.36	10.9%
ZHEN	91.4	108.3	16.1	19.3	2.23	2.36	37.18	ZHEN	122.40	8.4%
ZOEN	63.6	68.4	4.4	4.7	2.09	2.20	17.74	ZOEN	124.60	14.0%

## APPENDIX 3: FINANCIALS

### Chernivtsioblenergo (CHEN)

#### Income Statement Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	8.8	2.1	2.2	3.6	3.9	2.4	15.8	7.6	8.2	7.0	7.3	10.1	11.8	8.7	8.6
Gross Profit	1.5	2.7	1.4	2.4	3.0	1.3	(0.7)	(1.6)	(1.2)	(0.7)	0.4	(0.0)	0.5	0.9	1.1
<b>EBITDA</b>	1.4	1.8	(1.1)	(1.2)	0.6	(0.1)	(0.1)	(1.8)	(1.3)	0.5	0.3	2.6	0.4	0.6	0.8
margin, %	16%	-59%	-48%	-32%	15%	-2%	0%	-24%	-16%	7%	4%	26%	4%	7%	9%
Depreciation	(0.2)	(0.2)	(0.2)	(0.3)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(1.0)	(0.4)	(0.3)	(0.6)
<b>EBIT</b>	1.2	1.5	(1.3)	(1.4)	0.3	(0.3)	(0.3)	(2.1)	(1.6)	0.2	0.0	1.7	0.0	0.3	0.2
margin, %	14%	-51%	-59%	-40%	9%	-12%	-2%	-28%	-19%	4%	0%	16%	0%	4%	3%
Interest Expense	(0.0)	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	-	-	(0.0)	(0.0)	(0.0)	(0.0)
Other income/(expense)	0.0	(0.0)	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0
<b>PBT</b>	1.2	1.5	(1.2)	(1.4)	0.4	(0.3)	(0.3)	(2.1)	(1.6)	0.3	0.0	1.7	0.0	0.3	0.2
Tax	-	-	-	(0.0)	-	-	(0.1)	(0.1)	(0.4)	(0.1)	0.5	(0.2)	-	(0.2)	(0.2)
Effective tax rate	0%	0%	0%	0%	0%	0%	-43%	-3%	-25%	35%	-1761%	14%	0%	72%	93%
<b>Net Income</b>	1.2	1.5	(1.2)	(1.4)	0.4	(0.3)	(0.4)	(2.1)	(2.0)	0.2	0.5	1.5	0.0	0.1	0.0
Net Margin, %	14%	-51%	-56%	-40%	9%	-10%	-3%	-28%	-24%	2%	7%	14%	0%	1%	0%

#### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	40.5	41.7	41.7	41.2	43.5	43.3	43.2	42.7	44.1	47.0	46.9	49.0	49.8	49.3	47.0
Cash & Equivalents	0.8	0.9	1.5	2.3	3.1	2.5	1.1	0.5	1.4	0.9	0.5	0.2	0.4	0.7	0.3
Trade Receivables	35.9	37.0	36.1	36.3	37.8	38.0	38.7	38.6	38.9	41.7	41.7	44.2	44.7	43.8	41.9
Inventories	0.7	0.7	0.7	0.8	0.7	0.8	1.3	1.1	1.0	1.2	1.4	1.1	1.0	1.0	1.1
Other	3.1	3.2	3.5	1.8	1.9	2.0	2.1	2.5	2.7	3.2	3.3	3.5	3.7	3.9	3.7
<b>Fixed Assets</b>	15.4	15.2	15.1	15.2	15.1	15.2	14.5	14.6	15.1	16.0	16.0	16.5	14.0	13.9	18.0
PP&E, net	15.1	15.0	14.8	14.9	14.8	14.9	14.2	14.2	14.7	15.3	15.2	15.7	13.3	13.3	17.1
Other	0.2	0.2	0.2	0.2	0.3	0.3	0.4	0.4	0.5	0.6	0.8	0.8	0.7	0.6	0.8
<b>Total Assets</b>	55.9	56.9	56.8	56.3	58.6	58.5	57.7	57.3	59.2	63.0	62.9	65.5	63.8	63.2	64.9
<b>Shareholders' Equity</b>	11.1	12.6	11.4	10.1	10.5	10.2	9.2	7.2	5.8	6.2	6.2	7.7	5.3	5.4	9.6
Share Capital	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.8	2.8	2.8	2.8	2.8	2.8
Retained Earnings	(9.3)	(7.8)	(9.1)	(10.5)	(10.1)	(10.4)	(10.9)	(13.1)	(15.1)	(15.6)	(15.7)	(13.5)	(13.5)	(13.4)	(13.4)
Other	17.8	17.8	17.8	18.0	18.0	18.0	17.4	17.5	18.2	19.0	19.1	18.4	16.0	16.0	20.2
<b>Current Liabilities</b>	44.8	44.3	45.4	46.2	48.1	48.3	48.5	50.1	53.4	56.8	56.7	57.8	58.5	57.8	55.0
ST Interest Bearing Debt	0.2	-	-	-	0.3	0.3	-	-	-	-	-	0.6	0.6	0.5	0.1
Trade Payables	42.5	42.2	42.9	43.4	44.9	45.1	45.5	47.2	50.3	53.2	53.1	53.5	54.1	53.4	51.5
Other	2.4	2.4	2.7	3.1	3.1	3.1	3.2	3.1	3.4	3.9	4.0	4.1	4.3	4.3	3.8
<b>LT Liabilities</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3
LT Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3
<b>Total Liabilities &amp; Equity</b>	55.9	56.9	56.8	56.3	58.6	58.5	57.7	57.3	59.2	63.0	62.9	65.5	63.8	63.2	64.9

### Chernihivoblenergo (CHEON)

#### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	15.4	10.7	16.9	20.1	13.8	14.9	14.6	13.8	14.5	12.4	13.0	16.6	18.8	16.5	17.4
Gross Profit	1.8	2.1	1.2	2.6	2.7	2.2	1.7	1.5	2.9	1.2	1.6	1.1	2.5	2.2	1.9
<b>EBITDA</b>	1.7	1.8	0.5	1.8	1.3	1.6	1.2	1.5	2.5	0.9	1.1	0.5	1.9	1.5	1.6
margin, %	11%	17%	3%	9%	9%	11%	8%	11%	17%	7%	8%	3%	10%	9%	9%
Depreciation	(0.7)	(0.7)	(1.0)	(1.7)	(1.0)	(1.1)	(1.3)	(1.3)	(1.3)	(1.4)	(1.5)	(1.4)	(1.1)	(1.4)	(1.2)
<b>EBIT</b>	1.0	1.1	(0.5)	0.1	0.3	0.6	(0.1)	0.2	1.2	(0.5)	(0.4)	(0.8)	0.8	0.1	0.3
margin, %	6%	10%	-3%	0%	2%	4%	0%	1%	8%	-4%	-3%	-5%	4%	1%	2%
Interest Expense	(0.4)	(0.3)	(0.3)	(0.2)	(0.2)	(0.3)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.4)	(0.4)	(0.4)
Other income/(expense)	0.0	0.0	0.0	0.1	(0.0)	(0.0)	0.1	(0.2)	0.0	0.3	0.0	0.1	(0.1)	0.0	0.0
<b>PBT</b>	0.6	0.9	(0.7)	(0.0)	0.1	0.2	(0.5)	(0.5)	0.7	(0.7)	(0.9)	(1.2)	0.3	(0.3)	(0.1)
Tax	-	-	-	(0.8)	(0.3)	(0.2)	(0.1)	0.3	(0.0)	(0.2)	(0.0)	0.2	(0.0)	(0.0)	(0.0)
Effective tax rate	0%	0%	0%	-2426%	392%	83%	-12%	63%	3%	-24%	-1%	15%	0%	-3%	-7%
<b>Net Income</b>	0.6	0.9	(0.7)	(0.8)	(0.2)	0.0	(0.5)	(0.2)	0.7	(0.8)	(0.9)	(1.0)	0.3	(0.3)	(0.1)
Net Margin, %	4%	8%	-4%	-4%	-2%	0%	-3%	-1%	5%	-7%	-7%	-6%	2%	-2%	-1%

#### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	15.4	15.7	12.6	8.2	9.4	8.1	9.8	8.0	6.8	5.7	5.1	4.6	5.1	4.9	5.4
Cash & Equivalents	0.5	0.1	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.3
Trade Receivables	5.9	5.1	5.2	3.3	2.2	1.7	3.5	2.1	1.7	1.6	1.4	1.5	1.5	1.5	1.8
Inventories	4.3	5.6	2.5	2.7	5.3	4.9	4.4	4.4	2.5	2.8	2.4	2.0	1.9	1.9	1.9
Other	4.6	4.9	4.8	2.1	1.9	1.3	1.7	1.4	2.5	1.2	1.2	1.1	1.5	1.3	1.4
<b>Fixed Assets</b>	40.1	39.9	40.9	41.7	42.0	41.5	40.9	40.6	40.5	42.6	42.2	42.5	42.5	42.4	42.1
PP&E, net	35.5	35.3	34.9	36.0	36.1	36.2	36.0	36.2	36.9	38.3	38.1	39.1	39.0	38.9	38.8
Other	4.7	4.6	6.0	5.6	6.0	5.3	4.9	4.4	3.6	4.3	4.1	3.4	3.4	3.5	3.3
<b>Total Assets</b>	55.5	55.6	53.5	49.9	51.4	49.6	50.7	48.6	47.3	48.3	47.3	47.1	47.5	47.3	47.4
<b>Shareholders' Equity</b>	33.0	33.9	33.2	32.5	32.2	32.3	31.9	31.7	32.6	33.2	32.4	31.4	31.7	31.4	31.4
Share Capital	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.9	5.9	5.9	5.9	5.9	5.9
Retained Earnings	(9.9)	(9.0)	(9.8)	(10.5)	(10.8)	(10.7)	(11.3)	(11.5)	(10.8)	(12.1)	(13.0)	(14.0)	(13.6)	(13.9)	(14.0)
Other	37.4	37.4	37.4	37.4	37.4	37.5	37.6	37.6	37.7	39.4	39.5	39.5	39.4	39.4	39.5
<b>Current Liabilities</b>	13.9	13.2	11.9	8.9	11.3	9.8	12.6	11.1	9.5	10.2	10.4	11.4	11.5	11.6	11.8
ST Interest Bearing Debt	4.5	4.4	4.2	4.2	4.3	3.8	4.6	5.2	5.9	5.8	6.1	5.5	5.6	5.6	5.6
Trade Payables	6.7	7.1	3.5	2.9	5.3	4.3	6.2	3.3	1.0	1.2	1.3	1.8	2.0	1.6	1.6
Other	3.0	2.2	4.5	2.2	2.2	2.2	2.2	3.2	3.1	4.0	3.6	5.5	4.9	5.3	5.4
<b>LT Liabilities</b>	8.5	8.5	8.5	8.6	7.9	7.5	6.2	5.7	5.3	5.0	4.5	4.3	4.3	4.3	4.3
LT Interest Bearing Debt	-	-	-	-	-	5.9	4.6	4.4	3.9	3.5	3.3	3.0	3.1	3.1	3.1
Other	8.5	8.5	8.5	8.6	7.9	1.6	1.6	1.3	1.4	1.4	1.2	1.2	1.2	1.2	1.2
<b>Total Liabilities &amp; Equity</b>	55.5	55.6	53.5	49.9	51.4	49.6	50.7	48.6	47.3	48.3	47.3	47.1	47.5	47.3	47.4

### Cherkassyoblenergo (CHON)

#### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>16.4</b>	<b>(5.4)</b>	<b>4.7</b>	<b>6.8</b>	<b>6.4</b>	<b>5.3</b>	<b>5.3</b>	<b>40.7</b>	<b>15.8</b>	<b>13.9</b>	<b>14.3</b>	<b>24.7</b>	<b>26.5</b>	<b>17.2</b>	<b>17.1</b>
Gross Profit	1.8	4.3	1.7	3.5	3.5	2.3	2.1	4.4	3.3	2.5	2.7	3.0	4.8	4.6	3.5
<b>EBITDA</b>	<b>0.7</b>	<b>2.6</b>	<b>1.0</b>	<b>(2.1)</b>	<b>(4.2)</b>	<b>2.4</b>	<b>2.8</b>	<b>(2.5)</b>	<b>3.0</b>	<b>2.0</b>	<b>2.3</b>	<b>1.9</b>	<b>0.2</b>	<b>4.1</b>	<b>3.0</b>
margin, %	4%	-48%	21%	-30%	-66%	46%	53%	-6%	19%	15%	16%	7%	1%	24%	18%
Depreciation	(0.7)	(0.9)	(0.7)	(1.0)	(1.0)	(0.8)	(0.8)	(1.0)	(0.8)	(1.0)	(1.0)	(1.2)	(1.0)	(1.1)	(1.1)
<b>EBIT</b>	<b>(0.0)</b>	<b>1.7</b>	<b>0.3</b>	<b>(3.1)</b>	<b>(5.2)</b>	<b>1.6</b>	<b>2.0</b>	<b>(3.5)</b>	<b>2.2</b>	<b>1.1</b>	<b>1.3</b>	<b>0.7</b>	<b>(0.8)</b>	<b>3.0</b>	<b>2.0</b>
margin, %	0%	-32%	6%	-45%	-81%	30%	38%	-9%	14%	8%	9%	3%	-3%	18%	11%
Interest Expense	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-	(0.0)
Other income/(expense)	(0.3)	(0.0)	0.0	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	(0.2)	0.3	(0.0)	(0.0)	(0.3)	0.0
<b>PBT</b>	<b>(0.3)</b>	<b>1.7</b>	<b>0.3</b>	<b>(3.1)</b>	<b>(5.2)</b>	<b>1.6</b>	<b>2.0</b>	<b>(3.5)</b>	<b>2.2</b>	<b>0.9</b>	<b>1.5</b>	<b>0.7</b>	<b>(0.8)</b>	<b>2.7</b>	<b>2.0</b>
Tax	(0.7)	(0.7)	(0.2)	0.2	(0.5)	(0.4)	(0.3)	(0.3)	(0.6)	(0.1)	(0.4)	(0.6)	(0.8)	(0.8)	(0.5)
Effective tax rate	-248%	40%	95%	7%	-11%	28%	15%	-9%	26%	9%	25%	96%	-101%	27%	26%
<b>Net Income</b>	<b>(0.9)</b>	<b>1.0</b>	<b>0.0</b>	<b>(2.9)</b>	<b>(5.7)</b>	<b>1.1</b>	<b>1.7</b>	<b>(3.8)</b>	<b>1.6</b>	<b>0.8</b>	<b>1.1</b>	<b>0.0</b>	<b>(1.6)</b>	<b>2.0</b>	<b>1.4</b>
Net Margin, %	-6%	-19%	0%	-42%	-90%	22%	31%	-9%	10%	6%	8%	0%	-6%	12%	8%

#### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>23.5</b>	<b>22.6</b>	<b>21.3</b>	<b>21.1</b>	<b>21.6</b>	<b>20.5</b>	<b>19.5</b>	<b>14.6</b>	<b>15.6</b>	<b>15.4</b>	<b>14.5</b>	<b>13.6</b>	<b>14.3</b>	<b>14.0</b>	<b>11.2</b>
Cash & Equivalents	0.9	1.1	0.7	1.3	1.6	1.1	0.7	1.0	1.3	1.2	1.0	1.5	1.1	1.2	0.7
Trade Receivables	16.4	15.3	14.9	14.1	13.6	13.6	13.7	9.4	9.6	9.6	9.2	8.4	8.5	8.0	6.3
Inventories	1.4	1.5	1.5	1.4	1.7	2.1	1.9	1.2	1.5	1.6	1.5	1.3	2.0	2.1	1.8
Other	4.9	4.6	4.2	4.3	4.6	3.7	3.2	2.9	3.2	3.1	2.8	2.4	2.7	2.6	2.4
<b>Fixed Assets</b>	<b>36.9</b>	<b>37.6</b>	<b>38.4</b>	<b>39.2</b>	<b>39.7</b>	<b>40.2</b>	<b>40.9</b>	<b>41.3</b>	<b>41.8</b>	<b>50.1</b>	<b>50.2</b>	<b>50.8</b>	<b>50.9</b>	<b>51.2</b>	<b>52.1</b>
PP&E, net	33.1	33.6	33.6	36.0	36.1	36.6	36.5	38.2	38.1	46.0	45.7	45.6	45.3	45.2	45.5
Other	3.8	4.0	4.8	3.2	3.6	3.6	4.4	3.2	3.7	4.1	4.5	5.2	5.6	6.0	6.6
<b>Total Assets</b>	<b>60.4</b>	<b>60.2</b>	<b>59.7</b>	<b>60.3</b>	<b>61.3</b>	<b>60.7</b>	<b>60.3</b>	<b>55.9</b>	<b>57.4</b>	<b>65.4</b>	<b>64.7</b>	<b>64.4</b>	<b>65.2</b>	<b>65.2</b>	<b>63.4</b>
<b>Shareholders' Equity</b>	<b>15.8</b>	<b>16.9</b>	<b>17.0</b>	<b>14.2</b>	<b>8.5</b>	<b>9.7</b>	<b>11.4</b>	<b>7.6</b>	<b>9.1</b>	<b>16.5</b>	<b>17.2</b>	<b>17.0</b>	<b>15.4</b>	<b>16.9</b>	<b>18.4</b>
Share Capital	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.3	7.3	7.3	7.3	7.3	7.3
Retained Earnings	(41.5)	(40.5)	(40.5)	(43.4)	(49.1)	(48.1)	(46.5)	(50.3)	(49.1)	(50.6)	(49.7)	(49.6)	(51.2)	(49.7)	(48.2)
Other	50.4	50.5	50.5	50.6	50.7	50.8	50.9	51.2	59.7	59.5	59.5	59.3	59.3	59.3	59.3
<b>Current Liabilities</b>	<b>44.4</b>	<b>43.1</b>	<b>42.6</b>	<b>46.0</b>	<b>52.6</b>	<b>50.9</b>	<b>48.8</b>	<b>48.2</b>	<b>48.1</b>	<b>48.8</b>	<b>47.3</b>	<b>47.1</b>	<b>49.5</b>	<b>47.9</b>	<b>44.6</b>
ST Interest Bearing Debt	0.1	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Payables	43.2	41.5	41.5	40.8	40.4	39.2	37.6	36.8	36.4	36.6	35.1	34.5	32.8	30.2	27.9
Other	2.0	2.6	1.9	6.2	13.6	13.0	12.1	12.3	12.9	13.3	13.5	14.0	18.1	19.8	18.2
<b>LT Liabilities</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.4</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>
LT Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.4	0.3	0.3	0.3
<b>Total Liabilities &amp; Equity</b>	<b>60.4</b>	<b>60.2</b>	<b>59.7</b>	<b>60.3</b>	<b>61.3</b>	<b>60.7</b>	<b>60.3</b>	<b>55.9</b>	<b>57.4</b>	<b>65.4</b>	<b>64.7</b>	<b>64.4</b>	<b>65.2</b>	<b>65.2</b>	<b>63.4</b>

### Dniproblenergo (DNON)

#### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>18.0</b>	<b>16.2</b>	<b>19.6</b>	<b>19.0</b>	n/a	<b>38.6</b>	<b>18.6</b>	<b>662.7</b>	<b>194.9</b>	<b>192.8</b>	<b>199.9</b>	<b>252.6</b>	<b>282.2</b>	<b>268.5</b>	<b>286.8</b>
Gross Profit	15.1	12.6	15.9	14.9	n/a	24.3	10.4	(0.2)	8.5	6.3	7.0	2.0	9.1	13.6	17.1
<b>EBITDA</b>	<b>0.7</b>	<b>2.0</b>	<b>8.4</b>	<b>(2.2)</b>	n/a	<b>3.0</b>	<b>1.5</b>	<b>2.4</b>	<b>6.1</b>	<b>5.1</b>	<b>5.6</b>	<b>(1.8)</b>	<b>6.4</b>	<b>7.6</b>	<b>6.6</b>
margin, %	4%	13%	43%	-11%	n/a	8%	8%	0%	3%	3%	3%	-1%	2%	3%	2%
Depreciation	(2.7)	(2.5)	(2.6)	(2.5)	n/a	(5.0)	(2.2)	(2.9)	(2.5)	(3.1)	(3.4)	(3.5)	(3.7)	(3.5)	(4.7)
<b>EBIT</b>	<b>(1.9)</b>	<b>(0.4)</b>	<b>5.8</b>	<b>(4.6)</b>	n/a	<b>(2.0)</b>	<b>(0.7)</b>	<b>(0.5)</b>	<b>3.6</b>	<b>2.1</b>	<b>2.2</b>	<b>(5.3)</b>	<b>2.7</b>	<b>4.1</b>	<b>1.9</b>
margin, %	-11%	-3%	29%	-24%	n/a	-5%	-4%	0%	2%	1%	1%	-2%	1%	2%	1%
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	n/a	(0.2)	-	(0.0)	-	-	-	-	-	(0.0)	-
Other income/(expense)	0.0	0.1	(0.3)	(0.1)	n/a	0.4	0.1	(12.8)	0.0	0.0	(0.1)	0.5	(0.0)	0.2	0.2
<b>PBT</b>	<b>(2.0)</b>	<b>(0.4)</b>	<b>5.5</b>	<b>(4.7)</b>	n/a	<b>(1.8)</b>	<b>(0.6)</b>	<b>(13.3)</b>	<b>3.6</b>	<b>2.1</b>	<b>2.2</b>	<b>(4.8)</b>	<b>2.7</b>	<b>4.3</b>	<b>2.0</b>
Tax	-	(0.0)	(0.1)	(9.7)	n/a	(0.4)	(0.7)	0.6	(1.2)	(1.2)	(2.2)	(0.4)	(1.8)	(2.7)	(1.3)
Effective tax rate	0%	-1%	1%	-207%	n/a	-21%	-106%	5%	33%	55%	100%	-8%	67%	64%	62%
<b>Net Income</b>	<b>(2.0)</b>	<b>(0.4)</b>	<b>5.4</b>	<b>(14.4)</b>	n/a	<b>(2.2)</b>	<b>(1.3)</b>	<b>(12.7)</b>	<b>2.4</b>	<b>1.0</b>	<b>0.0</b>	<b>(5.2)</b>	<b>0.9</b>	<b>1.6</b>	<b>0.8</b>
Net Margin, %	-11%	-2%	28%	-76%	n/a	-6%	-7%	-2%	1%	1%	0%	-2%	0%	1%	0%

#### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>338.3</b>	<b>337.2</b>	<b>347.5</b>	<b>348.4</b>	n/a	<b>336.7</b>	<b>332.7</b>	<b>329.3</b>	<b>341.4</b>	<b>356.1</b>	<b>362.4</b>	<b>351.8</b>	<b>364.3</b>	<b>355.7</b>	<b>323.6</b>
Cash & Equivalents	2.7	3.5	6.5	3.2	n/a	3.5	1.3	1.2	2.1	6.2	3.1	1.4	10.0	6.8	6.9
Trade Receivables	283.5	282.7	286.2	283.2	n/a	272.0	264.2	263.3	275.4	283.4	288.4	278.0	284.6	287.5	264.9
Inventories	11.5	9.8	9.1	10.0	n/a	7.9	8.1	7.8	8.3	8.9	10.2	9.9	11.1	11.7	11.9
Other	40.7	41.2	45.7	51.9	n/a	53.2	59.1	57.1	55.7	57.7	60.7	62.6	58.7	49.8	39.9
<b>Fixed Assets</b>	<b>106.4</b>	<b>105.3</b>	<b>103.8</b>	<b>105.6</b>	n/a	<b>114.7</b>	<b>116.8</b>	<b>114.8</b>	<b>115.9</b>	<b>119.5</b>	<b>121.7</b>	<b>125.6</b>	<b>124.1</b>	<b>128.3</b>	<b>131.4</b>
PP&E, net	96.0	94.8	93.5	93.6	n/a	91.1	90.9	90.1	93.7	96.5	96.8	104.1	103.1	103.2	104.4
Other	10.4	10.5	10.2	12.0	n/a	23.6	25.9	24.7	22.2	23.0	24.8	21.5	21.0	25.2	27.1
<b>Total Assets</b>	<b>444.7</b>	<b>442.5</b>	<b>451.3</b>	<b>453.9</b>	n/a	<b>451.4</b>	<b>449.5</b>	<b>444.1</b>	<b>457.3</b>	<b>475.6</b>	<b>484.1</b>	<b>477.5</b>	<b>488.4</b>	<b>484.1</b>	<b>455.1</b>
<b>Shareholders' Equity</b>	<b>(6.1)</b>	<b>(6.5)</b>	<b>(0.9)</b>	<b>(15.3)</b>	n/a	<b>(17.5)</b>	<b>(18.9)</b>	<b>(31.4)</b>	<b>(29.7)</b>	<b>(30.2)</b>	<b>(30.3)</b>	<b>(37.8)</b>	<b>(36.8)</b>	<b>(35.7)</b>	<b>(35.3)</b>
Share Capital	11.2	11.2	11.2	11.2	n/a	11.3	11.3	11.3	11.3	11.9	11.9	11.9	11.9	11.9	11.9
Retained Earnings	(79.2)	(79.6)	(73.9)	(88.2)	n/a	(90.5)	(92.1)	(104.8)	(103.4)	(107.4)	(105.6)	(112.7)	(111.8)	(110.8)	(110.5)
Other	61.9	61.9	61.8	61.7	n/a	61.8	61.9	62.1	62.4	65.3	63.4	63.0	63.1	63.2	63.3
<b>Current Liabilities</b>	<b>450.8</b>	<b>449.0</b>	<b>452.2</b>	<b>460.5</b>	n/a	<b>462.3</b>	<b>461.7</b>	<b>469.7</b>	<b>481.2</b>	<b>499.7</b>	<b>508.3</b>	<b>509.5</b>	<b>519.5</b>	<b>514.1</b>	<b>484.6</b>
ST Interest Bearing Debt	1.0	-	-	-	n/a	-	-	-	-	-	-	-	-	-	-
Trade Payables	432.7	430.7	433.2	439.0	n/a										

## Donetskoblenergo (DOON)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>91.6</b>	<b>64.1</b>	<b>58.6</b>	<b>(167.4)</b>	<b>21.9</b>	<b>4.3</b>	<b>11.7</b>	<b>231.3</b>	<b>80.2</b>	<b>67.2</b>	<b>69.5</b>	<b>92.2</b>	<b>104.1</b>	<b>85.4</b>	<b>86.9</b>
Gross Profit	(9.6)	(1.4)	(4.7)	33.3	13.5	(2.1)	5.1	(41.6)	(10.8)	1.7	4.8	(6.2)	(16.1)	(1.8)	2.7
<b>EBITDA</b>	<b>(10.1)</b>	<b>(1.4)</b>	<b>(4.7)</b>	<b>(19.8)</b>	<b>(22.7)</b>	<b>(34.3)</b>	<b>0.6</b>	<b>(14.2)</b>	<b>(14.4)</b>	<b>(1.4)</b>	<b>1.5</b>	<b>(9.8)</b>	<b>(19.5)</b>	<b>(4.5)</b>	<b>(4.2)</b>
margin, %	-11%	-2%	-8%	12%	-104%	-792%	5%	-6%	-18%	-2%	2%	-11%	-19%	-5%	-5%
Depreciation	(1.9)	(1.9)	(1.9)	(1.9)	(2.1)	(2.0)	(2.1)	(3.1)	(2.3)	(2.6)	(2.5)	(2.7)	(2.5)	(2.4)	(2.3)
<b>EBIT</b>	<b>(12.0)</b>	<b>(3.3)</b>	<b>(6.6)</b>	<b>(21.7)</b>	<b>(24.8)</b>	<b>(36.4)</b>	<b>(1.5)</b>	<b>(17.3)</b>	<b>(16.8)</b>	<b>(3.9)</b>	<b>(1.0)</b>	<b>(12.4)</b>	<b>(22.0)</b>	<b>(6.9)</b>	<b>(6.5)</b>
margin, %	-13%	-5%	-11%	13%	-113%	-839%	-13%	-7%	-21%	-6%	-1%	-13%	-21%	-8%	-8%
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)	(0.3)
Other income/(expense)	0.0	(0.0)	0.1	0.3	0.1	0.0	0.2	(0.1)	0.5	0.6	0.6	0.5	0.4	0.5	0.6
<b>PBT</b>	<b>(12.0)</b>	<b>(3.4)</b>	<b>(6.6)</b>	<b>(21.5)</b>	<b>(24.8)</b>	<b>(36.4)</b>	<b>(1.4)</b>	<b>(17.5)</b>	<b>(16.4)</b>	<b>(3.6)</b>	<b>(0.7)</b>	<b>(12.2)</b>	<b>(22.0)</b>	<b>(6.7)</b>	<b>(6.2)</b>
Tax	-	-	-	-	-	-	-	(0.1)	-	(0.0)	(0.0)	(0.3)	-	-	-
Effective tax rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	-1%	-2%	0%	0%	0%
<b>Net Income</b>	<b>(12.0)</b>	<b>(3.4)</b>	<b>(6.6)</b>	<b>(21.5)</b>	<b>(25.1)</b>	<b>(36.4)</b>	<b>(1.4)</b>	<b>(17.5)</b>	<b>(16.4)</b>	<b>(3.6)</b>	<b>(0.7)</b>	<b>(12.5)</b>	<b>(22.0)</b>	<b>(6.7)</b>	<b>(6.2)</b>
Net Margin, %	-13%	-5%	-11%	13%	-115%	-839%	-12%	-8%	-20%	-5%	-1%	-14%	-21%	-8%	-7%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>519.5</b>	<b>531.3</b>	<b>543.3</b>	<b>562.8</b>	<b>568.6</b>	<b>546.0</b>	<b>551.0</b>	<b>555.7</b>	<b>570.3</b>	<b>599.7</b>	<b>602.1</b>	<b>598.5</b>	<b>617.0</b>	<b>619.0</b>	<b>576.8</b>
Cash & Equivalents	0.7	1.3	0.9	0.7	0.6	0.8	0.6	1.0	0.6	2.6	0.7	2.5	0.2	2.1	0.3
Trade Receivables	469.6	480.3	491.8	507.6	513.9	489.2	500.2	504.3	517.2	543.7	549.6	544.4	561.8	564.5	526.2
Inventories	10.8	10.8	11.3	12.0	11.0	11.0	11.2	11.6	12.8	13.3	13.0	14.0	13.8	13.6	13.6
Other	38.4	38.9	39.2	42.6	43.0	44.9	39.0	39.2	40.8	40.6	38.5	38.7	41.0	38.7	36.7
<b>Fixed Assets</b>	<b>106.5</b>	<b>105.5</b>	<b>105.6</b>	<b>105.8</b>	<b>106.3</b>	<b>104.8</b>	<b>104.1</b>	<b>103.6</b>	<b>103.0</b>	<b>106.7</b>	<b>106.1</b>	<b>107.3</b>	<b>107.1</b>	<b>109.4</b>	<b>108.4</b>
PP&E, net	91.6	91.1	90.3	89.7	89.4	87.7	95.4	95.5	94.9	98.1	97.8	98.2	97.1	97.8	96.2
Other	14.8	14.5	15.3	16.0	16.9	17.1	8.6	8.1	8.1	8.6	8.2	9.1	10.0	11.6	12.2
<b>Total Assets</b>	<b>625.9</b>	<b>636.8</b>	<b>648.9</b>	<b>668.6</b>	<b>674.8</b>	<b>650.8</b>	<b>655.1</b>	<b>659.3</b>	<b>673.3</b>	<b>706.4</b>	<b>708.2</b>	<b>705.8</b>	<b>724.1</b>	<b>728.4</b>	<b>685.2</b>
<b>Shareholders' Equity</b>	<b>(13.9)</b>	<b>(17.2)</b>	<b>(23.1)</b>	<b>(44.6)</b>	<b>(68.7)</b>	<b>(105.6)</b>	<b>(107.1)</b>	<b>(124.7)</b>	<b>(141.8)</b>	<b>(151.9)</b>	<b>(152.9)</b>	<b>(165.4)</b>	<b>(187.5)</b>	<b>(191.6)</b>	<b>(198.3)</b>
Share Capital	15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.5	16.2	16.2	16.2	16.2	16.2	16.2
Retained Earnings	(119.0)	(122.3)	(128.9)	(150.4)	(175.6)	(212.3)	(214.2)	(231.9)	(249.5)	(264.3)	(265.3)	(277.8)	(299.7)	(306.5)	(312.7)
Other	89.7	89.8	90.5	90.5	91.5	91.4	91.7	91.8	92.2	96.2	96.2	96.1	96.0	98.7	98.2
<b>Current Liabilities</b>	<b>635.6</b>	<b>649.9</b>	<b>668.0</b>	<b>709.4</b>	<b>739.9</b>	<b>752.8</b>	<b>750.6</b>	<b>772.7</b>	<b>804.2</b>	<b>847.3</b>	<b>850.4</b>	<b>867.7</b>	<b>901.4</b>	<b>910.2</b>	<b>874.0</b>
ST Interest Bearing Debt	0.9	0.9	0.9	1.9	1.7	1.7	3.0	2.6	6.2	5.5	6.2	7.4	7.2	6.9	7.4
Trade Payables	616.8	629.4	647.8	684.3	714.5	728.0	733.8	756.5	783.7	826.7	828.5	837.6	878.0	885.5	848.2
Other	19.0	21.9	21.5	24.9	26.2	25.6	15.1	15.2	15.9	17.0	17.9	18.0	18.4	22.0	22.6
<b>LT Liabilities</b>	<b>4.2</b>	<b>4.1</b>	<b>3.9</b>	<b>3.8</b>	<b>3.7</b>	<b>3.6</b>	<b>11.6</b>	<b>11.2</b>	<b>10.9</b>	<b>11.0</b>	<b>10.6</b>	<b>10.5</b>	<b>10.2</b>	<b>9.8</b>	<b>9.5</b>
LT Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	4.2	4.1	3.9	3.8	3.7	3.6	11.6	11.2	10.9	11.0	10.6	10.5	10.2	9.8	9.5
<b>Total Liabilities &amp; Equity</b>	<b>625.9</b>	<b>636.8</b>	<b>648.9</b>	<b>668.6</b>	<b>674.8</b>	<b>650.8</b>	<b>655.1</b>	<b>659.3</b>	<b>673.3</b>	<b>706.4</b>	<b>708.2</b>	<b>705.8</b>	<b>724.1</b>	<b>728.4</b>	<b>685.2</b>

## Kharkivoblenergo (HAON)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>40.7</b>	<b>(18.3)</b>	<b>9.9</b>	<b>12.6</b>	<b>12.1</b>	<b>9.4</b>	<b>109.8</b>	<b>49.0</b>	<b>54.3</b>	<b>41.7</b>	<b>43.3</b>	<b>54.5</b>	<b>60.1</b>	<b>47.5</b>	<b>48.0</b>
Gross Profit	(0.6)	14.7	4.9	5.6	6.0	3.1	5.6	4.5	4.4	5.0	4.5	5.1	7.1	7.5	4.3
<b>EBITDA</b>	<b>(1.8)</b>	<b>2.9</b>	<b>2.6</b>	<b>(23.2)</b>	<b>1.0</b>	<b>0.5</b>	<b>1.3</b>	<b>(14.3)</b>	<b>1.1</b>	<b>5.0</b>	<b>3.1</b>	<b>5.0</b>	<b>4.0</b>	<b>9.0</b>	<b>4.3</b>
margin, %	-4%	-16%	26%	-184%	8%	5%	1%	-29%	2%	12%	7%	9%	7%	19%	9%
Depreciation	(9.9)	(6.9)	(7.0)	9.5	(2.4)	(2.3)	(2.4)	(2.5)	(1.4)	(3.2)	(2.4)	(2.1)	(2.3)	(2.3)	(2.3)
<b>EBIT</b>	<b>(11.6)</b>	<b>(4.0)</b>	<b>(4.4)</b>	<b>(13.7)</b>	<b>(1.3)</b>	<b>(1.8)</b>	<b>(1.1)</b>	<b>(16.7)</b>	<b>(0.3)</b>	<b>1.8</b>	<b>0.7</b>	<b>2.9</b>	<b>1.7</b>	<b>6.8</b>	<b>2.0</b>
margin, %	-29%	-22%	-45%	-109%	-11%	-19%	-1%	-34%	-1%	4%	2%	5%	3%	14%	4%
Interest Expense	(0.1)	(0.0)	(0.0)	0.0	-	-	(0.0)	(0.0)	(0.0)	-	-	-	-	(0.0)	-
Other income/(expense)	0.0	(0.3)	0.1	(2.9)	0.1	0.2	0.0	0.6	0.5	0.3	0.3	(0.4)	0.1	0.2	0.2
<b>PBT</b>	<b>(11.6)</b>	<b>(4.3)</b>	<b>(4.3)</b>	<b>(16.6)</b>	<b>(1.2)</b>	<b>(1.6)</b>	<b>(1.1)</b>	<b>(16.2)</b>	<b>0.2</b>	<b>2.0</b>	<b>0.9</b>	<b>2.5</b>	<b>1.8</b>	<b>7.0</b>	<b>2.2</b>
Tax	-	-	-	-	(1.1)	(0.2)	(0.8)	2.1	(0.0)	(0.5)	(0.2)	(2.2)	(1.1)	(6.9)	(1.0)
Effective tax rate	0%	0%	0%	0%	-91%	-11%	-71%	13%	20%	23%	25%	91%	59%	98%	44%
<b>Net Income</b>	<b>(11.6)</b>	<b>(4.3)</b>	<b>(4.3)</b>	<b>(16.6)</b>	<b>(2.3)</b>	<b>(1.8)</b>	<b>(1.9)</b>	<b>(14.1)</b>	<b>0.2</b>	<b>1.6</b>	<b>0.7</b>	<b>0.2</b>	<b>0.8</b>	<b>0.1</b>	<b>1.2</b>
Net Margin, %	-29%	23%	-43%	-131%	-19%	-19%	-2%	-29%	0%	4%	2%	0%	1%	0%	3%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>129.2</b>	<b>131.2</b>	<b>136.2</b>	<b>111.8</b>	<b>116.8</b>	<b>113.5</b>	<b>106.5</b>	<b>88.1</b>	<b>90.7</b>	<b>91.5</b>	<b>87.7</b>	<b>80.0</b>	<b>85.4</b>	<b>83.0</b>	<b>53.6</b>
Cash & Equivalents	2.2	1.9	0.4	1.3	2.5	2.3	2.0	3.5	1.1	2.6	4.2	2.0	5.0	5.2	2.7
Trade Receivables	113.2	114.1	122.4	94.8	91.8	90.2	88.4	69.0	73.9	75.5	73.7	68.0	70.2	67.7	41.3
Inventories	2.6	5.1	3.2	7.4	14.5	13.3	8.1	10.0	4.1	4.4	4.2	5.0	5.3	5.1	4.6
Other	11.3	10.1	10.2	8.4	8.1	7.7	7.9	5.6	11.6	9.0	5.5	5.0	5.0	5.1	5.0
<b>Fixed Assets</b>	<b>177.2</b>	<b>171.5</b>	<b>167.4</b>	<b>165.6</b>	<b>164.6</b>	<b>165.1</b>	<b>172.3</b>	<b>167.3</b>	<b>162.0</b>	<b>168.6</b>	<b>167.1</b>	<b>167.2</b>	<b>167.7</b>	<b>169.5</b>	<b>170.2</b>
PP&E, net	173.6	167.4	162.4	153.7	151.9	152.2	151.8	152.1	150.4	155.8	155.5	157.2	156.3	155.5	156.3
Other	3.5	4.2	4.9	11.9	12.7	13.0	20.5	15.2	11.6	12.7	11.6	10.0	11.3	14.0	13.9
<b>Total Assets</b>	<b>306.4</b>	<b>302.7</b>	<b>303.5</b>	<b>277.4</b>	<b>281.4</b>	<b>278.6</b>	<b>278.8</b>	<b>255.5</b>	<b>252.7</b>	<b>260.1</b>	<b>254.7</b>	<b>247.2</b>	<b>253.1</b>	<b>252.5</b>	<b>223.7</b>
<b>Shareholders' Equity</b>	<b>151.2</b>	<b>146.8</b>	<b>142.3</b>	<b>116.2</b>	<b>114.2</b>	<b>113.9</b>	<b>112.9</b>	<b>73.8</b>	<b>74.3</b>	<b>78.8</b>	<b>79.5</b>	<b>81.2</b>	<b>82.0</b>	<b>81.5</b>	<b>82.8</b>
Share Capital	12.0	12.0	12.0	12.0	12.0	12.1	12.1	12.1	12.1	12.7	12.7	12.7	12.7	12.7	12.7
Retained Earnings	(27.1)	(30.6)	(34.8)	(43.6)	(45.6)	(47.3)	(47.8)	(37.0)	(35.3)	(34.1)	(32.2)	(30.8)	(28.9)	(28.9)	(26.7)
Other	166.3	165.4	165.1	147.8	147.7	149.2	148.6	98.7	97.4	100.2	99.0	99.2	98.2	97.7	96.8
<b>Current Liabilities</b>	<b>155.2</b>	<b>155.9&lt;/</b>													

## Khmelnitskoblenergo (HMON)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>12.5</b>	<b>9.9</b>	<b>11.3</b>	<b>13.0</b>	<b>13.6</b>	<b>11.4</b>	<b>12.0</b>	<b>14.4</b>	<b>14.7</b>	<b>12.8</b>	<b>14.1</b>	<b>18.0</b>	<b>18.8</b>	<b>15.3</b>	<b>16.6</b>
Gross Profit	1.0	2.0	2.3	1.5	1.3	2.0	2.2	1.8	2.7	1.5	3.3	2.0	3.0	3.1	2.5
<b>EBITDA</b>	<b>0.5</b>	<b>1.5</b>	<b>1.9</b>	<b>(0.5)</b>	<b>0.2</b>	<b>1.5</b>	<b>1.4</b>	<b>0.3</b>	<b>1.6</b>	<b>0.0</b>	<b>2.1</b>	<b>1.5</b>	<b>2.0</b>	<b>2.1</b>	<b>1.6</b>
<i>margin, %</i>	<i>4%</i>	<i>15%</i>	<i>16%</i>	<i>-4%</i>	<i>1%</i>	<i>13%</i>	<i>11%</i>	<i>2%</i>	<i>11%</i>	<i>0%</i>	<i>15%</i>	<i>8%</i>	<i>10%</i>	<i>14%</i>	<i>10%</i>
Depreciation	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.7)	(0.9)	(0.7)	(0.8)	0.3	(1.4)	(0.6)	(1.4)	(1.3)	(1.3)
<b>EBIT</b>	<b>(0.2)</b>	<b>0.8</b>	<b>1.2</b>	<b>(1.2)</b>	<b>(0.6)</b>	<b>0.8</b>	<b>0.5</b>	<b>(0.4)</b>	<b>0.8</b>	<b>0.3</b>	<b>0.7</b>	<b>0.9</b>	<b>0.5</b>	<b>0.9</b>	<b>0.3</b>
<i>margin, %</i>	<i>-2%</i>	<i>8%</i>	<i>10%</i>	<i>-10%</i>	<i>-4%</i>	<i>7%</i>	<i>4%</i>	<i>-3%</i>	<i>5%</i>	<i>3%</i>	<i>5%</i>	<i>5%</i>	<i>3%</i>	<i>6%</i>	<i>2%</i>
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Other income/(expense)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	(0.0)	(0.3)	0.1	0.0	0.1
<b>PBT</b>	<b>(0.2)</b>	<b>0.8</b>	<b>1.2</b>	<b>(1.3)</b>	<b>(0.6)</b>	<b>0.8</b>	<b>0.5</b>	<b>(0.3)</b>	<b>0.8</b>	<b>0.4</b>	<b>0.7</b>	<b>0.6</b>	<b>0.6</b>	<b>0.9</b>	<b>0.4</b>
Tax	-	-	(0.2)	0.0	-	(0.0)	0.0	(0.1)	(0.2)	(0.2)	(0.3)	(0.3)	(0.1)	(0.1)	(0.3)
<i>Effective tax rate</i>	<i>0%</i>	<i>0%</i>	<i>15%</i>	<i>1%</i>	<i>0%</i>	<i>6%</i>	<i>-10%</i>	<i>-42%</i>	<i>26%</i>	<i>38%</i>	<i>39%</i>	<i>53%</i>	<i>10%</i>	<i>11%</i>	<i>68%</i>
<b>Net Income</b>	<b>(0.3)</b>	<b>0.7</b>	<b>0.9</b>	<b>(1.3)</b>	<b>(0.6)</b>	<b>0.7</b>	<b>0.5</b>	<b>(0.5)</b>	<b>0.6</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.5</b>	<b>0.8</b>	<b>0.1</b>
<i>Net Margin, %</i>	<i>-2%</i>	<i>7%</i>	<i>8%</i>	<i>-10%</i>	<i>-5%</i>	<i>6%</i>	<i>4%</i>	<i>-4%</i>	<i>4%</i>	<i>2%</i>	<i>2%</i>	<i>1%</i>	<i>3%</i>	<i>5%</i>	<i>1%</i>

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>24.3</b>	<b>24.9</b>	<b>25.7</b>	<b>23.0</b>	<b>22.9</b>	<b>22.9</b>	<b>22.4</b>	<b>21.5</b>	<b>22.1</b>	<b>21.9</b>	<b>21.6</b>	<b>20.2</b>	<b>20.7</b>	<b>20.8</b>	<b>17.5</b>
Cash & Equivalents	0.1	0.6	1.0	0.4	0.6	0.8	0.7	0.4	0.8	0.8	0.6	0.2	0.5	1.1	0.5
Trade Receivables	18.9	19.0	19.6	17.6	17.2	17.1	16.5	16.1	16.3	16.0	15.9	15.2	15.5	15.0	12.3
Inventories	1.7	1.8	1.8	1.7	1.7	1.6	1.7	1.8	1.9	1.9	2.0	1.9	2.0	2.0	2.1
Other	3.6	3.6	3.3	3.3	3.3	3.4	3.5	3.3	3.1	3.3	3.1	2.9	2.7	2.7	2.6
<b>Fixed Assets</b>	<b>35.6</b>	<b>35.6</b>	<b>35.9</b>	<b>37.3</b>	<b>40.3</b>	<b>40.5</b>	<b>40.5</b>	<b>66.2</b>	<b>66.3</b>	<b>69.1</b>	<b>69.0</b>	<b>68.6</b>	<b>68.4</b>	<b>68.0</b>	<b>67.8</b>
PP&E, net	32.4	32.4	32.4	34.9	37.6	37.7	37.6	63.3	63.0	65.1	64.9	64.5	64.1	63.6	63.3
Other	3.2	3.3	3.5	2.5	2.7	2.8	2.9	2.9	3.3	3.9	4.1	4.1	4.3	4.4	4.5
<b>Total Assets</b>	<b>59.9</b>	<b>60.5</b>	<b>61.5</b>	<b>60.3</b>	<b>63.2</b>	<b>63.4</b>	<b>62.9</b>	<b>87.7</b>	<b>88.3</b>	<b>91.0</b>	<b>90.6</b>	<b>88.8</b>	<b>89.0</b>	<b>88.8</b>	<b>85.3</b>
<b>Shareholders' Equity</b>	<b>26.8</b>	<b>27.2</b>	<b>28.0</b>	<b>26.8</b>	<b>29.1</b>	<b>29.9</b>	<b>30.4</b>	<b>54.8</b>	<b>55.1</b>	<b>57.1</b>	<b>56.7</b>	<b>55.4</b>	<b>55.7</b>	<b>55.7</b>	<b>56.0</b>
Share Capital	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.4	6.7	6.7	6.7	6.7	6.7	6.7
Retained Earnings	(3.7)	(3.4)	(2.5)	(3.2)	(3.8)	(3.1)	(2.6)	(3.1)	(1.2)	(1.0)	0.4	0.3	0.6	0.6	0.8
Other	24.2	24.3	24.3	23.6	26.5	26.7	26.6	51.6	50.0	51.4	49.6	48.4	48.4	48.5	48.5
<b>Current Liabilities</b>	<b>33.1</b>	<b>33.4</b>	<b>33.5</b>	<b>33.5</b>	<b>34.1</b>	<b>33.5</b>	<b>32.5</b>	<b>32.9</b>	<b>33.2</b>	<b>33.9</b>	<b>34.0</b>	<b>33.5</b>	<b>33.3</b>	<b>33.1</b>	<b>29.3</b>
ST Interest Bearing Debt	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.6	0.8	0.9	0.9	1.2	0.6	1.1	1.1
Trade Payables	30.4	29.3	29.4	29.5	30.2	28.9	28.2	28.8	28.5	29.5	28.9	28.4	28.6	27.4	23.8
Other	2.4	3.9	3.9	3.8	3.7	4.3	4.1	4.2	4.9	4.2	4.9	4.9	5.3	5.6	5.3
<b>LT Liabilities</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
LT Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities &amp; Equity</b>	<b>59.9</b>	<b>60.5</b>	<b>61.5</b>	<b>60.3</b>	<b>63.2</b>	<b>63.4</b>	<b>62.9</b>	<b>87.7</b>	<b>88.3</b>	<b>91.0</b>	<b>90.6</b>	<b>88.8</b>	<b>89.0</b>	<b>88.8</b>	<b>85.3</b>

## Khersonoblenergo (HOEN)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>17.5</b>	<b>14.3</b>	<b>14.8</b>	<b>25.1</b>	<b>18.9</b>	<b>16.7</b>	<b>17.6</b>	<b>19.2</b>	<b>18.6</b>	<b>17.4</b>	<b>22.0</b>	<b>19.3</b>	<b>23.4</b>	<b>19.1</b>	<b>24.8</b>
Gross Profit	3.3	4.2	4.4	4.3	3.3	3.2	2.5	2.4	2.0	3.3	3.6	2.7	3.9	3.8	3.3
<b>EBITDA</b>	<b>(4.0)</b>	<b>3.9</b>	<b>4.1</b>	<b>(0.4)</b>	<b>2.5</b>	<b>1.7</b>	<b>2.0</b>	<b>0.5</b>	<b>1.2</b>	<b>2.8</b>	<b>2.9</b>	<b>2.2</b>	<b>3.2</b>	<b>3.0</b>	<b>2.0</b>
<i>margin, %</i>	<i>-23%</i>	<i>27%</i>	<i>28%</i>	<i>-2%</i>	<i>13%</i>	<i>10%</i>	<i>11%</i>	<i>3%</i>	<i>6%</i>	<i>16%</i>	<i>13%</i>	<i>11%</i>	<i>14%</i>	<i>16%</i>	<i>8%</i>
Depreciation	(1.1)	(1.3)	(1.3)	(1.5)	(1.5)	(1.3)	(1.5)	(1.4)	(1.2)	(1.2)	(1.4)	(1.4)	(1.2)	(1.2)	(1.3)
<b>EBIT</b>	<b>(5.1)</b>	<b>2.7</b>	<b>2.8</b>	<b>(1.9)</b>	<b>1.0</b>	<b>0.3</b>	<b>0.5</b>	<b>(0.9)</b>	<b>(0.0)</b>	<b>1.7</b>	<b>1.4</b>	<b>0.8</b>	<b>1.9</b>	<b>1.8</b>	<b>0.7</b>
<i>margin, %</i>	<i>-29%</i>	<i>19%</i>	<i>19%</i>	<i>-8%</i>	<i>5%</i>	<i>2%</i>	<i>3%</i>	<i>-5%</i>	<i>0%</i>	<i>9%</i>	<i>6%</i>	<i>4%</i>	<i>8%</i>	<i>10%</i>	<i>3%</i>
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)
Other income/(expense)	0.3	(0.1)	0.1	(0.0)	(0.8)	(1.5)	(0.0)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	0.1	(0.1)	0.0
<b>PBT</b>	<b>(4.8)</b>	<b>2.5</b>	<b>2.8</b>	<b>(2.0)</b>	<b>0.1</b>	<b>(1.3)</b>	<b>0.4</b>	<b>(1.0)</b>	<b>(0.2)</b>	<b>1.5</b>	<b>1.2</b>	<b>0.6</b>	<b>2.0</b>	<b>1.7</b>	<b>0.7</b>
Tax	-	-	-	-	-	-	(0.0)	(0.1)	(0.1)	(0.6)	(0.9)	(0.6)	(0.5)	(0.5)	(0.6)
<i>Effective tax rate</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>9%</i>	<i>-8%</i>	<i>-72%</i>	<i>37%</i>	<i>70%</i>	<i>97%</i>	<i>24%</i>	<i>30%</i>	<i>85%</i>
<b>Net Income</b>	<b>(4.8)</b>	<b>2.5</b>	<b>2.8</b>	<b>(2.0)</b>	<b>0.1</b>	<b>(1.2)</b>	<b>0.4</b>	<b>(1.1)</b>	<b>(0.3)</b>	<b>1.0</b>	<b>0.4</b>	<b>0.0</b>	<b>1.5</b>	<b>1.2</b>	<b>0.1</b>
<i>Net Margin, %</i>	<i>-28%</i>	<i>17%</i>	<i>19%</i>	<i>-8%</i>	<i>1%</i>	<i>-8%</i>	<i>2%</i>	<i>-6%</i>	<i>-1%</i>	<i>6%</i>	<i>2%</i>	<i>0%</i>	<i>6%</i>	<i>6%</i>	<i>0%</i>

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>78.6</b>	<b>79.1</b>	<b>82.8</b>	<b>80.2</b>	<b>81.2</b>	<b>82.1</b>	<b>82.6</b>	<b>84.0</b>	<b>80.4</b>	<b>87.0</b>	<b>86.8</b>	<b>83.8</b>	<b>85.6</b>	<b>89.3</b>	<b>83.9</b>
Cash & Equivalents	0.4	1.1	0.7	0.9	0.3	0.7	1.2	1.2	1.2	1.5	3.5	3.1	3.0	3.9	2.1
Trade Receivables	62.8	64.6	66.0	64.6	67.3	68.7	68.8	68.9	69.5	73.0	71.8	70.7	72.8	72.6	69.3
Inventories	3.3	4.0	4.6	3.5	4.3	4.0	4.1	4.6	3.4	5.3	4.5	4.3	4.7	7.6	8.2
Other	12.1	9.4	11.4	11.2	9.2	8.7	8.5	9.3	6.2	7.1	7.0	5.7	5.1	5.2	4.3
<b>Fixed Assets</b>	<b>59.5</b>	<b>59.0</b>	<b>58.8</b>	<b>60.1</b>	<b>58.8</b>	<b>56.5</b>	<b>55.9</b>	<b>54.5</b>	<b>53.9</b>	<b>56.0</b>	<b>55.5</b>	<b>56.0</b>	<b>55.2</b>	<b>54.9</b>	<b>54.4</b>
PP&E, net	55.1	54.8	54.6	55.6	54.2	52.1	51.5	51.5	50.6	52.4	51.8	53.1	52.5	52.2	51.9
Other	4.4	4.2	4.2	4.5	4.7	4.5	4.3	3.4	3.3	3.7	3.7	2.9	2.7	2.7	2.5
<b>Total Assets</b>	<b>138.1</b>	<b>138.1</b>	<b>141.6</b>	<b>140.4</b>	<b>140.0</b>	<b>138.6</b>	<b>138.5</b>	<b>138.6</b>	<b>134.3</b>	<b>143.0</b>	<b>142.3</b>	<b>139.8</b>	<b>140.8</b>	<b>144.2</b>	<b>138.4</b>
<b>Shareholders' Equity</b>	<b>31.6</b>	<b>34.1</b>	<b>36.5</b>	<b>34.8</b>	<b>34.9</b>	<b>33.7</b>	<b>34.0</b>	<b>32.4</b>	<b>32.2</b>	<b>34.8</b>	<b>36.4</b>	<b>35.8</b>	<b>37.4</b>	<b>38.5</b>	<b>38.7</b>
Share Capital	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.7	6.0	6.0	6.0	6.0	6.1
Retained Earnings	(33.8)	(31.3)	(28.9)	(30.6)	(30.5)	(31.8)	(31.7)	(33.3)	(33.8)	(34.1)	(33.7)	(34.3)	(32.7)	(31.6)	(31.5)
Other	60.9	60.9	61.0	60.9	61.0	61.1	61.2	61.2	61.5						

## Kirovogradblenergo (KION)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>15.9</b>	<b>12.0</b>	<b>12.9</b>	<b>18.1</b>	<b>19.7</b>	<b>12.1</b>	<b>11.1</b>	<b>14.3</b>	<b>15.0</b>	<b>12.9</b>	<b>13.2</b>	<b>16.4</b>	<b>19.5</b>	<b>15.3</b>	<b>15.2</b>
Gross Profit	1.7	2.9	1.9	2.8	3.3	1.6	1.6	2.4	3.8	3.2	3.2	2.7	4.9	4.7	4.1
<b>EBITDA</b>	<b>1.2</b>	<b>3.0</b>	<b>2.3</b>	<b>2.9</b>	<b>3.5</b>	<b>1.7</b>	<b>2.4</b>	<b>0.5</b>	<b>3.7</b>	<b>2.8</b>	<b>2.8</b>	<b>0.0</b>	<b>4.4</b>	<b>2.5</b>	<b>4.0</b>
margin, %	7%	25%	18%	16%	18%	14%	22%	3%	25%	22%	21%	0%	23%	17%	26%
Depreciation	(2.9)	(2.5)	(2.5)	(2.5)	(2.3)	(2.4)	(2.6)	(2.5)	(2.4)	(2.4)	(2.5)	0.2	(1.5)	(1.6)	(1.7)
<b>EBIT</b>	<b>(1.7)</b>	<b>0.4</b>	<b>(0.3)</b>	<b>0.3</b>	<b>1.3</b>	<b>(0.7)</b>	<b>(0.2)</b>	<b>(2.0)</b>	<b>1.3</b>	<b>0.4</b>	<b>0.2</b>	<b>0.2</b>	<b>2.9</b>	<b>0.9</b>	<b>2.3</b>
margin, %	-11%	4%	-2%	2%	6%	-6%	-2%	-14%	8%	3%	2%	1%	15%	6%	15%
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(1.9)	(0.0)	1.9	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(1.4)
Other income/(expense)	(0.1)	0.0	0.2	(0.4)	1.8	0.0	(1.7)	0.1	(0.1)	0.0	0.1	0.4	(0.0)	(0.1)	0.1
<b>PBT</b>	<b>(1.8)</b>	<b>0.4</b>	<b>(0.0)</b>	<b>(0.1)</b>	<b>1.2</b>	<b>(0.7)</b>	<b>(0.0)</b>	<b>(2.0)</b>	<b>1.1</b>	<b>0.4</b>	<b>0.2</b>	<b>0.5</b>	<b>2.8</b>	<b>0.7</b>	<b>0.9</b>
Tax	(0.5)	(0.7)	(0.7)	1.8	(0.5)	(0.5)	-	1.1	(0.5)	(0.8)	(0.7)	0.3	(0.7)	(0.3)	(0.9)
Effective tax rate	-26%	148%	-1351%	1952%	45%	-76%	0%	54%	48%	179%	281%	-54%	24%	41%	96%
<b>Net Income</b>	<b>(2.3)</b>	<b>(0.2)</b>	<b>(0.7)</b>	<b>1.7</b>	<b>0.7</b>	<b>(1.2)</b>	<b>(0.0)</b>	<b>(0.9)</b>	<b>0.6</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>0.7</b>	<b>2.1</b>	<b>0.4</b>	<b>0.0</b>
Net Margin, %	-15%	-2%	-5%	9%	3%	-10%	0%	-6%	4%	-3%	-3%	5%	11%	3%	0%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>22.6</b>	<b>23.9</b>	<b>27.1</b>	<b>20.6</b>	<b>21.8</b>	<b>21.6</b>	<b>20.9</b>	<b>18.7</b>	<b>18.5</b>	<b>19.4</b>	<b>19.3</b>	<b>14.2</b>	<b>16.8</b>	<b>16.0</b>	<b>12.0</b>
Cash & Equivalents	1.5	2.7	2.5	2.1	2.9	1.6	1.4	0.4	1.0	0.3	0.1	1.4	0.3	0.3	1.3
Trade Receivables	12.4	12.1	15.5	11.1	10.5	12.1	11.8	11.9	11.3	11.0	11.0	8.5	10.2	8.1	5.0
Inventories	1.6	2.6	2.3	1.8	2.6	2.5	3.2	1.9	3.0	4.0	4.0	2.4	3.8	5.2	4.5
Other	7.1	6.4	6.8	5.5	5.8	5.6	5.2	3.2	4.2	5.0	4.2	1.8	2.5	2.4	1.2
<b>Fixed Assets</b>	<b>85.3</b>	<b>83.7</b>	<b>82.0</b>	<b>82.9</b>	<b>81.5</b>	<b>80.1</b>	<b>79.4</b>	<b>80.8</b>	<b>79.7</b>	<b>81.9</b>	<b>80.8</b>	<b>76.8</b>	<b>77.0</b>	<b>78.2</b>	<b>84.5</b>
PP&E, net	79.6	78.1	76.8	75.6	74.7	73.4	71.8	70.7	69.2	70.2	69.3	71.6	70.7	69.8	69.1
Other	5.6	5.6	5.2	7.3	6.8	6.7	7.6	10.2	10.5	11.7	11.4	5.2	6.3	8.4	15.5
<b>Total Assets</b>	<b>107.9</b>	<b>107.6</b>	<b>109.1</b>	<b>103.5</b>	<b>103.3</b>	<b>101.8</b>	<b>100.4</b>	<b>99.5</b>	<b>98.1</b>	<b>101.3</b>	<b>100.0</b>	<b>91.0</b>	<b>93.8</b>	<b>94.2</b>	<b>96.5</b>
<b>Shareholders' Equity</b>	<b>79.1</b>	<b>78.9</b>	<b>78.2</b>	<b>79.9</b>	<b>80.5</b>	<b>79.4</b>	<b>79.6</b>	<b>78.7</b>	<b>79.6</b>	<b>82.7</b>	<b>82.3</b>	<b>75.0</b>	<b>77.1</b>	<b>77.6</b>	<b>77.1</b>
Share Capital	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.7	5.9	5.9	5.9	5.9	5.9	5.9
Retained Earnings	(9.1)	(9.4)	(10.0)	(7.8)	(7.0)	(8.2)	(6.8)	(7.6)	(6.7)	(7.1)	(7.3)	(7.5)	(3.8)	(1.6)	(0.5)
Other	82.6	82.6	82.6	82.1	82.0	82.0	80.7	80.6	83.9	83.7	83.7	76.7	75.0	73.3	71.7
<b>Current Liabilities</b>	<b>10.6</b>	<b>10.3</b>	<b>9.8</b>	<b>8.6</b>	<b>12.6</b>	<b>12.5</b>	<b>10.9</b>	<b>16.4</b>	<b>14.1</b>	<b>13.9</b>	<b>13.1</b>	<b>14.1</b>	<b>14.5</b>	<b>14.3</b>	<b>13.5</b>
ST Interest Bearing Debt	4.0	4.0	0.1	4.4	4.1	4.5	4.5	4.5	4.6	4.7	5.4	8.2	7.6	7.6	6.2
Trade Payables	4.6	4.7	4.0	1.7	6.0	5.5	3.9	9.2	5.8	5.2	3.1	2.4	3.2	3.1	2.8
Other	2.9	1.9	6.2	2.9	3.3	3.3	3.1	3.5	4.9	5.1	6.1	4.6	4.9	4.8	5.9
<b>LT Liabilities</b>	<b>18.2</b>	<b>18.4</b>	<b>21.2</b>	<b>15.1</b>	<b>10.2</b>	<b>9.9</b>	<b>9.9</b>	<b>4.4</b>	<b>4.5</b>	<b>4.7</b>	<b>4.7</b>	<b>1.8</b>	<b>2.2</b>	<b>2.4</b>	<b>6.0</b>
LT Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-	-	0.0	0.4	0.6	4.2
Other	18.2	18.4	21.2	15.1	10.2	9.9	9.9	4.4	4.5	4.7	4.7	1.8	1.8	1.8	1.8
<b>Total Liabilities &amp; Equity</b>	<b>107.9</b>	<b>107.6</b>	<b>109.1</b>	<b>103.5</b>	<b>103.3</b>	<b>101.8</b>	<b>100.4</b>	<b>99.5</b>	<b>98.1</b>	<b>101.3</b>	<b>100.0</b>	<b>91.0</b>	<b>93.8</b>	<b>94.2</b>	<b>96.5</b>

## Krymenergo (KREN)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>26.4</b>	<b>23.6</b>	<b>27.1</b>	<b>25.5</b>	<b>33.5</b>	<b>27.2</b>	<b>n/a</b>	<b>31.9</b>	<b>34.6</b>	<b>29.4</b>	<b>34.7</b>	<b>36.8</b>	<b>42.6</b>	<b>36.4</b>	<b>42.2</b>
Gross Profit	(1.1)	1.6	4.1	(2.6)	6.6	5.9	n/a	2.3	6.2	4.6	4.0	(0.8)	6.2	6.3	8.9
<b>EBITDA</b>	<b>(2.2)</b>	<b>0.6</b>	<b>2.9</b>	<b>(3.8)</b>	<b>1.4</b>	<b>1.4</b>	<b>n/a</b>	<b>0.9</b>	<b>3.7</b>	<b>3.0</b>	<b>2.3</b>	<b>0.2</b>	<b>4.7</b>	<b>0.0</b>	<b>3.9</b>
margin, %	-8%	2%	11%	-15%	4%	5%	n/a	3%	11%	10%	6%	0%	11%	0%	9%
Depreciation	(0.9)	(1.0)	(1.2)	(1.4)	(1.1)	(1.1)	n/a	(1.7)	(2.6)	(2.7)	(2.2)	(1.4)	(2.9)	(0.6)	(1.8)
<b>EBIT</b>	<b>(3.1)</b>	<b>(0.5)</b>	<b>1.7</b>	<b>(5.2)</b>	<b>0.3</b>	<b>0.3</b>	<b>n/a</b>	<b>(0.8)</b>	<b>1.1</b>	<b>0.3</b>	<b>0.1</b>	<b>(1.2)</b>	<b>1.8</b>	<b>(0.5)</b>	<b>2.1</b>
margin, %	-12%	-2%	6%	-20%	1%	1%	n/a	-3%	3%	1%	0%	-3%	4%	-1%	5%
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	n/a	(0.1)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)
Other income/(expense)	0.1	(0.1)	0.1	(0.0)	0.0	(0.3)	n/a	(2.4)	0.1	0.1	0.1	1.0	0.1	0.1	0.1
<b>PBT</b>	<b>(3.1)</b>	<b>(0.6)</b>	<b>1.7</b>	<b>(5.2)</b>	<b>0.3</b>	<b>(0.0)</b>	<b>n/a</b>	<b>(7.4)</b>	<b>1.2</b>	<b>0.4</b>	<b>0.2</b>	<b>(0.3)</b>	<b>1.9</b>	<b>(0.5)</b>	<b>2.2</b>
Tax	-	-	-	(1.8)	(0.0)	0.0	n/a	(0.0)	(0.2)	(0.2)	(0.2)	0.2	(0.6)	(0.2)	(1.8)
Effective tax rate	0%	0%	0%	-35%	3%	16%	n/a	0%	3%	44%	92%	77%	33%	-33%	82%
<b>Net Income</b>	<b>(3.1)</b>	<b>(0.6)</b>	<b>1.7</b>	<b>(7.0)</b>	<b>0.3</b>	<b>(0.0)</b>	<b>n/a</b>	<b>(1.8)</b>	<b>1.1</b>	<b>0.2</b>	<b>0.0</b>	<b>(0.1)</b>	<b>1.3</b>	<b>(0.6)</b>	<b>0.4</b>
Net Margin, %	-12%	-2%	6%	-28%	1%	0%	n/a	-6%	3%	1%	0%	0%	3%	-2%	1%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>125.7</b>	<b>126.6</b>	<b>127.1</b>	<b>125.7</b>	<b>130.4</b>	<b>130.9</b>	<b>n/a</b>	<b>135.6</b>	<b>140.7</b>	<b>143.9</b>	<b>145.8</b>	<b>147.7</b>	<b>154.9</b>	<b>148.3</b>	<b>143.2</b>
Cash & Equivalents	0.9	1.0	3.0	0.4	0.3	0.7	n/a	0.3	0.2	0.5	0.9	0.3	1.4	1.2	1.1
Trade Receivables	103.7	105.5	104.7	104.3	109.9	109.6	n/a	112.3	118.6	125.1	125.8	128.0	137.4	131.0	126.3
Inventories	4.6	4.5	4.7	5.5	5.8	9.0	n/a	8.7	8.5	5.0	5.1	4.9	4.8	4.9	5.0
Other	16.5	15.7	14.6	15.6	14.5	11.6	n/a	14.3	13.3	13.4	13.9	14.6	11.3	11.2	10.8
<b>Fixed Assets</b>	<b>60.7</b>	<b>61.0</b>	<b>61.1</b>	<b>61.6</b>	<b>61.9</b>	<b>62.3</b>	<b>n/a</b>	<b>99.9</b>	<b>102.1</b>	<b>104.6</b>	<b>103.1</b>	<b>102.4</b>	<b>100.2</b>	<b>103.1</b>	<b>104.4</b>
PP&E, net	51.7	51.5	51.3	51.9	51.5	51.5	n/a	90.7	89.7	92.3	91.2	90.9	88.5	88.9	89.9
Other	9.1	9.5	9.8	9.7	10.4	10.8	n/a	9.2	12.4	12.3	12.0	11.5	11.7	14.2	14.5
<b>Total Assets</b>	<b>186.4</b>	<b>187.6</b>	<b>188.2</b>	<b>187.3</b>	<b>192.3</b>	<b>193.2</b>	<b>n/a</b>	<b>235.5</b>	<b>242.9</b>	<b>248.5</b>	<b>248.9</b>	<b>250.1</b>	<b>255.1</b>	<b>251.4</b>	<b>247.6</b>
<b>Shareholders' Equity</b>	<b>(9.6)</b>	<b>(9.9)</b>	<b>(8.1)</b>	<b>(15.1)</b>	<b>(15.4)</b>	<b>(19.3)</b>	<b>n/a</b>	<b>17.7</b>	<b>18.7</b>	<b>19.6</b>	<b>19.5</b>	<b>19.2</b>	<b>20.2</b>	<b>19.5</b>	<b>20.6</b>
Share Capital	8.1	8.1	8.1	8.1	8.1	8.1	n/a	8.2	8.2	8.6	8.6	8.6	8.6	8.6	8.6
Retained Earnings	(76.2)	(77.1)	(75.4)	(82.4)	(82.2)	(86.2)	n/a	(93.9)	(93.4)	(97.4)	(97.5)	(97.8)	(96.8)	(97.4)	(97.0)
Other	58.5	59.1	59.2	59.2	58.7	58.8	n/a	103.5	103.9	108.4	108.5	108.4	108.4	108.4	109.0
<b>Current Liabilities</b>	<b>196.1</b>	<b>197.5</b>	<b>196.3</b>	<b>200.6</b>	<b>205.9</b>	<b>210.7</b>	<b>n/a</b>	<b>216.2</b>	<b>222.6</b>	<b>227.3</b>	<b>227.8</b>	<b>229.9</b>	<b>234.1</b>	<b>230.9</b>	<b>226.0</b>
ST Interest Bearing Debt	0.2	0.6	0.0	0.0	0.7	0.7	n/a	0.9	0.6						

## Livoblenergo (LVON)

Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	28.4	(13.1)	59.6	30.0	31.9	26.5	16.7	39.4	34.2	30.4	30.0	38.5	44.7	34.7	32.3
Gross Profit	2.0	7.7	0.2	1.5	4.7	4.8	0.4	5.8	7.1	3.7	2.9	3.4	6.7	6.9	3.3
EBITDA	1.7	5.5	5.7	(2.9)	4.2	4.9	3.7	1.0	1.5	4.5	1.0	4.1	2.5	4.2	12.9
margin, %	6%	-42%	10%	-10%	13%	19%	22%	2%	4%	15%	3%	11%	6%	12%	40%
Depreciation	(0.8)	(2.7)	(1.8)	(1.7)	(1.6)	(1.7)	(2.0)	(1.3)	(1.6)	(1.6)	(1.6)	(1.7)	(0.6)	(2.7)	(1.7)
EBIT	0.9	2.8	3.8	(4.6)	2.7	3.3	1.7	(0.4)	(0.1)	2.9	(0.6)	2.4	1.9	1.6	11.2
margin, %	3%	-21%	6%	-16%	8%	12%	10%	-1%	0%	9%	-2%	6%	4%	4%	35%
Interest Expense	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.1)	(0.4)	(0.2)	(1.3)	(0.7)	(0.7)	(0.6)	(0.6)	(0.6)
Other income/(expense)	0.0	0.0	0.0	0.1	(0.0)	(0.2)	0.2	(0.4)	(0.2)	0.1	1.1	(1.0)	0.0	0.1	(0.0)
PBT	0.8	2.6	3.6	(4.9)	2.4	2.8	1.8	(1.2)	(0.4)	1.7	(0.2)	0.7	1.3	1.0	10.5
Tax	-	(0.0)	(0.2)	0.2	-	-	(0.2)	(0.0)	(0.1)	(0.8)	(0.4)	(0.6)	(0.9)	(0.8)	(2.8)
Effective tax rate	0%	1%	4%	4%	0%	0%	11%	-2%	-17%	49%	-219%	80%	71%	78%	26%
Net Income	0.8	2.5	3.5	(4.7)	2.4	2.8	1.6	(1.2)	(0.5)	0.9	(0.6)	0.1	0.4	0.2	7.8
Net Margin, %	3%	-19%	6%	-16%	7%	11%	10%	-3%	-1%	3%	-2%	0%	1%	1%	24%

Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Current Assets	39.5	44.2	38.7	33.2	37.6	36.0	38.9	33.3	28.3	25.7	24.3	21.6	22.5	18.3	16.1
Cash & Equivalents	1.3	0.9	1.1	0.6	0.8	1.3	1.1	0.4	1.5	1.2	1.0	0.5	2.0	1.2	0.7
Trade Receivables	30.1	29.6	28.3	23.8	24.5	23.7	28.5	20.0	14.8	14.8	14.2	13.7	10.4	8.3	7.5
Inventories	3.7	5.7	5.2	4.7	7.2	6.6	5.2	7.1	3.0	3.1	3.8	2.9	3.6	3.5	2.9
Other	4.4	8.1	4.1	4.1	5.0	4.5	4.1	5.9	9.0	6.6	5.3	4.6	6.5	5.4	5.0
Fixed Assets	69.0	65.3	66.3	66.8	66.7	66.4	66.6	67.7	69.4	72.8	73.1	74.2	74.8	75.8	76.3
PP&E, net	61.1	57.1	57.0	58.6	58.4	57.2	57.3	58.1	57.9	60.0	59.8	63.1	62.5	63.0	63.1
Other	7.9	8.2	9.3	8.1	8.3	9.2	9.3	9.5	11.5	12.8	13.3	11.1	12.3	12.8	13.2
Total Assets	108.5	109.5	105.0	100.0	104.3	102.4	105.5	101.0	97.7	98.6	97.4	95.8	97.3	94.1	92.4
Shareholders' Equity	42.2	40.7	44.2	39.6	42.0	44.9	44.4	46.5	46.4	47.7	47.3	47.3	47.8	48.2	56.4
Share Capital	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.2	9.6	9.6	9.6	9.6	9.6	9.6
Retained Earnings	(20.3)	(17.8)	(14.3)	(19.4)	(17.0)	(14.3)	(14.4)	(12.9)	(13.4)	(14.9)	(15.3)	(15.4)	(15.0)	(14.8)	(6.8)
Other	53.5	49.5	49.5	49.9	49.9	50.1	49.7	50.3	50.6	52.9	53.0	53.1	53.2	53.4	53.5
Current Liabilities	51.7	68.8	60.8	55.8	57.6	39.7	61.1	38.6	35.9	34.1	33.8	32.8	33.4	29.5	19.5
ST Interest Bearing Debt	2.6	18.6	19.9	19.5	18.5	4.6	20.0	4.4	4.4	4.8	6.0	5.2	4.4	4.7	5.7
Trade Payables	46.0	46.5	37.3	32.2	35.2	31.8	37.4	29.0	25.2	23.6	22.7	22.2	21.0	17.6	6.1
Other	3.6	4.4	4.6	4.9	4.7	4.0	4.6	6.6	8.9	8.3	7.1	7.3	11.1	10.4	12.4
LT Liabilities	14.5	-	-	4.6	4.6	17.8	-	15.8	15.5	16.8	16.3	15.7	16.1	16.4	16.5
LT Interest Bearing Debt	14.5	-	-	-	-	13.1	-	11.9	11.5	12.6	12.3	11.7	12.1	12.4	12.5
Other	-	-	-	4.6	4.6	4.6	-	4.0	4.0	4.2	4.0	4.0	4.0	4.0	4.0
Total Liabilities & Equity	108.5	109.5	105.0	100.0	104.3	102.4	105.5	101.0	97.7	98.6	97.4	95.8	97.3	94.1	92.4

## Mykolaivoblenergo (MYON)

Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Net Revenues	17.7	(8.2)	4.4	4.6	4.9	4.1	n/a	50.5	18.4	16.2	15.7	18.2	20.9	18.6	19.9
Gross Profit	(1.7)	7.3	2.1	1.6	2.4	1.6	n/a	(10.9)	(2.0)	1.1	(0.2)	(3.4)	(2.6)	1.0	1.4
EBITDA	(1.8)	1.5	(2.8)	(5.4)	(3.2)	(1.0)	n/a	(5.7)	(2.5)	0.7	(0.6)	(3.9)	(2.9)	0.6	0.3
margin, %	-10%	-18%	-63%	-117%	-67%	-24%	n/a	-11%	-13%	5%	-4%	-21%	-14%	3%	1%
Depreciation	(0.7)	(0.7)	(0.7)	(0.7)	(1.9)	(2.4)	n/a	(2.4)	(1.7)	(1.6)	1.5	(0.6)	(0.6)	(0.7)	(0.6)
EBIT	(2.4)	0.8	(3.5)	(6.1)	(5.1)	(3.4)	n/a	(8.1)	(4.2)	(0.8)	0.9	(4.5)	(3.6)	(0.1)	(0.3)
margin, %	-14%	-10%	-79%	-132%	-105%	-83%	n/a	-16%	-23%	-5%	6%	-25%	-17%	-1%	-2%
Interest Expense	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	n/a	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Other income/(expense)	(0.1)	(0.0)	(0.1)	0.5	(2.9)	1.4	n/a	(1.6)	0.1	(0.5)	(0.3)	0.2	0.2	0.2	0.2
PBT	(2.6)	0.8	(3.6)	(5.7)	(8.1)	(2.1)	n/a	(9.8)	(4.1)	(1.4)	0.6	(4.4)	(3.4)	0.0	(0.2)
Tax	-	-	-	-	-	-	n/a	-	-	-	-	-	-	-	-
Effective tax rate	0%	0%	0%	0%	0%	0%	n/a	0%	0%	0%	0%	0%	0%	0%	0%
Net Income	(2.6)	0.8	(3.6)	(5.7)	(8.1)	(2.1)	n/a	(9.8)	(4.1)	(1.4)	0.6	(4.4)	(3.4)	0.0	(0.2)
Net Margin, %	-15%	-9%	-82%	-123%	-166%	-50%	n/a	-19%	-22%	-9%	4%	-24%	-16%	0%	-1%

Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
Current Assets	50.3	51.2	39.8	38.7	44.1	40.8	n/a	38.1	40.0	41.9	41.5	41.8	42.1	42.3	40.6
Cash & Equivalents	0.8	0.9	0.6	0.5	0.5	0.5	n/a	0.1	0.1	0.3	0.3	0.3	0.1	0.5	0.3
Trade Receivables	42.4	43.5	29.8	29.5	30.9	31.5	n/a	29.0	31.2	33.3	33.3	33.0	33.6	33.8	32.5
Inventories	2.2	2.0	3.6	2.5	2.4	2.3	n/a	2.5	2.2	2.2	2.3	2.5	2.6	2.7	2.8
Other	4.9	4.8	5.8	6.2	10.4	6.6	n/a	6.4	6.4	6.0	5.6	5.9	5.7	5.4	5.0
Fixed Assets	33.2	33.1	32.4	32.1	55.1	53.1	n/a	48.1	46.0	46.7	48.3	48.1	47.8	47.6	47.6
PP&E, net	7.4	30.0	29.4	29.9	52.9	51.5	n/a	47.0	45.1	45.5	47.1	47.2	46.9	46.6	46.7
Other	2.8	3.2	3.0	2.2	2.2	1.6	n/a	1.0	1.0	1.1	1.2	0.9	0.9	1.0	0.9
Total Assets	83.5	84.3	72.2	70.7	99.3	93.9	n/a	86.2	86.0	88.6	89.8	89.9	89.9	89.9	88.2
Shareholders' Equity	(4.5)	(3.6)	(16.4)	(22.0)	(2.1)	(4.0)	n/a	(16.1)	(21.0)	(22.7)	(21.9)	(26.1)	(29.4)	(29.3)	(29.4)
Share Capital	7.4	7.4	7.4	7.4	7.4	7.5	n/a	7.5	7.5	7.8	7.9	7.9	7.9	7.9	7.9
Retained Earnings	(40.3)	(39.5)	(52.1)	(57.7)	(65.8)	(68.0)	n/a	(79.3)	(83.8)	(88.9)	(88.4)	(92.7)	(96.1)	(96.1)	(96.3)
Other	28.3	28.4	28.2	28.3	56.3	56.5	n/a	55.7	55.3	58.4	58.7	58.8	58.9	58.9	59.0
Current Liabilities	86.0	86.0	86.7	90.0	98.7	96.5	n/a	100.1	104.2	108.6	110.1	107.8	111.0	111.0	110.5
ST Interest Bearing Debt	1.0	1.3	1.4	1.4	1.4	1.6	n/a	0.7	-	-	0.8	0.8	0.8	0.6	0.4
Trade Payables	81.1	80.6	81.9	85.8	90.6	91.1	n/a	95.4	100.5	104.7	105.6	103.0	106.0	105.4	104.8
Other	4.1	4.6	3.6	3.0	10.4	4.2	n/a	4.5	4.1	4.2	4.0	4.4	4.6	5.7	5.8
LT Liabilities	2.0	2.0	1.9	2.7	2.7	1.4	n/a	2.2	2.8	2.6	1.5	8.2	8.2	8.2	7.1
LT Interest Bearing Debt	-	-	-	-	-	-	n/a	0.8	1.4	1.2	0.1	-	-	-	-
Other	2.0	2.0	1.9	2.7	2.7	1.4	n/a	1.4	1.4	1.5	1.4	8.2	8.2	8.2	7.1
Total Liabilities & Equity	83.5	84.3	72.2	70.7	99.3	93.9	n/a	86.2	86.0	88.6	89.8	89.9	89.9	89.9	88.2

## Odessaoblenergo (ODEN)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>36.9</b>	<b>28.7</b>	<b>29.4</b>	<b>36.8</b>	<b>39.7</b>	<b>32.2</b>	n/a	<b>43.1</b>	<b>41.0</b>	<b>36.4</b>	<b>38.0</b>	<b>47.2</b>	<b>54.7</b>	<b>45.1</b>	<b>47.5</b>
Gross Profit	(1.7)	1.5	2.2	(2.4)	(0.2)	1.3	n/a	3.2	1.6	2.9	5.1	1.1	1.5	5.2	4.6
<b>EBITDA</b>	<b>(4.1)</b>	<b>0.3</b>	<b>1.5</b>	<b>(48.7)</b>	<b>(0.7)</b>	<b>0.8</b>	n/a	<b>(2.4)</b>	<b>(0.7)</b>	<b>1.7</b>	<b>(1.2)</b>	<b>3.9</b>	<b>0.5</b>	<b>3.8</b>	<b>3.5</b>
margin, %	-11%	1%	5%	-132%	-2%	3%	n/a	-1%	-2%	5%	-3%	8%	1%	8%	7%
Depreciation	(1.3)	(1.4)	(1.4)	(1.5)	(2.4)	(1.8)	n/a	(2.7)	(4.5)	(4.7)	(4.6)	4.8	(2.5)	(2.6)	(3.0)
<b>EBIT</b>	<b>(5.4)</b>	<b>(1.1)</b>	<b>0.0</b>	<b>(50.2)</b>	<b>(3.1)</b>	<b>(1.0)</b>	n/a	<b>(5.1)</b>	<b>(5.2)</b>	<b>(2.9)</b>	<b>(5.8)</b>	<b>8.6</b>	<b>(2.0)</b>	<b>1.2</b>	<b>0.6</b>
margin, %	-14%	-4%	0%	-136%	-8%	-3%	n/a	-12%	-13%	-8%	-15%	18%	-4%	3%	1%
Interest Expense	-	(0.0)	(0.0)	(0.5)	(0.0)	(0.0)	n/a	(0.4)	(0.0)	-	(0.0)	(0.6)	(0.2)	(0.2)	(0.2)
Other income/(expense)	0.0	(0.0)	0.1	0.0	(0.0)	0.1	n/a	(10.3)	(0.0)	0.1	5.5	(3.1)	1.0	0.2	(0.1)
<b>PBT</b>	<b>(5.3)</b>	<b>(1.1)</b>	<b>0.1</b>	<b>(50.7)</b>	<b>(3.1)</b>	<b>(0.8)</b>	n/a	<b>(15.7)</b>	<b>(5.2)</b>	<b>(2.8)</b>	<b>(0.2)</b>	<b>4.9</b>	<b>(1.2)</b>	<b>1.2</b>	<b>0.3</b>
Tax	-	-	-	-	-	-	n/a	-	-	-	-	-	-	-	(0.3)
Effective tax rate	0%	0%	0%	0%	0%	0%	n/a	0%	0%	0%	0%	0%	0%	0%	98%
<b>Net Income</b>	<b>(5.3)</b>	<b>(1.1)</b>	<b>0.1</b>	<b>(50.7)</b>	<b>(3.1)</b>	<b>(0.8)</b>	n/a	<b>(15.7)</b>	<b>(5.2)</b>	<b>(2.8)</b>	<b>(0.2)</b>	<b>4.9</b>	<b>(1.2)</b>	<b>1.2</b>	<b>0.0</b>
Net Margin, %	-14%	-4%	0%	-138%	-8%	-3%	n/a	-36%	-13%	-8%	-1%	10%	-2%	3%	0%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>116.3</b>	<b>115.4</b>	<b>113.9</b>	<b>41.6</b>	<b>43.3</b>	<b>44.5</b>	n/a	<b>50.7</b>	<b>56.4</b>	<b>59.8</b>	<b>52.9</b>	<b>65.1</b>	<b>71.0</b>	<b>70.2</b>	<b>62.5</b>
Cash & Equivalents	3.6	2.8	1.9	3.1	0.7	0.7	n/a	4.4	4.0	3.8	3.6	4.8	5.3	4.9	2.1
Trade Receivables	89.4	89.2	88.8	22.8	26.5	27.3	n/a	24.7	26.3	27.9	23.2	26.0	30.3	29.3	22.4
Inventories	9.9	9.8	7.2	5.8	5.4	5.5	n/a	6.0	6.4	7.3	7.4	7.2	8.2	8.4	9.5
Other	13.4	13.7	16.1	9.9	10.7	11.1	n/a	15.5	19.8	20.8	18.7	21.7	27.2	27.6	28.5
<b>Fixed Assets</b>	<b>73.9</b>	<b>73.5</b>	<b>74.2</b>	<b>87.8</b>	<b>88.1</b>	<b>87.0</b>	n/a	<b>170.2</b>	<b>171.4</b>	<b>175.7</b>	<b>174.0</b>	<b>178.6</b>	<b>180.3</b>	<b>181.1</b>	<b>183.0</b>
PP&E, net	70.3	69.9	69.3	69.5	67.8	67.2	n/a	152.9	150.4	153.9	150.9	159.3	159.6	158.4	157.0
Other	3.6	3.6	4.9	18.3	20.3	19.9	n/a	17.3	21.0	21.9	23.2	19.3	20.8	22.7	26.0
<b>Total Assets</b>	<b>190.2</b>	<b>189.0</b>	<b>188.1</b>	<b>129.4</b>	<b>131.4</b>	<b>131.5</b>	n/a	<b>220.9</b>	<b>227.9</b>	<b>235.5</b>	<b>226.9</b>	<b>243.7</b>	<b>251.3</b>	<b>251.3</b>	<b>245.6</b>
<b>Shareholders' Equity</b>	<b>(22.2)</b>	<b>(23.3)</b>	<b>(23.2)</b>	<b>(61.1)</b>	<b>(64.1)</b>	<b>(64.4)</b>	n/a	<b>3.5</b>	<b>2.6</b>	<b>0.1</b>	<b>(5.5)</b>	<b>10.0</b>	<b>11.1</b>	<b>12.3</b>	<b>12.4</b>
Share Capital	9.8	9.8	9.8	9.8	9.8	9.8	n/a	9.8	9.9	10.3	10.3	10.3	10.3	10.3	10.3
Retained Earnings	(76.4)	(77.5)	(77.4)	(115.4)	(118.5)	(119.0)	n/a	(136.9)	(138.8)	(147.6)	(148.1)	(133.6)	(132.9)	(130.3)	(128.8)
Other	44.4	44.4	44.4	44.5	44.6	44.8	n/a	130.6	131.5	137.4	132.2	133.2	133.7	132.3	130.9
<b>Current Liabilities</b>	<b>201.3</b>	<b>201.2</b>	<b>200.4</b>	<b>176.9</b>	<b>181.9</b>	<b>182.3</b>	n/a	<b>170.6</b>	<b>215.0</b>	<b>224.8</b>	<b>221.7</b>	<b>220.2</b>	<b>227.1</b>	<b>228.1</b>	<b>72.8</b>
ST Interest Bearing Debt	-	-	-	0.0	0.2	0.0	n/a	-	-	0.3	-	-	-	2.5	7.7
Trade Payables	195.6	196.0	194.6	170.9	173.9	173.4	n/a	160.5	202.4	211.1	208.3	207.8	214.4	212.4	50.2
Other	6.5	5.6	6.7	7.0	8.8	9.8	n/a	11.0	13.7	14.6	14.6	13.7	14.1	14.6	16.3
<b>LT Liabilities</b>	<b>11.1</b>	<b>11.1</b>	<b>11.0</b>	<b>13.6</b>	<b>13.6</b>	<b>13.6</b>	n/a	<b>46.8</b>	<b>10.2</b>	<b>10.7</b>	<b>10.7</b>	<b>13.6</b>	<b>13.2</b>	<b>10.9</b>	<b>160.3</b>
LT Interest Bearing Debt	8.3	8.3	8.3	-	-	-	n/a	36.6	-	-	-	-	-	-	-
Other	2.8	2.8	2.7	13.6	13.6	13.6	n/a	10.2	10.2	10.7	10.7	13.6	13.2	10.9	160.3
<b>Total Liabilities &amp; Equity</b>	<b>190.2</b>	<b>189.0</b>	<b>188.1</b>	<b>129.4</b>	<b>131.4</b>	<b>131.5</b>	n/a	<b>220.9</b>	<b>227.9</b>	<b>235.5</b>	<b>226.9</b>	<b>243.7</b>	<b>251.3</b>	<b>251.3</b>	<b>245.6</b>

## Poltavaoblenergo (POON)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>33.0</b>	<b>25.2</b>	<b>34.8</b>	<b>32.2</b>	<b>42.6</b>	<b>38.6</b>	<b>30.6</b>	<b>38.9</b>	<b>40.3</b>	<b>32.5</b>	<b>32.7</b>	<b>41.1</b>	<b>46.0</b>	<b>36.1</b>	<b>36.2</b>
Gross Profit	5.5	6.7	3.0	2.1	8.7	7.2	5.1	0.1	8.6	6.5	3.0	7.0	9.0	6.3	6.4
<b>EBITDA</b>	<b>4.8</b>	<b>6.0</b>	<b>2.0</b>	<b>(10.9)</b>	<b>4.7</b>	<b>3.7</b>	<b>3.8</b>	<b>(2.3)</b>	<b>7.2</b>	<b>5.4</b>	<b>1.5</b>	<b>5.2</b>	<b>7.4</b>	<b>4.5</b>	<b>4.7</b>
margin, %	14%	24%	6%	-34%	11%	10%	12%	-6%	18%	17%	5%	13%	16%	12%	13%
Depreciation	(3.2)	(3.3)	(3.9)	(3.7)	(3.2)	(3.3)	(3.7)	(2.8)	(3.2)	(3.3)	(3.2)	(3.5)	(2.9)	(2.9)	(6.3)
<b>EBIT</b>	<b>1.5</b>	<b>2.7</b>	<b>(1.9)</b>	<b>(14.6)</b>	<b>1.5</b>	<b>0.4</b>	<b>0.1</b>	<b>(5.1)</b>	<b>4.0</b>	<b>2.1</b>	<b>(1.7)</b>	<b>1.7</b>	<b>4.5</b>	<b>1.6</b>	<b>(1.6)</b>
margin, %	5%	11%	-6%	-45%	3%	1%	0%	-13%	10%	7%	-5%	4%	10%	4%	-4%
Interest Expense	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.4)	(0.4)	(0.5)	(0.3)	(0.2)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)
Other income/(expense)	0.0	0.1	0.0	0.1	0.0	(0.0)	(0.1)	(0.4)	(0.0)	(0.1)	0.0	(2.6)	0.1	(0.0)	0.0
<b>PBT</b>	<b>1.4</b>	<b>2.6</b>	<b>(2.1)</b>	<b>(14.8)</b>	<b>1.2</b>	<b>(0.0)</b>	<b>(0.4)</b>	<b>(6.0)</b>	<b>3.7</b>	<b>1.8</b>	<b>(2.1)</b>	<b>(1.3)</b>	<b>4.2</b>	<b>1.2</b>	<b>(2.2)</b>
Tax	(0.0)	(0.3)	(0.4)	(0.9)	(0.7)	(0.5)	(1.4)	2.6	(1.1)	(1.4)	0.1	1.4	(1.7)	(0.2)	(0.3)
Effective tax rate	3%	12%	-17%	-6%	58%	-2921%	-344%	43%	29%	77%	7%	102%	41%	13%	-12%
<b>Net Income</b>	<b>1.3</b>	<b>2.3</b>	<b>(2.5)</b>	<b>(15.7)</b>	<b>0.5</b>	<b>(0.6)</b>	<b>(1.7)</b>	<b>(3.4)</b>	<b>2.6</b>	<b>0.4</b>	<b>(1.9)</b>	<b>0.0</b>	<b>2.5</b>	<b>1.1</b>	<b>(2.4)</b>
Net Margin, %	4%	9%	-7%	-49%	1%	-1%	-6%	-9%	6%	1%	-6%	0%	5%	3%	-7%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>44.1</b>	<b>50.3</b>	<b>39.6</b>	<b>26.7</b>	<b>32.1</b>	<b>27.5</b>	<b>34.2</b>	<b>27.0</b>	<b>19.1</b>	<b>20.7</b>	<b>17.5</b>	<b>18.3</b>	<b>19.9</b>	<b>23.5</b>	<b>25.3</b>
Cash & Equivalents	2.0	2.8	1.6	1.6	2.3	1.9	2.8	3.5	0.8	2.4	2.7	2.5	2.3	2.2	2.2
Trade Receivables	22.6	18.9	18.0	5.7	8.2	5.6	6.5	4.5	5.0	4.7	5.1	3.8	4.4	5.1	7.6
Inventories	5.3	9.7	4.7	4.5	6.2	4.6	11.6	12.2	4.6	5.4	5.4	4.2	4.8	5.9	7.0
Other	14.2	18.8	15.3	15.0	15.4	15.4	13.2	6.8	8.7	8.2	4.2	7.9	8.3	10.3	8.4
<b>Fixed Assets</b>	<b>101.4</b>	<b>103.9</b>	<b>103.8</b>	<b>103.1</b>	<b>100.3</b>	<b>97.9</b>	<b>96.0</b>	<b>98.8</b>	<b>97.7</b>	<b>101.2</b>	<b>102.4</b>	<b>103.3</b>	<b>102.1</b>	<b>102.8</b>	<b>101.1</b>
PP&E, net	88.0	87.1	86.1	86.6	86.4	85.0	83.6	84.5	83.0	85.4	86.8	89.2	87.7	87.8	86.6
Other	13.4	16.9	17.7	16.5	13.9	12.9	12.4	14.3	14.8	15.8	15.6	14.1	14.5	15.0	14.5
<b>Total Assets</b>	<b>145.5</b>	<b>154.2</b>	<b>143.4</b>	<b>129.9</b>	<b>132.4</b>	<b>125.4</b>	<b>130.1</b>	<b>125.7</b>	<b>116.8</b>	<b>121.9</b>	<b>119.9</b>	<b>121.7</b>	<b>122.0</b>	<b>126.3</b>	<b>126.4</b>
<b>Shareholders' Equity</b>	<b>105.0</b>	<b>104.7</b>	<b>102.1</b>	<b>86.0</b>	<b>86.5</b>	<b>86.3</b>	<b>84.8</b>	<b>82.2</b>	<b>85.5</b>	<b>89.6</b>	<b>87.8</b>	<b>87.8</b>	<b>90.4</b>	<b>91.5</b>	<b>89.3</b>
Share Capital	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.4	10.5	10.9	10.9	10.9	10.9	10.9	10.9
Retained Earnings	2.6	2.2	(0.3)	(16.7)	(16.1)	(16.5)	(18.2)	0.2	2.9	3.5	1.7	7.7	10.2	11.4	9.1
Other	92.1	92.1	92.1	92.3	92.3	92.4	92.5	71.6	72.2	75.2	75.2	69.2	69.2	69.1	69.3
<b>Current Liabilities</b>	<b>27.6</b>	<b>37.2</b>	<b>29.0</b>	<b>31.6</b>	<b>34.7</b>	<b>30.8</b>	<b>37.1</b>	<b>35.2</b>	<b>24.2</b>	<b>24.8</b>	<b>24.6</b>	<b>26.3</b>	<b>22.6</b>	<b>18.7</b>	<b>18.0</b>
ST Interest Bearing Debt	3.8	5.4	7.5	10.3	9.9	9.6	11.6								



## Prykarpatooblenergo (PREN)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	16.2	12.3	13.6	14.7	18.3	18.3	5.6	32.7	20.0	19.9	17.2	23.4	25.1	21.8	20.9
Gross Profit	1.6	2.0	2.2	1.3	2.6	2.3	0.9	1.8	2.9	2.6	0.4	3.1	4.6	2.5	1.7
<b>EBITDA</b>	<b>0.5</b>	<b>1.4</b>	<b>1.4</b>	<b>0.4</b>	<b>1.7</b>	<b>8.9</b>	<b>(7.4)</b>	<b>8.5</b>	<b>1.9</b>	<b>1.5</b>	<b>0.2</b>	<b>2.2</b>	<b>2.8</b>	<b>1.5</b>	<b>0.8</b>
margin, %	3%	17%	10%	3%	9%	49%	-132%	26%	9%	7%	1%	9%	17%	7%	4%
Depreciation	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)	(0.8)	(1.2)	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)
<b>EBIT</b>	<b>(0.4)</b>	<b>0.5</b>	<b>0.4</b>	<b>(0.6)</b>	<b>0.7</b>	<b>8.0</b>	<b>(8.2)</b>	<b>7.2</b>	<b>0.9</b>	<b>0.4</b>	<b>(0.8)</b>	<b>1.1</b>	<b>1.8</b>	<b>0.4</b>	<b>(0.3)</b>
margin, %	-3%	4%	3%	-4%	4%	44%	-147%	22%	4%	2%	-5%	5%	7%	2%	-1%
Interest Expense	-	(0.0)	(0.0)	(0.0)	-	(0.2)	0.2	(1.0)	(0.5)	(0.5)	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)
Other income/(expense)	(0.0)	0.0	0.0	0.0	(0.1)	0.2	(0.1)	0.0	0.1	0.6	(0.0)	0.1	0.0	(0.1)	(0.1)
<b>PBT</b>	<b>(0.5)</b>	<b>0.5</b>	<b>0.4</b>	<b>(0.6)</b>	<b>0.6</b>	<b>8.0</b>	<b>(8.1)</b>	<b>6.2</b>	<b>0.5</b>	<b>0.5</b>	<b>(1.4)</b>	<b>0.6</b>	<b>1.3</b>	<b>(0.3)</b>	<b>(0.9)</b>
Tax	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	(0.2)	(0.0)	(3.1)	(0.3)	(0.3)	(0.2)	0.7	(0.2)	(0.1)	(0.0)
Effective tax rate	-2%	2%	42%	-9%	6%	2%	0%	49%	71%	56%	-17%	-104%	16%	-35%	-5%
<b>Net Income</b>	<b>(0.5)</b>	<b>0.5</b>	<b>0.2</b>	<b>(0.6)</b>	<b>0.5</b>	<b>7.8</b>	<b>(8.1)</b>	<b>3.2</b>	<b>0.1</b>	<b>0.2</b>	<b>(1.7)</b>	<b>1.3</b>	<b>1.1</b>	<b>(0.4)</b>	<b>(0.9)</b>
Net Margin, %	-3%	4%	2%	-4%	3%	43%	-145%	10%	1%	1%	-10%	6%	4%	-2%	-4%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	24.0	24.9	25.1	26.5	22.3	36.1	25.2	18.5	14.4	15.1	13.9	14.0	15.8	15.4	15.4
Cash & Equivalents	0.5	0.5	0.8	0.8	0.4	0.9	0.8	0.6	0.6	0.8	0.7	0.5	0.5	0.4	0.8
Trade Receivables	11.5	11.1	10.6	10.8	9.4	9.9	10.7	6.8	7.0	7.2	7.0	7.1	6.4	6.1	6.1
Inventories	1.6	2.8	1.3	3.2	3.6	6.8	1.3	4.8	1.3	1.5	1.9	1.8	1.9	2.2	2.2
Other	10.3	10.4	12.4	11.7	8.8	18.5	12.4	6.3	5.5	5.6	4.3	4.8	6.2	6.5	6.3
<b>Fixed Assets</b>	42.6	42.5	41.0	41.4	40.8	40.5	41.2	39.1	38.8	41.0	41.0	41.9	42.0	42.1	42.5
PP&E, net	32.0	31.2	31.3	31.7	31.4	31.6	31.4	32.0	32.1	33.9	33.5	34.3	33.9	34.1	34.5
Other	10.7	11.3	9.7	9.7	9.4	9.0	9.8	7.1	6.7	7.2	7.5	7.6	8.1	8.1	8.0
<b>Total Assets</b>	66.6	67.4	66.1	67.9	63.1	76.7	66.4	57.6	53.2	56.1	54.9	56.0	57.8	57.5	57.9
<b>Shareholders' Equity</b>	30.6	31.1	31.4	30.8	31.5	39.4	31.5	34.7	35.0	36.6	35.1	36.5	37.7	37.4	36.6
Share Capital	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	5.1	5.1	5.1	5.1	5.1	5.1
Retained Earnings	(5.9)	(5.4)	(5.1)	(12.9)	(12.3)	(4.5)	(5.1)	(9.5)	(9.4)	(9.8)	(11.4)	(10.0)	(9.0)	(9.3)	(10.2)
Other	31.6	31.6	31.6	38.9	38.9	39.0	31.7	39.3	39.5	41.3	41.3	41.4	41.5	41.6	41.7
<b>Current Liabilities</b>	21.3	21.6	20.1	22.4	22.4	26.7	20.1	13.2	8.9	10.4	11.1	11.1	11.7	11.5	12.7
ST Interest Bearing Debt	-	-	0.4	-	0.7	12.1	0.4	4.2	4.0	5.9	6.4	5.5	6.1	5.8	7.2
Trade Payables	18.9	19.3	17.2	19.6	18.9	11.7	17.3	5.5	1.0	0.6	0.3	0.4	0.3	0.3	0.2
Other	2.8	2.6	2.9	3.2	3.3	3.3	2.9	4.2	5.0	4.9	5.3	6.4	6.2	6.4	6.1
<b>LT Liabilities</b>	14.7	14.7	14.7	14.7	9.2	10.6	14.8	9.7	9.3	9.1	8.8	8.3	8.5	8.6	8.7
LT Interest Bearing Debt	14.7	14.7	14.7	-	-	9.1	14.8	8.1	7.7	7.4	7.1	6.7	6.9	7.0	7.1
Other	-	-	-	14.7	9.2	1.5	-	1.6	1.6	1.7	1.7	1.6	1.6	1.6	1.6
<b>Total Liabilities &amp; Equity</b>	66.6	67.4	66.1	67.9	63.1	76.7	66.4	57.6	53.2	56.1	54.9	56.0	57.8	57.5	57.9

## Sevastopolenergo (SMEN)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	7.4	5.7	5.8	7.3	8.3	6.9	7.4	7.7	8.8	n/a	8.8	9.6	11.6	9.2	9.2
Gross Profit	1.1	1.8	1.0	0.7	1.6	1.6	1.1	0.8	1.6	n/a	1.5	1.1	2.2	2.2	1.7
<b>EBITDA</b>	<b>1.1</b>	<b>1.8</b>	<b>1.1</b>	<b>0.6</b>	<b>1.6</b>	<b>1.5</b>	<b>0.9</b>	<b>0.7</b>	<b>1.5</b>	<b>n/a</b>	<b>1.4</b>	<b>0.9</b>	<b>2.1</b>	<b>2.2</b>	<b>1.6</b>
margin, %	15%	32%	18%	9%	19%	21%	12%	9%	18%	n/a	16%	10%	18%	24%	17%
Depreciation	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.4)	n/a	(0.4)	(0.2)	(0.2)	(0.2)	(0.2)
<b>EBIT</b>	<b>1.0</b>	<b>1.7</b>	<b>0.9</b>	<b>0.5</b>	<b>1.4</b>	<b>1.3</b>	<b>0.8</b>	<b>0.5</b>	<b>1.2</b>	<b>n/a</b>	<b>1.8</b>	<b>0.7</b>	<b>1.9</b>	<b>2.0</b>	<b>1.4</b>
margin, %	13%	30%	16%	7%	17%	19%	10%	7%	13%	n/a	20%	8%	16%	22%	15%
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	n/a	(0.0)	(0.1)	(0.2)	(0.1)	(0.1)
Other income/(expense)	(0.0)	0.0	(0.0)	0.0	0.0	0.0	(0.2)	(0.0)	-	n/a	0.0	(0.0)	(0.0)	(0.0)	0.0
<b>PBT</b>	<b>1.0</b>	<b>1.7</b>	<b>0.9</b>	<b>0.5</b>	<b>1.4</b>	<b>1.3</b>	<b>0.6</b>	<b>0.5</b>	<b>1.1</b>	<b>n/a</b>	<b>1.6</b>	<b>0.7</b>	<b>1.7</b>	<b>1.9</b>	<b>1.2</b>
Tax	(0.3)	(0.5)	(0.0)	(0.4)	-	(0.7)	0.0	(0.2)	-	n/a	(0.4)	(0.4)	-	(0.9)	(0.6)
Effective tax rate	30%	30%	2%	83%	0%	52%	-6%	52%	0%	n/a	25%	67%	0%	48%	48%
<b>Net Income</b>	<b>0.7</b>	<b>1.2</b>	<b>0.9</b>	<b>0.1</b>	<b>1.4</b>	<b>0.6</b>	<b>0.6</b>	<b>0.2</b>	<b>1.1</b>	<b>n/a</b>	<b>1.2</b>	<b>0.2</b>	<b>1.7</b>	<b>1.0</b>	<b>0.6</b>
Net Margin, %	9%	21%	16%	1%	17%	9%	8%	3%	13%	n/a	11%	2%	15%	11%	7%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	12.6	13.3	14.0	12.0	13.2	14.4	12.1	12.9	11.4	n/a	12.0	11.9	13.4	15.6	12.7
Cash & Equivalents	0.7	0.6	1.6	1.4	0.8	1.8	1.1	1.2	0.4	n/a	0.3	0.5	0.7	0.5	0.4
Trade Receivables	9.1	9.1	8.9	8.1	9.2	8.9	8.6	9.1	8.8	n/a	9.3	9.3	10.5	10.0	4.4
Inventories	0.7	1.7	1.2	0.9	1.2	1.4	0.9	0.7	0.8	n/a	1.1	1.0	1.0	1.0	1.0
Other	2.1	1.9	2.3	1.6	2.0	2.4	1.4	1.9	1.4	n/a	1.4	1.1	1.1	4.1	7.0
<b>Fixed Assets</b>	6.2	6.1	6.3	6.6	6.6	6.4	6.4	6.5	6.3	n/a	7.0	7.8	8.2	8.4	10.4
PP&E, net	5.8	5.7	5.8	6.0	6.0	6.0	6.1	5.9	6.1	n/a	6.5	6.5	6.7	6.8	7.4
Other	0.4	0.3	0.5	0.6	0.6	0.6	0.4	0.4	0.4	n/a	0.5	1.3	1.5	1.6	3.1
<b>Total Assets</b>	18.8	19.4	20.2	18.6	19.7	20.8	18.5	19.4	17.7	n/a	19.0	19.7	21.5	24.0	23.1
<b>Shareholders' Equity</b>	4.6	6.0	6.9	6.0	7.4	8.2	8.5	8.7	9.8	n/a	11.4	11.6	13.5	11.6	12.1
Share Capital	1.3	1.3	1.3	1.3	1.3	2.7	2.7	2.7	2.7	n/a	2.8	2.8	2.8	1.3	1.3
Retained Earnings	(1.1)	0.4	1.2	0.3	1.7	2.5	2.7	2.9	4.1	n/a	5.2	5.4	7.3	5.3	5.8
Other	4.4	4.4	4.4	4.4	4.4	4.4	3.1	4.5	3.1	n/a	3.4	3.4	3.4	5.0	5.0
<b>Current Liabilities</b>	4.0	3.6	2.6	11.9	11.6	11.9	9.3	10.0	7.4	n/a	7.3	6.6	5.3	9.4	6.4
ST Interest Bearing Debt	-	-	-	-	-	-	-	-	-	n/a	1.2	1.5	0.9	-	-
Trade Payables	3.2	1.7	0.8	9.9	8.8	9.5	8.2	6.9	6.1	n/a	4.0	2.4	1.8	3.8	0.5
Other	1.0	2.0	1.9	2.7	3.4	2.6	1.2	3.2	1.5	n/a	2.4	2.9	2.8	6.0	6.4
<b>LT Liabilities</b>	10.2	9.8	10.7	0.7	0.7	0.7	0.7	0.5	n/a	n/a	0.4	1.5	2.8	2.9	4.6
LT Interest Bearing Debt	1.1	0.7	-	-	-	0.7	0.7	0.7	0.5	n/a	0.4	1.3	2.6	2.8	4.4
Other	9.1	9.1	10.7	0.7	0.7	-	-	-	-	-	-	0.2	0.2	0.2	0.2
<b>Total Liabilities &amp; Equity</b>	18.8	19.4	20.2	18.6	19.7	20.8	18.5	19.4	17.7	n/a	19.0	19.7	21.5	24.0	23.1

## Sumyoblenergo (SOEN)

Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	16.1	11.2	n/a	18.1	15.7	15.5	13.7	16.2	16.7	15.5	15.2	17.0	19.8	16.2	15.8
Gross Profit	2.4	2.9	n/a	2.6	2.9	2.1	1.7	2.1	3.2	2.5	1.6	2.1	3.4	3.1	1.9
<b>EBITDA</b>	1.8	2.7	n/a	1.2	1.0	0.9	1.7	2.6	2.7	2.2	0.9	1.4	2.6	2.4	1.2
<i>margin, %</i>	11%	24%	n/a	7%	6%	6%	12%	16%	16%	14%	6%	8%	13%	15%	7%
Depreciation	(1.0)	(1.0)	n/a	(1.0)	(1.2)	(1.3)	(1.3)	(1.4)	(1.4)	(1.5)	(1.5)	(1.5)	(1.4)	(1.4)	(1.4)
<b>EBIT</b>	0.7	1.7	n/a	0.2	(0.2)	(0.4)	0.4	1.2	1.3	0.6	(0.5)	(0.1)	1.2	0.9	(0.2)
<i>margin, %</i>	5%	15%	n/a	1%	-1%	-3%	3%	7%	8%	4%	-3%	-1%	6%	6%	-1%
Interest Expense	(0.2)	(0.3)	n/a	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.2)	(0.3)	(0.2)	(0.3)	(0.3)	(0.2)	(0.2)
Other income/(expense)	(0.0)	(0.3)	n/a	(0.1)	(0.1)	0.1	(0.1)	1.1	(1.3)	0.0	(0.0)	(0.0)	(0.0)	0.0	0.0
<b>PBT</b>	0.5	1.0	n/a	(1.1)	(0.5)	(0.6)	(0.0)	2.0	(0.3)	0.4	(0.8)	(0.4)	0.9	0.7	(0.4)
Tax	(0.2)	-	n/a	-	-	(0.2)	(0.3)	(0.4)	-	(0.5)	(0.3)	(0.3)	-	(0.2)	(0.3)
<i>Effective tax rate</i>	46%	0%	n/a	0%	0%	-30%	-1922%	18%	0%	120%	-35%	-72%	0%	33%	-69%
<b>Net Income</b>	0.2	1.0	n/a	(1.1)	(0.5)	(0.8)	(0.3)	1.7	(0.3)	(0.1)	(1.1)	(0.7)	0.9	0.5	(0.7)
<i>Net Margin, %</i>	2%	9%	n/a	-6%	-3%	-5%	-2%	10%	-2%	-1%	-7%	-4%	4%	3%	-5%

Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	22.4	24.6	n/a	16.2	15.8	13.8	16.9	15.6	12.9	13.1	12.0	12.3	12.4	12.2	11.5
Cash & Equivalents	1.0	1.3	n/a	0.3	0.7	0.9	0.8	0.7	0.9	1.3	0.8	0.7	1.0	0.7	0.7
Trade Receivables	6.6	6.4	n/a	4.8	3.5	2.6	3.3	4.7	4.2	4.3	4.2	4.5	3.8	3.8	3.6
Inventories	4.4	5.9	n/a	4.6	5.1	6.1	8.1	7.1	4.9	4.9	4.6	4.6	4.9	5.1	4.9
Other	10.4	10.9	n/a	6.5	6.5	4.1	4.7	3.1	2.9	2.6	2.4	2.4	2.7	2.6	2.2
<b>Fixed Assets</b>	72.5	72.1	n/a	71.5	71.5	70.1	69.2	70.1	69.1	71.5	70.7	70.4	69.6	69.3	69.1
PP&E, net	63.9	64.0	n/a	63.3	63.6	63.2	62.8	62.8	63.4	65.7	65.4	65.3	64.6	64.0	63.3
Other	8.5	8.1	n/a	8.2	7.9	6.9	6.4	7.3	5.7	5.8	5.3	5.2	5.0	5.3	5.8
<b>Total Assets</b>	94.9	96.6	n/a	87.7	87.3	83.9	86.1	85.7	82.0	84.6	82.7	82.7	82.0	81.5	80.6
<b>Shareholders' Equity</b>	65.6	66.6	n/a	65.5	65.0	64.3	64.3	66.0	66.0	68.8	67.9	67.5	68.4	68.9	68.2
Share Capital	8.3	8.3	n/a	8.3	8.3	8.3	8.3	8.3	8.4	8.8	8.8	8.8	8.8	8.8	8.8
Retained Earnings	(15.2)	(13.0)	n/a	(14.2)	(14.6)	(15.3)	(15.1)	(13.4)	(13.5)	(14.0)	(14.7)	(14.9)	(13.9)	(13.3)	(13.6)
Other	72.4	71.3	n/a	71.4	71.3	71.3	71.0	71.0	71.1	74.1	73.8	73.7	73.5	73.4	73.0
<b>Current Liabilities</b>	23.3	24.0	n/a	20.6	20.8	18.0	18.6	17.3	14.0	14.0	13.2	13.5	12.0	10.9	10.7
ST Interest Bearing Debt	7.0	6.1	n/a	8.1	8.9	5.9	4.8	4.1	4.5	4.6	4.9	4.2	3.2	3.6	3.8
Trade Payables	12.7	11.6	n/a	9.7	8.8	9.1	11.3	10.4	6.9	6.7	5.7	5.8	5.6	4.5	4.0
Other	4.0	6.6	n/a	3.3	3.5	3.4	2.9	3.5	3.2	3.4	3.3	4.5	4.0	3.6	3.7
<b>LT Liabilities</b>	6.1	6.1	n/a	1.5	1.5	1.5	3.3	2.4	2.0	1.8	1.6	1.7	1.7	1.7	1.7
LT Interest Bearing Debt	-	-	-	-	-	-	1.7	0.9	0.5	0.2	-	-	-	-	-
Other	6.1	6.1	n/a	1.5	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.7	1.7	1.7	1.7
<b>Total Liabilities &amp; Equity</b>	94.9	96.6	n/a	87.7	87.3	83.9	86.1	85.7	82.0	84.6	82.7	82.7	82.0	81.5	80.6

## Ternopiloblenergo (TOEN)

Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	8.0	(3.3)	3.6	3.5	8.9	6.8	6.8	8.7	9.0	7.3	7.9	10.8	11.6	8.8	9.1
Gross Profit	1.0	1.9	0.6	2.3	7.1	(4.3)	1.4	1.6	1.8	1.3	1.4	2.2	2.4	1.9	1.1
<b>EBITDA</b>	0.7	0.7	6.8	0.8	1.3	(2.3)	1.0	0.9	0.0	0.8	0.9	1.5	1.0	1.0	1.8
<i>margin, %</i>	9%	-21%	186%	22%	14%	-34%	14%	11%	0%	11%	11%	14%	9%	12%	20%
Depreciation	-	(1.4)	(0.8)	(0.8)	(1.1)	(0.7)	(0.6)	(0.7)	(0.6)	(0.7)	(0.8)	(0.7)	(0.7)	(0.6)	(0.6)
<b>EBIT</b>	0.7	(0.7)	6.0	(0.0)	0.2	(3.0)	0.4	0.3	(0.6)	0.1	0.0	0.8	0.3	0.4	1.2
<i>margin, %</i>	9%	22%	164%	-1%	2%	-44%	6%	3%	-7%	2%	7%	8%	2%	5%	13%
Interest Expense	-	(0.0)	(0.6)	(0.0)	(5.2)	(0.1)	(2.5)	(0.6)	(0.3)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Other income/(expense)	0.0	0.1	0.7	0.0	5.3	0.1	2.5	0.6	0.3	0.0	0.1	0.0	0.0	0.1	0.0
<b>PBT</b>	0.7	(0.7)	6.0	(0.0)	0.3	(3.0)	0.4	0.3	(0.6)	0.1	0.0	0.8	0.2	0.4	1.2
Tax	-	-	-	(2.8)	-	(0.9)	(0.1)	0.9	(0.0)	(0.3)	(0.1)	(0.4)	(0.1)	(0.2)	(0.4)
<i>Effective tax rate</i>	0%	0%	0%	-677%	0%	-28%	12%	-346%	-3%	249%	207%	45%	42%	52%	31%
<b>Net Income</b>	0.7	(0.7)	6.0	(2.8)	0.3	(3.9)	0.4	1.2	(0.6)	(0.2)	(0.0)	0.4	0.1	0.2	0.8
<i>Net Margin, %</i>	9%	-21%	165%	-80%	4%	-57%	6%	13%	-7%	-2%	-1%	4%	1%	2%	9%

Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	17.7	18.1	21.2	23.3	20.5	19.1	18.5	12.6	8.6	9.0	8.8	8.9	8.0	7.8	8.3
Cash & Equivalents	0.3	0.4	0.4	0.5	0.4	0.5	0.4	0.3	0.3	0.4	0.3	0.4	0.4	0.4	0.4
Trade Receivables	14.5	14.4	18.7	12.1	11.6	8.6	8.3	7.6	6.6	6.5	6.4	6.9	5.9	5.6	5.3
Inventories	0.9	1.5	1.0	1.1	3.4	4.0	3.6	3.7	1.3	1.3	1.3	1.4	1.4	1.2	1.2
Other	2.1	1.8	1.1	9.7	5.1	6.0	6.2	1.0	0.4	0.8	0.8	0.2	0.3	0.7	1.3
<b>Fixed Assets</b>	23.9	24.7	24.4	25.1	25.7	25.2	24.7	24.8	24.9	25.8	25.9	26.1	26.8	26.9	26.9
PP&E, net	22.5	23.5	23.0	23.4	23.7	23.7	23.3	22.9	22.7	23.8	23.4	23.9	24.0	24.1	23.9
Other	1.4	1.2	1.4	1.6	2.0	1.4	1.4	1.8	2.3	2.0	2.5	2.2	2.8	2.7	3.0
<b>Total Assets</b>	41.6	42.8	45.7	48.4	46.2	44.2	43.2	37.3	33.6	34.8	34.7	35.0	34.8	34.7	35.2
<b>Shareholders' Equity</b>	10.5	11.3	17.3	14.5	14.8	11.0	11.4	14.3	13.8	14.3	14.2	14.7	14.9	15.2	16.1
Share Capital	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0	3.0	3.0
Retained Earnings	(16.0)	(15.2)	(9.2)	(12.1)	(11.7)	(15.6)	(15.3)	(12.3)	(13.0)	(13.8)	(13.8)	(13.4)	(13.2)	(13.0)	(12.2)
Other	23.6	23.6	23.6	23.6	23.7	23.7	23.8	23.8	23.9	25.0	25.0	25.0	25.1	25.2	25.3
<b>Current Liabilities</b>	29.4	29.8	26.6	29.4	27.1	29.9	28.5	22.4	19.2	19.9	19.9	19.6	19.2	18.8	18.4
ST Interest Bearing Debt	0.0	0.4	5.9	8.2	4.4	0.4	-	0.8	1.0	1.3	1.5	1.7	1.7	1.9	2.2
Trade Payables	28.5	28.4	18.9	18.6	21.0	27.7	27.0	19.9	16.6	17.2	16.9	16.3	16.0	15.3	13.8
Other	1.1	1.2	2.1	2.9	1.9	2.1	1.7	2.2	2.1	1.8	1.8	2.1	1.9	1.9	2.8
<b>LT Liabilities</b>	1.8	1.8	1.8	4.5	4.2	3.3	3.3	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7
LT Interest Bearing Debt	1.2	1.2	1.2	1.2	0.9	-	-	-	-	-	-	-	-	-	-
Other	0.6	0.6	0.6	3.3	3.3	3.3	3.3	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7
<b>Total Liabilities &amp; Equity</b>	41.6	42.8	45.7	48.4	46.2	44.2	43.2	37.3	33.6	34.8	34.7	35.0	34.8	34.7	35.2

### Vinnitsaoblenergo (VIEN)

Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>6.8</b>	<b>5.2</b>	<b>5.0</b>	<b>6.6</b>	<b>6.8</b>	<b>5.6</b>	n/a	<b>15.8</b>	<b>16.6</b>	<b>13.8</b>	<b>14.3</b>	<b>19.7</b>	<b>21.9</b>	<b>17.2</b>	<b>17.5</b>
Gross Profit	4.7	2.8	2.5	3.5	3.9	2.7	n/a	3.0	1.4	0.9	1.3	2.0	2.4	2.2	2.7
<b>EBITDA</b>	<b>(1.2)</b>	<b>0.9</b>	<b>0.0</b>	<b>(1.4)</b>	<b>(1.3)</b>	<b>1.4</b>	n/a	<b>2.2</b>	<b>0.9</b>	<b>0.5</b>	<b>1.2</b>	<b>2.2</b>	<b>1.3</b>	<b>1.0</b>	<b>1.1</b>
<i>margin, %</i>	-17%	18%	0%	-21%	-19%	25%	n/a	14%	5%	4%	8%	11%	6%	6%	6%
Depreciation	(0.7)	(0.7)	(0.7)	(0.8)	(0.7)	(0.8)	n/a	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.8)	(0.8)	(0.9)
<b>EBIT</b>	<b>(1.9)</b>	<b>0.2</b>	<b>(0.7)</b>	<b>(2.2)</b>	<b>(2.0)</b>	<b>0.6</b>	n/a	<b>1.4</b>	<b>0.0</b>	<b>(0.3)</b>	<b>0.3</b>	<b>1.3</b>	<b>0.5</b>	<b>0.2</b>	<b>0.2</b>
<i>margin, %</i>	-28%	4%	-14%	-33%	-29%	11%	n/a	9%	0%	-2%	2%	7%	2%	1%	1%
Interest Expense	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	n/a	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)
Other income/(expense)	0.0	(0.6)	(0.1)	0.1	(0.0)	(0.3)	n/a	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0
<b>PBT</b>	<b>(2.0)</b>	<b>(0.5)</b>	<b>(0.8)</b>	<b>(2.2)</b>	<b>(2.0)</b>	<b>0.2</b>	n/a	<b>2.1</b>	<b>(0.0)</b>	<b>(0.3)</b>	<b>0.2</b>	<b>1.3</b>	<b>0.5</b>	<b>0.2</b>	<b>0.2</b>
Tax	(0.4)	(0.3)	(0.6)	(0.8)	-	(0.0)	n/a	(0.4)	-	(0.1)	(0.2)	(0.2)	(0.3)	(0.2)	(0.0)
<i>Effective tax rate</i>	-18%	-58%	-69%	-38%	0%	4%	n/a	21%	0%	-27%	73%	19%	56%	87%	22%
<b>Net Income</b>	<b>(2.3)</b>	<b>(0.8)</b>	<b>(1.4)</b>	<b>(3.0)</b>	<b>(2.0)</b>	<b>0.2</b>	n/a	<b>1.7</b>	<b>(0.0)</b>	<b>(0.4)</b>	<b>0.1</b>	<b>1.1</b>	<b>0.2</b>	<b>0.0</b>	<b>0.2</b>
<i>Net Margin, %</i>	-34%	-16%	-28%	-45%	-30%	3%	n/a	11%	0%	-3%	0%	5%	1%	0%	1%

Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>35.6</b>	<b>35.4</b>	<b>36.9</b>	<b>33.6</b>	<b>34.7</b>	<b>34.2</b>	n/a	<b>33.8</b>	<b>34.5</b>	<b>36.4</b>	<b>36.6</b>	<b>36.4</b>	<b>36.9</b>	<b>35.3</b>	<b>31.2</b>
Cash & Equivalents	0.4	0.4	0.8	0.4	0.3	0.9	n/a	0.3	0.2	0.6	0.7	0.8	1.0	0.9	0.9
Trade Receivables	28.7	28.8	29.1	26.7	26.7	26.7	n/a	26.7	27.0	28.0	28.1	27.8	28.1	26.2	21.9
Inventories	2.5	2.5	3.2	3.0	3.9	2.9	n/a	3.2	3.1	2.8	2.8	2.8	2.9	3.1	3.0
Other	4.0	3.6	3.7	3.5	3.7	3.7	n/a	3.6	4.1	5.0	5.0	4.9	4.8	5.1	5.3
<b>Fixed Assets</b>	<b>44.3</b>	<b>44.2</b>	<b>43.6</b>	<b>43.2</b>	<b>42.8</b>	<b>41.9</b>	n/a	<b>41.8</b>	<b>42.1</b>	<b>43.4</b>	<b>43.4</b>	<b>44.8</b>	<b>44.8</b>	<b>45.5</b>	<b>47.3</b>
PP&E, net	41.6	41.5	40.8	41.1	40.5	39.8	n/a	39.5	39.2	40.7	40.5	42.3	42.1	42.4	44.4
Other	2.7	2.7	2.8	2.1	2.3	2.1	n/a	2.3	2.9	2.7	2.9	2.6	2.7	3.1	2.9
<b>Total Assets</b>	<b>80.0</b>	<b>79.6</b>	<b>80.5</b>	<b>76.8</b>	<b>77.5</b>	<b>76.1</b>	n/a	<b>75.6</b>	<b>76.5</b>	<b>79.9</b>	<b>80.0</b>	<b>81.2</b>	<b>81.6</b>	<b>80.8</b>	<b>78.5</b>
<b>Shareholders' Equity</b>	<b>0.2</b>	<b>0.0</b>	<b>(1.4)</b>	<b>(5.8)</b>	<b>(7.8)</b>	<b>(7.6)</b>	n/a	<b>(6.2)</b>	<b>(5.7)</b>	<b>(5.7)</b>	<b>(5.3)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(2.5)</b>
Share Capital	5.8	5.8	5.8	5.8	5.8	5.8	n/a	5.8	5.9	6.1	6.1	6.1	6.1	6.1	6.1
Retained Earnings	(38.0)	(38.9)	(40.3)	(43.3)	(45.3)	(45.2)	n/a	(43.5)	(43.1)	(44.8)	(44.5)	(43.4)	(43.4)	(43.4)	(43.2)
Other	32.4	33.1	33.1	31.7	31.7	31.8	n/a	31.4	31.6	33.0	33.1	33.1	33.1	33.1	34.6
<b>Current Liabilities</b>	<b>79.8</b>	<b>79.4</b>	<b>81.7</b>	<b>82.4</b>	<b>85.2</b>	<b>83.6</b>	n/a	<b>81.8</b>	<b>82.2</b>	<b>85.6</b>	<b>85.3</b>	<b>85.3</b>	<b>85.7</b>	<b>84.9</b>	<b>81.0</b>
ST Interest Bearing Debt	1.3	1.2	1.2	1.2	1.2	1.2	n/a	1.2	1.2	1.3	1.2	1.0	0.7	0.6	1.0
Trade Payables	76.4	76.0	78.7	79.1	82.2	80.4	n/a	78.9	79.6	83.1	82.9	82.5	82.8	81.9	77.7
Other	3.2	3.2	2.6	3.1	2.8	3.1	n/a	2.3	2.1	1.7	1.6	2.6	3.5	3.8	3.7
<b>LT Liabilities</b>	<b>0.0</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	n/a	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
LT Interest Bearing Debt	-	-	-	-	-	-	n/a	-	-	-	-	-	-	-	-
Other	0.0	0.2	0.2	0.2	0.1	0.1	n/a	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Liabilities &amp; Equity</b>	<b>80.0</b>	<b>79.6</b>	<b>80.5</b>	<b>76.8</b>	<b>77.5</b>	<b>76.1</b>	n/a	<b>75.6</b>	<b>76.5</b>	<b>79.9</b>	<b>80.0</b>	<b>81.2</b>	<b>81.6</b>	<b>80.8</b>	<b>78.5</b>

### Volynoblenergo (VOEN)

Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>3.1</b>	<b>1.3</b>	<b>2.0</b>	<b>2.7</b>	<b>2.7</b>	<b>2.2</b>	n/a	<b>9.6</b>	<b>9.9</b>	<b>8.4</b>	<b>8.7</b>	<b>11.6</b>	<b>13.1</b>	<b>10.3</b>	<b>10.5</b>
Gross Profit	(0.2)	2.7	1.1	1.6	1.5	1.0	n/a	0.9	1.1	1.0	0.8	1.0	2.3	1.4	1.5
<b>EBITDA</b>	<b>(0.5)</b>	<b>0.6</b>	<b>0.4</b>	<b>0.3</b>	<b>0.4</b>	<b>1.0</b>	n/a	<b>0.3</b>	<b>0.7</b>	<b>0.5</b>	<b>0.4</b>	<b>1.0</b>	<b>1.3</b>	<b>0.5</b>	<b>0.9</b>
<i>margin, %</i>	-17%	49%	20%	10%	16%	44%	n/a	4%	7%	6%	5%	9%	10%	4%	8%
Depreciation	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	n/a	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.4)	(0.5)	(0.5)
<b>EBIT</b>	<b>(0.8)</b>	<b>0.3</b>	<b>0.1</b>	<b>(0.1)</b>	<b>0.1</b>	<b>0.6</b>	n/a	<b>(0.0)</b>	<b>0.3</b>	<b>0.0</b>	<b>(0.1)</b>	<b>0.4</b>	<b>0.9</b>	<b>(0.0)</b>	<b>0.4</b>
<i>margin, %</i>	-26%	26%	5%	-2%	3%	28%	n/a	0%	3%	1%	-1%	5%	7%	0%	4%
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	n/a	(0.0)	-	-	-	(0.0)	(0.0)	(0.0)	(0.1)
Other income/(expense)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	n/a	(0.0)	(0.0)	0.0	0.0	0.1	0.0	0.0	0.0
<b>PBT</b>	<b>(0.8)</b>	<b>0.3</b>	<b>0.1</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.6</b>	n/a	<b>(0.1)</b>	<b>0.3</b>	<b>0.0</b>	<b>(0.1)</b>	<b>0.6</b>	<b>0.9</b>	<b>(0.0)</b>	<b>0.4</b>
Tax	(0.1)	(0.3)	0.0	0.4	-	(0.2)	n/a	-	(0.2)	(0.1)	(0.0)	(0.2)	(0.4)	(0.1)	(0.2)
<i>Effective tax rate</i>	-8%	97%	-16%	363%	0%	26%	n/a	0%	56%	234%	-52%	24%	45%	-167%	49%
<b>Net Income</b>	<b>(0.9)</b>	<b>0.0</b>	<b>0.1</b>	<b>0.3</b>	<b>0.0</b>	<b>0.4</b>	n/a	<b>(0.1)</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>0.5</b>	<b>0.5</b>	<b>(0.1)</b>	<b>0.2</b>
<i>Net Margin, %</i>	-29%	1%	5%	10%	2%	20%	n/a	-1%	1%	-1%	-1%	4%	4%	-1%	2%

Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>10.2</b>	<b>10.0</b>	<b>9.5</b>	<b>9.7</b>	<b>9.9</b>	<b>10.1</b>	n/a	<b>9.1</b>	<b>9.8</b>	<b>9.9</b>	<b>9.6</b>	<b>9.2</b>	<b>9.9</b>	<b>10.3</b>	<b>10.1</b>
Cash & Equivalents	0.8	0.9	0.6	1.0	1.0	1.2	n/a	1.1	1.2	1.0	0.6	0.7	1.3	1.2	1.7
Trade Receivables	7.6	7.3	7.2	7.0	7.2	7.1	n/a	6.3	6.8	7.0	7.0	6.7	6.4	6.5	6.0
Inventories	0.7	0.7	0.7	0.7	0.7	0.7	n/a	0.8	0.9	1.0	1.0	1.2	1.3	1.7	1.6
Other	1.1	1.1	1.0	1.1	1.0	1.1	n/a	0.9	0.9	0.9	1.0	0.7	0.9	0.8	0.8
<b>Fixed Assets</b>	<b>16.1</b>	<b>16.0</b>	<b>16.0</b>	<b>16.5</b>	<b>16.5</b>	<b>16.3</b>	n/a	<b>16.1</b>	<b>16.1</b>	<b>16.9</b>	<b>17.2</b>	<b>17.3</b>	<b>17.4</b>	<b>17.6</b>	<b>18.2</b>
PP&E, net	15.7	15.5	15.4	15.3	15.2	15.1	n/a	15.1	15.1	15.9	16.1	16.2	16.3	16.5	17.4
Other	0.4	0.6	0.6	1.2	1.2	1.2	n/a	1.0	1.0	1.0	1.1	1.1	1.1	1.1	0.9
<b>Total Assets</b>	<b>26.4</b>	<b>26.0</b>	<b>25.5</b>	<b>26.2</b>	<b>26.4</b>	<b>26.4</b>	n/a	<b>25.2</b>	<b>25.9</b>	<b>26.9</b>	<b>26.8</b>	<b>26.5</b>	<b>27.3</b>	<b>27.8</b>	<b>28.3</b>
<b>Shareholders' Equity</b>	<b>11.7</b>	<b>11.7</b>	<b>11.8</b>	<b>12.4</b>	<b>12.5</b>	<b>12.9</b>	n/a	<b>13.0</b>	<b>13.2</b>	<b>13.5</b>	<b>13.2</b>	<b>13.7</b>	<b>14.2</b>	<b>12.1</b>	<b>12.5</b>
Share Capital	4.5	4.5	4.5	4.5	4.5	4.5	n/a	4.5	4.5	4.7	4.7	4.7	4.7	4.7	4.7
Retained Earnings	(7.5)	(7.5)	(7.4)	(6.8)	(6.7)	(6.3)	n/a	(6.2)	(6.1)	(6.6)	(7.0)	(6.5)	(6.0)	(8.1)	(7.8)
Other	14.8	14.8	14.8	14.7	14.7	14.7	n/a	14.7	14.8	15.4	15.5	15.4	15.5	15.5	15.6
<b>Current Liabilities</b>	<b>14.6</b>	<b>14.3</b>	<b>13.6</b>	<b>13.8</b>	<b>13.9</b>	<b>13.5</b>	n/a	<b>12.2</b>	<b>12.7</b>	<b>13.4</b>	<b>13.6</b>	<b>12.9</b>	<b>13.2</b>	<b>15.7</b>	<b>15.8</b>
ST Interest Bearing Debt	0.4	0.1	0.1	0.6	0.6	-	n/a	-	-	-	0.4	0.6	0.1	0.5	1.0
Trade Payables	13.8	13.5	13.3	13.0	12.5	12.3	n/a	11.3	11.3	11.7	11.6	10.6	10.5	10.5	10.1
Other	0.8	1.2	0.3	0.5	1.0	1.7	n/a	1.2	2.0	2.3					

## Zaporizhiaoblenergo (ZAON)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>6.2</b>	<b>119.9</b>	<b>70.3</b>	<b>67.4</b>	<b>65.9</b>	<b>65.5</b>	<b>69.4</b>	<b>74.8</b>	<b>79.1</b>	<b>83.1</b>	<b>82.7</b>	<b>103.9</b>	<b>112.0</b>	<b>107.4</b>	<b>111.5</b>
Gross Profit	2.5	(1.6)	6.8	2.3	2.6	3.9	6.8	1.1	1.4	3.7	3.8	5.0	3.3	6.9	5.3
<b>EBITDA</b>	<b>(2.8)</b>	<b>2.9</b>	<b>2.5</b>	<b>(1.5)</b>	<b>1.5</b>	<b>3.6</b>	<b>3.8</b>	<b>(3.7)</b>	<b>1.7</b>	<b>4.5</b>	<b>4.5</b>	<b>2.1</b>	<b>4.5</b>	<b>6.4</b>	<b>2.5</b>
<i>margin, %</i>	-46%	2%	4%	-2%	2%	5%	5%	-5%	2%	5%	5%	2%	4%	6%	2%
Depreciation	(1.5)	(1.4)	(1.4)	(1.5)	(1.3)	(1.3)	(1.4)	(1.4)	(1.5)	(1.6)	(1.6)	(1.6)	(1.7)	(1.6)	(2.2)
<b>EBIT</b>	<b>(4.3)</b>	<b>1.5</b>	<b>1.1</b>	<b>(3.0)</b>	<b>0.2</b>	<b>2.3</b>	<b>2.4</b>	<b>(5.1)</b>	<b>0.2</b>	<b>2.9</b>	<b>2.9</b>	<b>0.4</b>	<b>2.8</b>	<b>4.8</b>	<b>0.3</b>
<i>margin, %</i>	-70%	1%	2%	-4%	0%	3%	3%	-7%	0%	3%	3%	0%	2%	4%	0%
Interest Expense	-	(0.0)	-	-	-	(0.0)	(0.0)	-	-	-	-	(0.0)	(0.0)	(0.0)	(0.1)
Other income/(expense)	0.2	0.2	1.3	(0.0)	0.2	0.2	0.0	0.1	0.0	0.1	0.2	(2.0)	(2.7)	(1.0)	(0.2)
<b>PBT</b>	<b>(4.2)</b>	<b>1.7</b>	<b>2.4</b>	<b>(3.0)</b>	<b>0.4</b>	<b>2.5</b>	<b>2.4</b>	<b>(5.0)</b>	<b>0.2</b>	<b>3.0</b>	<b>3.0</b>	<b>(1.6)</b>	<b>0.1</b>	<b>3.8</b>	<b>0.0</b>
Tax	-	-	-	-	(0.4)	(0.3)	(0.4)	1.2	(0.1)	(1.7)	(1.0)	1.8	(0.0)	(1.2)	0.1
<i>Effective tax rate</i>	0%	0%	0%	0%	101%	13%	19%	24%	32%	58%	33%	110%	33%	31%	-386%
<b>Net Income</b>	<b>(4.2)</b>	<b>1.7</b>	<b>2.4</b>	<b>(3.0)</b>	<b>(0.0)</b>	<b>2.2</b>	<b>2.0</b>	<b>(3.8)</b>	<b>0.1</b>	<b>1.2</b>	<b>2.0</b>	<b>0.2</b>	<b>0.1</b>	<b>2.6</b>	<b>0.2</b>
<i>Net Margin, %</i>	-67%	1%	3%	-5%	0%	3%	3%	-5%	0%	1%	2%	0%	0%	2%	0%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>146.4</b>	<b>145.8</b>	<b>153.2</b>	<b>137.1</b>	<b>138.4</b>	<b>142.2</b>	<b>133.6</b>	<b>127.9</b>	<b>125.8</b>	<b>122.0</b>	<b>112.9</b>	<b>102.7</b>	<b>106.3</b>	<b>105.7</b>	<b>101.0</b>
Cash & Equivalents	8.9	9.0	3.7	3.7	2.5	1.8	1.4	2.0	2.4	8.4	5.4	1.4	1.2	0.5	0.6
Trade Receivables	93.6	93.3	95.9	93.1	92.8	94.1	92.3	91.5	92.4	81.2	75.7	73.2	77.0	76.6	76.1
Inventories	19.1	17.3	22.0	16.0	16.3	18.5	16.6	15.1	11.9	14.1	13.6	13.2	14.0	15.7	13.8
Other	24.9	26.3	31.7	24.4	26.8	27.8	23.4	19.3	19.0	18.4	18.3	14.8	14.2	13.0	10.6
<b>Fixed Assets</b>	<b>69.8</b>	<b>71.7</b>	<b>72.6</b>	<b>74.4</b>	<b>75.0</b>	<b>75.9</b>	<b>64.2</b>	<b>67.2</b>	<b>68.2</b>	<b>68.5</b>	<b>68.4</b>	<b>74.6</b>	<b>75.4</b>	<b>76.9</b>	<b>79.5</b>
PP&E, net	62.0	63.3	62.6	62.6	62.2	62.1	48.3	59.9	59.4	61.8	63.1	62.9	62.7	63.2	65.8
Other	7.9	8.4	10.0	11.8	12.8	13.8	15.9	7.2	8.8	6.7	5.3	11.7	12.7	13.7	13.7
<b>Total Assets</b>	<b>216.2</b>	<b>217.6</b>	<b>225.9</b>	<b>211.6</b>	<b>213.4</b>	<b>218.1</b>	<b>197.9</b>	<b>195.0</b>	<b>193.9</b>	<b>190.6</b>	<b>181.3</b>	<b>177.3</b>	<b>181.7</b>	<b>182.7</b>	<b>180.5</b>
<b>Shareholders' Equity</b>	<b>27.8</b>	<b>30.9</b>	<b>33.2</b>	<b>30.0</b>	<b>29.8</b>	<b>31.8</b>	<b>20.0</b>	<b>16.5</b>	<b>16.7</b>	<b>18.3</b>	<b>20.3</b>	<b>21.7</b>	<b>20.2</b>	<b>22.9</b>	<b>23.0</b>
Share Capital	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.5	8.5	8.9	8.9	8.9	8.9	8.9	8.9
Retained Earnings	(31.8)	(30.0)	(27.6)	(30.5)	(30.6)	(28.4)	(26.5)	(29.9)	(30.6)	(30.6)	(29.0)	(27.5)	(31.1)	(28.5)	(28.2)
Other	51.2	52.5	52.4	52.1	51.9	51.8	38.0	38.0	38.2	40.1	40.4	40.3	42.4	42.5	42.4
<b>Current Liabilities</b>	<b>188.4</b>	<b>186.6</b>	<b>192.7</b>	<b>181.6</b>	<b>183.6</b>	<b>186.2</b>	<b>177.9</b>	<b>178.5</b>	<b>177.2</b>	<b>172.3</b>	<b>161.0</b>	<b>155.6</b>	<b>161.5</b>	<b>159.7</b>	<b>157.5</b>
ST Interest Bearing Debt	0.0	0.0	0.0	-	0.0	0.8	-	-	-	-	-	1.2	-	1.2	2.6
Trade Payables	173.9	172.6	181.6	177.0	177.8	178.2	170.4	172.6	170.7	164.7	154.2	148.8	152.7	136.6	133.9
Other	15.0	14.6	11.7	5.2	6.7	8.2	8.7	6.9	7.6	11.1	9.2	6.6	9.9	24.8	23.0
<b>LT Liabilities</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
LT Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-
<b>Total Liabilities &amp; Equity</b>	<b>216.2</b>	<b>217.6</b>	<b>225.9</b>	<b>211.6</b>	<b>213.4</b>	<b>218.1</b>	<b>197.9</b>	<b>195.0</b>	<b>193.9</b>	<b>190.6</b>	<b>181.3</b>	<b>177.3</b>	<b>181.7</b>	<b>182.7</b>	<b>180.5</b>

## Zakarpatoenergo (ZOEN)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>12.2</b>	<b>7.8</b>	<b>8.3</b>	<b>12.0</b>	<b>13.3</b>	<b>(5.3)</b>	<b>n/a</b>	<b>13.0</b>	<b>14.7</b>	<b>11.7</b>	<b>11.1</b>	<b>16.2</b>	<b>17.9</b>	<b>13.9</b>	<b>13.0</b>
Gross Profit	0.7	1.6	0.3	1.3	1.2	3.5	n/a	3.1	0.9	1.3	1.2	1.8	3.1	1.0	1.0
<b>EBITDA</b>	<b>0.6</b>	<b>1.4</b>	<b>0.3</b>	<b>0.4</b>	<b>0.9</b>	<b>0.4</b>	<b>n/a</b>	<b>0.4</b>	<b>0.6</b>	<b>0.9</b>	<b>0.9</b>	<b>1.2</b>	<b>1.7</b>	<b>0.3</b>	<b>0.6</b>
<i>margin, %</i>	5%	18%	4%	3%	7%	-8%	n/a	3%	4%	8%	8%	7%	9%	2%	5%
Depreciation	(0.5)	(0.5)	(0.4)	(0.5)	(0.6)	(0.7)	n/a	(0.7)	(0.6)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(0.6)
<b>EBIT</b>	<b>0.0</b>	<b>0.9</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>0.3</b>	<b>(0.2)</b>	<b>n/a</b>	<b>(0.3)</b>	<b>0.1</b>	<b>0.3</b>	<b>0.2</b>	<b>0.5</b>	<b>1.0</b>	<b>(0.3)</b>	<b>(0.0)</b>
<i>margin, %</i>	0%	11%	-2%	-1%	2%	5%	n/a	-2%	0%	2%	3%	5%	5%	-2%	0%
Interest Expense	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	n/a	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Other income/(expense)	0.0	0.0	(0.0)	(0.0)	(0.2)	0.2	n/a	0.1	0.0	0.1	0.1	0.1	0.0	0.1	0.1
<b>PBT</b>	<b>0.0</b>	<b>0.8</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>0.1</b>	<b>(0.1)</b>	<b>n/a</b>	<b>(0.5)</b>	<b>0.0</b>	<b>0.3</b>	<b>0.2</b>	<b>0.5</b>	<b>0.9</b>	<b>(0.3)</b>	<b>(0.0)</b>
Tax	-	-	-	-	-	-	-	-	-	-	(0.2)	(0.3)	(0.2)	0.0	(0.0)
<i>Effective tax rate</i>	0%	0%	0%	0%	0%	0%	n/a	0%	0%	0%	79%	51%	19%	7%	-120%
<b>Net Income</b>	<b>0.0</b>	<b>0.8</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>0.1</b>	<b>(0.1)</b>	<b>n/a</b>	<b>(0.5)</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>0.2</b>	<b>0.8</b>	<b>(0.3)</b>	<b>(0.1)</b>
<i>Net Margin, %</i>	0%	10%	-2%	-2%	1%	1%	n/a	-4%	0%	2%	0%	2%	4%	-2%	-1%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>40.1</b>	<b>41.0</b>	<b>41.4</b>	<b>43.5</b>	<b>47.1</b>	<b>48.7</b>	<b>n/a</b>	<b>51.9</b>	<b>55.6</b>	<b>59.8</b>	<b>58.9</b>	<b>58.6</b>	<b>60.3</b>	<b>60.6</b>	<b>58.3</b>
Cash & Equivalents	0.1	0.2	0.0	0.0	0.0	0.1	n/a	0.1	0.2	1.0	0.1	0.1	0.1	0.1	0.1
Trade Receivables	36.7	37.7	38.2	40.7	44.1	45.3	n/a	48.8	52.1	55.1	55.4	55.6	57.2	57.3	55.2
Inventories	0.9	0.8	0.8	1.0	1.2	1.3	n/a	1.3	1.4	1.6	1.5	1.3	1.5	1.3	1.2
Other	2.5	2.4	2.3	1.8	1.7	1.9	n/a	1.7	2.0	2.1	1.8	1.6	1.6	1.8	1.9
<b>Fixed Assets</b>	<b>35.8</b>	<b>35.6</b>	<b>35.3</b>	<b>35.4</b>	<b>35.2</b>	<b>35.3</b>	<b>n/a</b>	<b>35.3</b>	<b>35.5</b>	<b>37.5</b>	<b>37.6</b>	<b>38.6</b>	<b>38.5</b>	<b>38.4</b>	<b>38.5</b>
PP&E, net	31.9	31.5	31.2	31.3	31.1	31.4	n/a	31.3	31.4	33.2	33.2	34.5	34.2	33.9	34.1
Other	4.0	4.1	4.1	4.1	4.1	3.9	n/a	4.0	4.1	4.3	4.4	4.1	4.3	4.5	4.5
<b>Total Assets</b>	<b>76.0</b>	<b>76.7</b>	<b>76.7</b>	<b>78.9</b>	<b>82.2</b>	<b>83.9</b>	<b>n/a</b>	<b>87.2</b>	<b>91.1</b>	<b>97.3</b>	<b>96.5</b>	<b>97.2</b>	<b>98.8</b>	<b>99.1</b>	<b>96.8</b>
<b>Shareholders' Equity</b>	<b>28.0</b>	<b>28.8</b>	<b>28.6</b>	<b>28.3</b>	<b>28.5</b>	<b>28.5</b>	<b>n/a</b>	<b>28.2</b>	<b>28.3</b>	<b>29.8</b>	<b>29.8</b>	<b>29.9</b>	<b>30.7</b>	<b>30.2</b>	<b>30.1</b>
Share Capital	5.8	5.8	5.8	5.8	5.8	5.9	n/a	5.9	5.9	6.2	6.2	6.2	6.2	6.2	6.2
Retained Earnings	(13.7)	(12.9)	(13.1)	(13.4)	(13.3)	(13.4)	n/a	(14.0)	(14.0)	(14.4)	(14.5)	(14.4)	(13.6)	(14.1)	(14.2)
Other	35.8	35.9	35.9	35.9	36.0	36.1	n/a	36.3	36.4	38.1	38.1	38.1	38.1	38.1	38.1
<b>Current Liabilities</b>	<b>48.0</b>	<b>47.9</b>	<b>48.2</b>	<b>50.6</b>	<b>53.7</b>	<b>55.4</b>	<b>n/a</b>	<b>59.0</b>	<b>62.8</b>	<b>67.4</b>	<b>66.7</b>	<b>67.3</b>	<b>68.2</b>	<b>68.8</b>	<b>66.7</b>
ST Interest Bearing Debt	1.7	2.0	1.9	1.0	2.0	2.2	n/a	2.1	2.0	2.1	2.1	2.1	2.0	2.2	2.2
Trade Payables	44.2	43.9													

## Zhytomioblenergo (ZHEN)

### Income Statement Summary, Net USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Net Revenues</b>	<b>16.2</b>	<b>11.9</b>	<b>12.3</b>	<b>16.0</b>	<b>16.4</b>	<b>13.4</b>	<b>n/a</b>	<b>17.1</b>	<b>17.4</b>	<b>15.8</b>	<b>16.2</b>	<b>21.7</b>	<b>23.9</b>	<b>19.5</b>	<b>19.1</b>
Gross Profit	4.0	3.0	1.8	2.9	3.4	1.9	n/a	3.7	3.1	2.9	2.6	3.6	4.5	3.7	2.3
<b>EBITDA</b>	<b>4.0</b>	<b>4.0</b>	<b>2.8</b>	<b>(0.7)</b>	<b>4.3</b>	<b>0.8</b>	<b>n/a</b>	<b>3.9</b>	<b>3.2</b>	<b>2.3</b>	<b>1.9</b>	<b>1.1</b>	<b>4.0</b>	<b>3.1</b>	<b>2.1</b>
<i>margin, %</i>	25%	34%	23%	-4%	26%	6%	n/a	23%	19%	15%	12%	5%	17%	16%	11%
Depreciation	(0.7)	(0.6)	(0.7)	(1.1)	(1.0)	(1.0)	n/a	(1.0)	(1.0)	(1.1)	(0.5)	(1.6)	(1.0)	(0.9)	(1.0)
<b>EBIT</b>	<b>3.4</b>	<b>3.4</b>	<b>2.1</b>	<b>(1.7)</b>	<b>3.3</b>	<b>(0.2)</b>	<b>n/a</b>	<b>3.0</b>	<b>2.2</b>	<b>1.3</b>	<b>1.5</b>	<b>(0.6)</b>	<b>3.0</b>	<b>2.2</b>	<b>1.1</b>
<i>margin, %</i>	21%	29%	17%	-11%	20%	-2%	n/a	17%	13%	8%	9%	-3%	13%	11%	6%
Interest Expense	-	-	(0.0)	-	(0.0)	(0.0)	n/a	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)
Other income/(expense)	(0.0)	0.0	(0.0)	(0.1)	(0.0)	0.0	n/a	0.1	0.0	0.1	0.1	(0.1)	(0.0)	0.0	0.5
<b>PBT</b>	<b>3.4</b>	<b>3.4</b>	<b>2.0</b>	<b>(1.8)</b>	<b>3.3</b>	<b>(0.2)</b>	<b>n/a</b>	<b>2.7</b>	<b>2.2</b>	<b>1.4</b>	<b>1.5</b>	<b>(0.7)</b>	<b>2.9</b>	<b>2.0</b>	<b>1.5</b>
Tax	(0.5)	(1.4)	(1.3)	0.4	(0.5)	0.0	n/a	(1.4)	(0.4)	(0.4)	(0.8)	(0.4)	(1.1)	(0.5)	(1.3)
<i>Effective tax rate</i>	16%	40%	62%	25%	15%	12%	n/a	50%	21%	32%	51%	-58%	37%	23%	91%
<b>Net Income</b>	<b>2.8</b>	<b>2.1</b>	<b>0.8</b>	<b>(1.3)</b>	<b>2.8</b>	<b>(0.2)</b>	<b>n/a</b>	<b>1.4</b>	<b>1.7</b>	<b>0.9</b>	<b>0.7</b>	<b>(1.1)</b>	<b>1.8</b>	<b>1.6</b>	<b>0.1</b>
<i>Net Margin, %</i>	18%	18%	6%	-8%	17%	-1%	n/a	8%	10%	6%	5%	-5%	8%	8%	1%

### Balance Sheet Summary, USD mln

	1Q03	2Q03	3Q03	4Q03	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q06	3Q06
<b>Current Assets</b>	<b>19.9</b>	<b>21.8</b>	<b>19.0</b>	<b>14.8</b>	<b>16.5</b>	<b>16.3</b>	<b>n/a</b>	<b>21.7</b>	<b>13.1</b>	<b>13.3</b>	<b>13.3</b>	<b>10.4</b>	<b>12.9</b>	<b>15.8</b>	<b>12.5</b>
Cash & Equivalents	2.3	3.4	1.8	1.9	1.9	1.7	n/a	4.0	0.8	0.9	0.3	0.8	0.7	1.0	0.9
Trade Receivables	10.5	11.1	11.7	8.1	9.7	9.0	n/a	8.6	9.3	9.5	9.0	6.4	7.8	7.7	5.8
Inventories	3.5	1.9	1.2	2.6	1.3	0.9	n/a	2.6	1.2	1.2	1.3	1.1	2.5	5.8	4.3
Other	3.7	5.4	4.2	2.2	3.6	4.7	n/a	6.4	1.8	1.7	2.7	2.0	1.9	1.3	1.5
<b>Fixed Assets</b>	<b>35.4</b>	<b>36.1</b>	<b>38.1</b>	<b>39.6</b>	<b>40.4</b>	<b>40.0</b>	<b>n/a</b>	<b>40.7</b>	<b>43.2</b>	<b>45.0</b>	<b>45.8</b>	<b>46.2</b>	<b>47.3</b>	<b>48.0</b>	<b>50.3</b>
PP&E, net	30.1	30.1	30.2	34.5	34.6	34.6	n/a	35.8	35.5	36.7	36.4	39.4	39.0	38.8	38.4
Other	5.3	6.0	8.0	5.1	5.9	5.4	n/a	5.0	7.7	8.2	9.4	6.7	8.3	9.3	11.9
<b>Total Assets</b>	<b>55.3</b>	<b>57.9</b>	<b>57.1</b>	<b>54.4</b>	<b>57.0</b>	<b>56.3</b>	<b>n/a</b>	<b>62.4</b>	<b>56.3</b>	<b>58.3</b>	<b>59.1</b>	<b>56.6</b>	<b>60.2</b>	<b>63.8</b>	<b>62.9</b>
<b>Shareholders' Equity</b>	<b>39.1</b>	<b>41.1</b>	<b>42.2</b>	<b>40.9</b>	<b>43.7</b>	<b>43.6</b>	<b>n/a</b>	<b>44.4</b>	<b>46.4</b>	<b>49.2</b>	<b>50.0</b>	<b>48.4</b>	<b>50.3</b>	<b>51.8</b>	<b>49.7</b>
Share Capital	5.7	5.7	5.7	5.7	5.7	5.8	n/a	5.8	5.8	6.1	6.1	6.1	6.1	6.1	6.1
Retained Earnings	3.2	5.1	6.0	4.4	7.0	6.8	n/a	7.2	9.0	10.2	10.9	9.1	10.9	12.5	10.3
Other	30.2	30.3	30.4	30.8	30.9	31.0	n/a	31.4	31.5	33.0	33.0	33.2	33.3	33.3	33.3
<b>Current Liabilities</b>	<b>16.2</b>	<b>16.9</b>	<b>14.9</b>	<b>13.5</b>	<b>13.3</b>	<b>12.7</b>	<b>n/a</b>	<b>15.2</b>	<b>9.9</b>	<b>9.1</b>	<b>8.6</b>	<b>4.6</b>	<b>6.5</b>	<b>8.7</b>	<b>10.0</b>
ST Interest Bearing Debt	-	-	-	-	-	-	n/a	-	-	-	0.7	-	-	-	-
Trade Payables	11.6	11.6	10.7	9.3	8.8	10.0	n/a	7.6	6.6	5.5	4.4	0.4	0.4	0.0	0.1
Other	4.9	5.6	5.3	4.9	5.5	3.1	n/a	8.1	4.1	4.6	4.4	5.2	7.5	9.8	10.7
<b>LT Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.8</b>	<b>-</b>	<b>-</b>	<b>0.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.3</b>	<b>3.2</b>
LT Interest Bearing Debt	-	-	-	-	-	-	-	2.8	-	-	0.5	3.5	3.5	3.3	3.2
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities &amp; Equity</b>	<b>55.3</b>	<b>57.9</b>	<b>57.1</b>	<b>54.4</b>	<b>57.0</b>	<b>56.3</b>	<b>n/a</b>	<b>62.4</b>	<b>56.3</b>	<b>58.3</b>	<b>59.1</b>	<b>56.6</b>	<b>60.2</b>	<b>63.8</b>	<b>62.9</b>

## Analyst Certification

I, Alexander Paraschiy, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

### Sector Report History

Date	Name	Type	Pages
Dec. 13, 2006	Oblenergos: A Whole New World	Update	55
Oct. 19, 2006	Energy Sector: Questions Raised by Recent Events	Notebook	3
Feb. 10, 2006	Cold Weather Brings Interest in Oblenergos to a Boil	Notebook	2
Jan. 25, 2006	CEZ to Enter the Ukrainian Electricity Market?	Notebook	2
Jan. 25, 2006	The Gas Crisis: Good for Electricity Companies?	Notebook	2
Dec. 15, 2005	Oblenergo Profits: Everything You Need to Know	Update	65
Sep. 15, 2005	Oblenergos: Awakening	Update	48
Feb. 28, 2005	Oblenergos: Sleeping Beauties?	Initiating Coverage	63

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Hold	16	22%
Sell	13	18%
Under Review/Suspended	6	8%
Total	74	100%

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