

Balance sheet
30 June 2017

	Form No. 1 OKUD [Russian National Classifier of Management Documentation]	Codes
		0710001
		Date 30.06.2017
Company: Kubanenergo PJSC	OKPO [Russian Classifier of Businesses and Organizations]	00104509
Taxpayer Identification Number	TIN	2309001660
Type of activity <u>electricity transmission</u>	OKVED [Russian Classifier of Types of Economic Activity]	35.12 / 35.13
Organizational legal form/ownership form Public Joint-Stock Company	OKOPF [Russian Classifier of Organizational Legal Forms]/OKFS [Russian National Classifier of Forms of Ownership]	122 \ 47 / 16
Unit: thousand rubles	OKEI [Russian Classifier of Measurement Units]	384

Address: 2A Stavropolskaya str., 350040, Krasnodar, RF,

notes	Indicator	Line code	as of 30 June 2017	as of 31 December 2016	as of 31 December 2015
	ASSETS				
5.1.1.- 5.2.2.	I. NON-CURRENT ASSETS		27 001	25 834	13 233
	Intangible assets	1110			
5.2.2.	Including purchase of intangible assets in progress	1111		-	-
5.2.1.- 5.2.2.	Results of researches and developments	1120	31 158	24 411	32 385
5.2.2.	Including expenditures on researches in progress	1121	31 158	24 411	32 385
	Intangible development assets	1130	-	-	-
	Tangible development assets	1140	-	-	-
5.3.1.- 5.3.6.	Fixed assets	1150	56 803 451	55 910 737	53 710 490
	land plots and environmental facilities	1151	136 122	136 122	133 257

	Buildings, vehicles, equipment, constructions	1152	49 445 765	50 114 801	50 143 264
	Other fixed assets	1153	279 168	319 843	320 007
5.3.5.	Construction in progress	1154	5 311 211	4 320 028	2 196 312
5.3.6.	Advances paid for capital construction and purchase of fixed assets	1155	773 817	83 921	16 106
	Raw materials and materials for production of fixed assets*	1156	857 368	936 022	901 544
5.3.1.	Income-bearing investments in tangible valuables	1160	-	-	-
	Property for leasing	1161	-	-	-
	Property provided under rent contract	1162	-	-	-
5.4.1.- 5.4.3.	Financial investments	1170	45 580	45 588	45 588
	Investments in affiliates	1171	45 507	45 587	45 587
	Investments in dependent companies	1172	-	-	-
	Investments in outside companies	1173	1	1	1
	Loans to organizations for more than 12 months	1174	-	-	-
	Financial investments	1175	-	-	-
5.7.2.	Deferred tax assets	1180		839 768	972 310
	Other non-current assets	1190	58 077	52 375	59 480
	TOTAL Section I	1100	57 857 963	56 898 713	54 833 486
	II. CURRENT ASSETS				
5.5.1.- 5.5.2.	Stock	1210	1 533 442	1 407 566	1 292 106
	Raw materials, supplies and other similar assets	1211	1 533 442	1 407 566	1 292 106
	Expenses on construction-in-progress	1212	-	-	-
	Finished products and goods for resale	1213	-	-	-
	Goods delivered	1214	-	-	-
	Other stock and expenses	1215	-	-	-
	Value added tax on valuables acquired	1220	6 054	7 496	6 198

5.6.1- 5.6.4.	Accounts receivable	1230		7 119 419	4 900 772
	accounts receivable that are due beyond 12 months	1231		12 614	12 426
	Buyers and customers	123101	-	-	-
	Bills receivable	123102	-	-	-
	Advances paid	123103	-	-	-
	Other accounts receivable	123104		12 614	12 426
	accounts receivable that are due in the next 12 months	1232	6 055 544	7 106 805	4 888 346
	Buyers and customers	123201	5 191 093	6 410 581	4 601 989
	Bills receivable	123202	-	-	-
	Debts of affiliated and depended companies on interest	123203	-	-	-
	Debts of participants (founders) on share capital payment	123204	-	-	-
	Advances paid	123205	105 822	13 369	25 236
	Other accounts receivable	123206	750 629	682 855	261 121
5.4.1.- 5.4.3.	Financial investments	1240	-	-	-
	Loans granted to companies for a period of less 12 months	1241	-	-	-
	Other short-term financial investments	1242	-	-	-
f.4	Cash and equivalents	1250		1 245 575	2 577 455
	Cash bank	1251			
	Operating account	1252		1 245 436	2 577 358
	Currency account	1253			
	Other funds	1254	11 885	139	97
	Other current assets	1260	707 123	609 432	708 381
	VAT on advance payments made for capital construction	1261	138 791	14 613	2 197

	VAT on received advance payments	1262	530 738	544 681	659 128
	Others	1263	29 594	50 138	47 056
	TOTAL Section II	1200	9 379 832	10 389 488	9 484 912
	BALANCE	1600	67 237 795	67 288 201	64 318 398

	LIABILITIES	Line	as of 30 June 2017	as of 31 December 2016	as of 31 December 2015
1	2	3		4	5
	III. CAPITAL AND RESERVES				
3.1.	Authorized capital (reserve capital, statutory fund and partners' contributions)	1310	28 286 813	28 286 813	28 286 813
3.1	Capital (before registration of changes)	1311	2 072 166	2 072 164	-
3.1.	Treasury stock bought out at from the shareholders	1320	-	-	-
5.3.1., 5.1.1	Revaluation of non-current assets	1340	10 797 253	10 805 974	10 851 166
3.1.	Additional capital (without revaluation)	1350	6 481 916	6 481 916	6 481 916
3.1.	Reserve capital	1360	161 971	161 971	89 347
3.1.	Unallocated profit (uncovered loss)	1370	(12 681 353)	(12 410 429)	(13 378 700)
	Past years	1371	(12 401 708)	(14 550 929)	(14 831 179)
	Reported period	1372	(279 645)	2 140 500	1 452 479
	TOTAL Section III	1300	35 118 766	35 398 409	32 330 542
	IV. LONG-TERM LIABILITIES				
5.6.7- 5.6.8	Borrowed funds	1410	20 674 391	18 912 239	10 000 000
	Bank credits payable in more than 12 months after the reporting date	1411	13 674 391	11 912 239	3 000 000
	Credits payable in more than 12 months after the reporting date	1412	7 000 000	7 000 000	7 000 000
5.7.2.	Deferred tax liabilities	1420	141 523	128 343	122 951
5.7.1.	Reserve for contingent liabilities	1430	-	-	-
5.6.5-	Other liabilities	1450	1 314 504	1 429 365	468 760

5.6.6.					
	TOTAL Section IV	1400	22 130 418	20 469 947	10 591 711
	V. SHORT-TERM LIABILITIES				
5.6.7.- 5.6.8.	Borrowed funds	1510	519 104	79 078	7 071 346
	Bank payable in more than 12 months after the reporting date	1511	445 454	3 264	7 000 000
	Credits payable in more than 12 months after the reporting date	1512	73 650	75 814	71 346
5.6.5.- 5.6.6.	Payables	1520	7 436 690	8 280 201	11 799 752
	Suppliers and contractors	1521	3 469 252	4 837 353	4 343 657
	Bills payable	1522			
	Salaries payable	1523	214 838	212 336	181 165
	Debt to state extra-budgetary funds	1524	106 341	93 935	86 764
	Taxes payable	1525	611 438	654 431	1 502 989
	Advances received	1526	1 983 269	1 922 409	3 860 085
	Payable to the participants (founders) on income payment	1527	535 162	37	-
	Other accounts payable	1528	516 390	559 700	1 825 092
	Reserves for future expenses	1530		130 231	115 298
5.7.1	Estimated liability	1540	3 075 620	2 930 335	2 409 749
	Estimated liability for vacation pay	1541	268 649	240 124	226 877
	Estimated liability for accounts payable to employees	1542	214 637	243 882	275 097
	Estimated liability on controversial debt	1543	2 361 644	2 207 726	1 791 985
	Estimated liability on lawsuit	1544	230 690	238 603	11 946
	Estimated liability on tax risks	1545	-	-	66 148
	Miscellaneous estimated liability	1546	-	-	37 696
	Miscellaneous liabilities	1550	-	-	-
	TOTAL Section V	1500	11 158 476	11 419 845	21 396 145
	BALANCE (assets)	1700	67 237 795	67 288 201	64 318 398

Director _____ Ocheredko O.V.
(signature)

Chief accountant _____ Skiba I.V.
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27 July 2017

(seal)

Profit and loss statement for half-year of 2017

Form OKUD [Russian National Classifier of Management Documentation]		Codes
		0710002
Date		30.06.2017
Company: Kubanenergo PJSC	OKPO [Russian Classifier of Businesses and Organizations]	00104509
Taxpayer Identification Number	INN [Taxpayer Identification Number]	2309001660
Type of activity: electricity transmission	OKVED [Russian Classifier of Economic Activities]	35.12 / 35.13
Organizational legal form/ownership form Public Joint-Stock Company	OKOPF [Russian Classifier of Organizational Legal Forms]/OKFS [Russian Classifier of Forms of Ownership]	122 47 / 16
Unit: thousand rubles	OKEI [Russian Classifier of Measurement Units]	384

	Indicator	Line	Half-year of 2017	Half-year of 2016
1	2	3	4	5
	Proceeds	2110	18 877 134	19 045 487
	Including			
	Income from electric energy transmission	2111	18 557 475	17 910 935
	Income from technical connection	2112	276 270	1 093 549
	Income from organization and development of UES of Russia in connection with distributional power grid	2113		
	Income from reselling of electric energy and capacity	2114		
	Income from participating in other organizations	2115		
	Income from lease	2116	6 817	5 016
	Income from selling other products, goods, works, services of industrial type	2117	36 572	1 35 987
	Income from selling other products, goods, works, services of non-industrial type	2118		
2.1.	Cost of sales	2120	(17 427 257)	(17 358 467)

	Including			
	Cost of energy transmission	2121	(17 177 115)	(17 081 780)
	Cost of technical connection	2122	(229 670)	(258 815)
	Self-cost of organization and development of UES of Russia in connection with distributional power grid	2123		
	Cost of reselling of electric energy and capacity	2124		
	Cost of participation in other organization	2125		
	Cost of rent	2126	(2 890)	(1 848}
	Cost of other products, goods, works, services of industrial type	2127	(17 582)	(16 024}
	Cost of other products, goods, works, services of non-industrial type	2128		
	Gross profit (loss)	2100	1 449 877	1 687 020
2.1.	Commercial expenses	2210	(51 685)	(40 585)
2.1.	Administrative expenses	2220	1 398 192	1 646 435
	Sales profit (loss)	2200		
	Participation incomes	2310		
	Interest receivable	2320	18 506	61 419
	Interest payable	2330	(998 285)	(916 908)
5.11.	Other incomes	2340	656 279	1 052 770
5.11.	Income of past years revealed in reporting period	2341	272 385	2 596
5.11.	Receivable insurance payments	2342	141 643	132 319
5.11.	Income from reducing (write-off) of provision for doubtful debts	2343	68 264	83 993
5.11.	Other expenses	2350	(1 754 645)	(1 085 022)
5.11.	Losses of past years revealed in reporting period	2351	(486 036)	(234 622)
5.11.	Provision for doubtful debts	2352	(378 310)	(326 410)
5.11.	Reserve for estimated liability	2353	(182 398)	(66 912)
	Profit (loss) before tax	2300	(679 953)	758 694
2.3.	Current profit tax	2410	(270 571)	(415 500)
2.3.	Including constant tax liabilities (assets)	2421	323 973	349 338
2.3.	Changes in deferred tax liabilities	2430	(13 329)	1 112
2.3.	Changes in deferred tax assets	2450	95 918	(86 689)

2.3.	Other	2460	(46 450)	(33 966)
	Net profit (loss)	2400	(914 385)	223 651
	FOR REFERENCE:	Line	Half-year of 2017	Half-year of 2016
5.1.1. 5.3.1.	Results of revaluation of non-current assets not included into net profit (loss) of the period	2510	-	-
3.2	Results of other operations not included into net profit (loss) of the period	2520	-	-
	Aggregate financial result of the period	2500	(914 385)	223 651
2.2	Basis profit (loss) per share	2900	-3,0470	0,7910
2.2.	Diluted profit (loss) per share	2910	-3,0470	0,7910

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2.1. Cost of goods, services and works sold

Indicator	Code	Half-year of 2017	Half-year of 2016
1	2		3
Production costs	6510	17 427 257	17 358 467
including			
direct materials costs	6511	4 066 801	4 174 852
labour costs	6512	1 822 803	1 821 380
fringe benefit expenses	6513	551 930	549 186
depreciation	6514	1 863 102	1 804 043
miscellaneous expenditures	6515	9 122 621	9 009 006
For reference: changes in inventory and provision (augmentation [+], reduction [-]):	6520	-	-
including			
production-in-progress	6521	-	-
products for sale	6522	-	-
purchased products	6523	-	-
products shipped	6524	-	-
auxiliary material	6525	-	-
		-	-
Total cost of sold products (goods, services, works)	6500	17 427 257	17 358 467
including			
cost of goods sold	6530	-	-
management services for third parties	6540	-	-
Business expenses	6550	-	-
including			
materials costs	6551	-	-
labour costs	6552	-	-
fringe benefit expenses	6553	-	-
depreciation	6554	-	-
miscellaneous expenses	6555	-	-
Administrative expenses	6560	51 685	40 585
including			
materials costs	6561	-	-
labour costs	6562	2 004	1 796
fringe benefit expenses	6563	582	546
depreciation	6564	-	-

miscellaneous expenses	6565	49 099	38 243

For reference:			
- Property rent expenses	65001	80 599	49 793
- Taxes and levies (including lease of land)	65002	346 736	314 506
- Insurance payments	65003	553 768	551 822
- Expenses on services of infrastructure companies ("ATS" JSC, "TsFR" CJSC)	65004		
- Expenses on purchased energy for compensation of losses	65005	3 670 869	3 746 632
- Expenses on services rendered by entities involved in regulated types of activity	65006	7 901 905	7 976 782

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2.2 Profit per share, diluted profit per share

Indicator	Code	Half-year of 2017	Half-year of 2016
1	2	3	4
Net profit (uncovered loss) of the reporting period	6610	1914 385)	223 651
Dividends on preferred shares ³	6611		
Base earnings (loss) of the reporting period	6612	(914 385)	223 651
Average amount of ordinary shares in circulation within the reporting period	6613	300 136,173	282 868,130
Base earnings (loss) per share (rubles)	6620	-3,0470	0,7910
Average market cost of one ordinary share	6621	100	70
Possible growth of profit and average amount of shares in circulation	6630	X	X
Result of conversion of preferred shares into ordinary	6631	X	X
possible growth of profit	66311		
additional amount of shares	66312		
Result of conversion of obligations into ordinary shares	6632	X	X
possible growth of profit	66321		
additional amount of shares	66322		
Result of contract on purchase-sale of shares at price lower than the market price	6633	X	X
contract price	66331		
possible growth of profit	66332		
additional amount of shares	66333		
Diluted profit per share (rubles)	6640	-3.0470	0.7910
adjusted base earning	6641	(914 385)	223 651
adjusted amount of average amount of ordinary shares in circulation	6642	300 136,173	282 868.130

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2.3. Profit taxation

Indicator	Code	Half-year of 2017	Half-year of 2016
1	2	3	4
Profit (loss) before the taxation	6710	(679 953)	758 694
including 20% rate	67101	(679 953)	758 694
other rates	67102	-	-
non-taxable	67103	-	-
Permanent difference	6711	1 619 863	1 746 690
For reference only: permanent differences, corresponding with temporary difference	67111		
Change of deductible temporary differences	6712	479 589	(433 443)
Change of taxable temporary differences	6713	(66 645)	5 560
Tax base	6714	1 352 854	2 077 501
Expenditure (revenue) on profit tax	6720	(138 204)	160 693
Conventional expenditure (revenue) on profit tax	6721	(135 991)	151 739
Permanent tax liability (asset)	6722	323 973	349 338
For reference only: change of deferred taxes, posted to profits and losses	67221	(40 636)	(10 887)
Expenditure (revenue) on deferred taxes	6723	82 589	(85 577)
including:			
asset	67231	95 918	(86 689)
change of deferred tax liability	67232	(13 329)	1 112
Current profit tax	6724	(270 571)	(415 500)
Sums specification of profit tax for past tax periods	6725	(2 213)	8 954
Other tax payments and sanctions from profit	6730	(44 237)	(42 920)
including those on essential items	6731	-	-
Profit (loss) from ordinary activities	6740	(914 385)	223 651

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3.4. Accounting of estimated value of net assets

Indicator		Line	as of 30 June 2017	as of 31 December 2016	as of 31 December 2015
1		2		3	4
I.	Assets				
1.	Intangible assets	1110			
2.	Results of researches and developments	1120			
3.	Intangible development assets	1130		-	-
4.	Tangible development assets	1140		-	-
5.	Fixed assets	1150			
6.	Income-bearing investments in tangible valuables	1160			
7.	Long-and short-term financial investments	1170 + 1240			
8.	Miscellaneous intangible assets ²	1180+1190			
9.	Stock	1210			
10.	Value added tax on valuables acquired	1220			
11.	Accounts receivable ³	1230			
12.	Cash and equivalents	1250			
13.	Miscellaneous current assets ¹	1260			
14.	Total assets taken for accounting, (sum of paragraphs 1-13)				
II.	Liabilities				
15.	Long-term borrowed funds	1410			
16.	Deferred tax liabilities	1420			
17.	Estimated liability	1430+1540			
18.	Other long-term liabilities	1450			
19.	Short-term borrowed funds	1510			
20.	Bills payable ⁴	1520			
21.	Miscellaneous short-term liabilities ⁵	1550			
22.	Total for liabilities taken for accounting (sum of paragraphs 15-21)				
23.	Cost of net assets of joint stock company (total for assets taken for accounting (page 14) minus total liabilities taken for accounting (page 22))				

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Other revenues and expenditures

Indicator		Half-year of 2017	Half-year of 2016
1	Code 2		
Other revenues total	8000	656 279	1 052 770
including:			
From sale of fixed assets, except for flats	8001	127	1 356
From sale of flats	8002		12 591
From sale of business inventories	8003	4 368	4 644
From sale of currency	8004		
From sale of intangible assets	8005		
From sale of securities	8006		
From sale of other assets	8007		
From joint activities	8008		
Profit of 2016, revealed in reporting period	8009	73 701	-
Profit of 2015, revealed in reporting period	8010	4 002	90 039
Profit of 2014, revealed in reporting period	8011	22 521	2 952
Profit before 01.01.2014, revealed in reporting year	8012	41 419	39 328
Acknowledged penalties, fines and forfeits or on which court's decisions (arbitration court's decisions) are got on their collection	8013	272 385	2 596
Accounts payable in respect to which a limitation period has expired (over three years)	8014	8 467	771
Currency differences	8015	-	
Property in surplus following results of inventory taking	8016	1 356	926
Donated assets, except for fixed assets and intangible assets	8017	161	313
Revenue from donated fixed assets, determined according to an established procedure	8018	9 571	8 593
Cost of material valuables, remained from writing off of assets, which are not eligible for recovery and further use	8019	2 206	2 887
Reassessment of financial investments on current market value	8020		
Revenue from decrease (writing off) of provision for doubtful debts	8021	33 043	703 119
Revenue from decrease (writing off) of reserve for estimated liabilities	8022	68 264	83 993
Revenue from decrease (writing off) of reserve for cost reduction of business inventories	8023	2 044	4 269
Revenues on claim assignment agreements	8024		
Revenue from revealed non-contractual consumption of electric power	8025	10 661	23 155
Insurance payments receivable	8026	72 528	45 423
Revenues tied with participation in other	8027		

organizations' charter capitals			
Recovery of accounts receivable written off earlier	8028	22	3
Discount on bills	8029		
Compensation for difference in tariffs (budgetary financing)	8030		
Revenue from decrease (writing off) of reserve for possible losses of financial investments	8031		
Increases in the value of fixed assets	8032		
Revaluation of previously discounted objects of fixed assets	8033		
Revenue from payments of bills	8034		
Others	8035	29 433	25 812
Other expenditures total	8100	(1 754 645)	(1 085 022)
including:			
From sale of fixed assets, except for flats	8101	-	(504)
From sale of flats	8102	-	(251)
From sale of business inventories	8103	(3 361)	(2 243)
From sale of currency	8104		
From sale of intangible assets	8105		
From sale of securities	8106		
From sale of other assets	8107		
Other taxes	8108		
Expenditures in respect to banks' services payment	8109	(231)	(268)
Expenditures to performance of service financial investments	8110	-	-
Provision for doubtful debts	8111	(406 036)	(234 622)
Reserve for possible losses of financial investments	8112		
Reserve for cost reduction of material valuables	8113		
Reserve for discontinuing operation	8114		
Reserve for estimated liabilities	8115	(96 130)	(75 620)
Retirement of incomeless assets	8116		
VAT on donated property	8117		
Loss of 2016, revealed in reporting period	8118	(349 489)	-
Loss of 2015, revealed in reporting period	8119	(14 241)	(196 498)
Loss of 2014, revealed in reporting period	8120	(9 172)	(100 393)
Loss before 01.01.2014, revealed in reporting period	8121	(5 408)	(29 519)
Acknowledged penalties, fines and forfeits or on which court's decisions (arbitration court's decisions) are got on their collection	8122	(182 398)	(66 912)
State duties in respect to economic contracts	8123	(6 982)	(3 361)
Reassessment of financial investments on current market value	8124		
Discount on bills	8125		
Expenditures under claim assignment agreements	8126		
Nonreimbursable VAT	8127	(5 569)	(2 170)
Expenditures in respect to revealed non-contractual	8128		

consumption of electric power			
Contributions in incorporations and funds	8129	(2 026)	(2 225)
Accounts receivable in respect to which a limitation period has expired (over three years)	8130	(277)	(189)
Currency differences	8131		
Court costs	8132	(1 921)	(463)
Plundering, deficiencies	8133	(801)	
Costs in respect to enforcement proceedings	8134		
Cost redemption of employees' flats	8135		(8 616)
Other material (financial) aid and other payments to employees	8136	(119 237)	(117 519)
Material aid to pensioners (including lump sum payments, compensations of community charges)	8137	(3 263)	(3 482)
Expenditures to carry out sporting events	8138	(2 099)	(447)
Expenditures to carry out social activities	8139	(2 585)	(2 615)
Expenditures for charity	8140	-	(10 000)
Cost of the redeemed bonds	8141	-	-
Interest on long-term liabilities	8142	-	-
Balance after the wrote off of the fixed assets	8143	(10 228)	(5 674)
Write-down of fixed assets	8144	-	
Miscellaneous	8145	(453 191)	(221 431)

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