

Foreign assets

Country	Assets	Specialization	Installed electric power capacity, MW	Installed thermal power capacity, Gcal/h	Electricity generation in 2018, mln MW/h	Heat generation in 2018 "Thermal power output from collectors"	Sale of thermal power to end consumer	Share of generation in country of presence, %	Length of networks
Georgia	JSC Khrami HPP-I	Hydroelectric Power Plant	113	–	194	–	–	1.6	–
	JSC Khrami HPP-II	Hydroelectric Power Plant	114	–	311	–	–	2.6	–
	JSC Telasi	Grid company	–	–	–	–	–	0.0	5,627
Pridnestrovian Moldavian Republic	CJSC Moldova TPP	Thermal power plant	2,520	166	3,930	109	82	88.7	–
Kazakhstan	JSC Ekibastuzskaya TPP-2 ¹	Thermal power plant	1,000	514	5,437	79	46	5.1	–
	Trakya Elektrik Uretim Ve Ticaret A.S	Thermal power plant	478	–	821	–	–	0.3	–
Turkish Republic	Vydmantai Wind Park UAB ²	Wind park	30	–	50	–	–	1.6	–

¹ The performance results of JSC Ekibastuzskaya TPP-2 are not included in the Group's financial results due to the reclassification of a 50% stake in the joint venture JSC Ekibastuzskaya TPP-2 as assets classified as held-for-sale in December 2016. The operational results of JSC Ekibastuzskaya TPP-2 were fully included in the Group's operational results;

² Subsidiary of AB INTER RAO Lietuva and part of the 'Trading in the Russian Federation and Europe' segment.

Overview of assets

Georgia



JSC Khrami HPP-I and JSC Khrami HPP-II

JSC Khrami HPP-I and JSC Khrami HPP-II form a cascade of hydroelectric power plants on the Khrami River. Annually they produce more than 5% of all electricity produced in Georgia. The total installed capacity of the two hydroelectric power plants is 227.2 MW. Both hydroelectric power plants operate throughout the calendar year. The electricity is sold under contracts concluded with JSC Telasi.

JSC Khrami HPP-I is a high-altitude power station located at an altitude of 1 km in the Tsalka District in southwestern Georgia at a distance of 120 km from the capital of Tbilisi. It was commissioned in 1947. The hydroelectric power plant consists of three hydraulic units, each of which has installed capacity of 37.6 MW.

JSC Khrami HPP-II is located in southwestern Georgia on the 115th km of the Khrami River. It is positioned at a depth of 165 meters. Water is fed to the turbines through an underground tunnel that is 12 km long and 4 meters in diameter. JSC Khrami HPP-II operates on a daily basis. The hydroelectric power plant was commissioned in 1963. JSC Khrami HPP-II mainly uses water produced by JSC Khrami HPP-I, and in the event JSC Khrami HPP-I shuts down, JSC Khrami HPP-II runs on water from the Dashbash,

Chochani, and Karabulahi Rivers. JSC Khrami HPP-II is virtually supplied with water throughout the whole year.

JSC Telasi

JSC Telasi is the largest power grid and retail company in Georgia and employs 2,066 people. Its main activities include the purchase and sale of electricity, maintenance and operation of power networks, electricity transit services, maintenance services for subscribers, and the administration of a unified integrated and coordinated system for the supply of electricity and water and water treatment in Tbilisi. JSC Telasi purchases electricity (capacity) on the wholesale power (capacity) market and also under direct contracts with electricity producers in order to serve consumers in Tbilisi and nearby villages. The company supplied 2.97 billion kWh of electricity in 2018. JSC Telasi has power transmission lines that span 5,626.6 km. The company serves more than 632,400 subscribers. It offers consumer services and operates electric power networks in nine business centers, two service centers as well as in ten operational districts and two operational sites located in all administrative districts of the city.

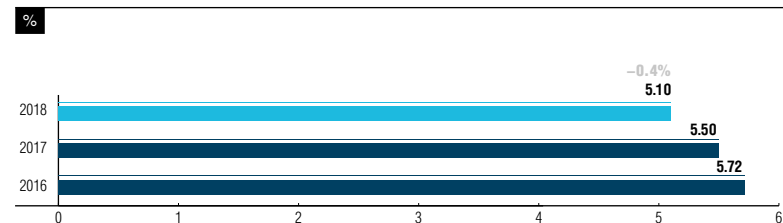
In order to ensure that consumers are being provided with the most reliable power supplies, measures are being taken to ensure the uninterrupted and safe supply of electricity.

LAUNCH OF THE CHUGURETI SUBSTATION

IN MAY 2018, JSC TELASI COMMISSIONED THE NEW CHUGURETI SUBSTATION. THE 35/6-KV TWO-TRANSFORMER CHUGURETI SUBSTATION WILL REPLACE THE OBSOLETE CHP SUBSTATION, WHICH HAD OPERATED FOR ALMOST 70 YEARS. THE COMMISSIONING OF THE NEW POWER FACILITY WILL SIGNIFICANTLY IMPROVE THE QUALITY AND RELIABILITY OF ELECTRICITY SUPPLIES TO ROUGHLY 25,000 SUBSCRIBERS IN TWO CENTRAL DISTRICTS OF TBILISI – CHUGURETI AND MTATSMINDA. THE PROJECT INVOLVED THE CONSTRUCTION OF A NEW SUBSTATION AND THE INSTALLATION OF MODERN ELECTRICAL EQUIPMENT. INVESTMENT IN THE CONSTRUCTION OF THE SUBSTATION AND THE ROUTING OF A 35-KV BACKUP CABLE POWER LINE AMOUNTED TO APPROXIMATELY GEL 14 MILLION.

Sustainable improvements to reliability indicators of JSC Telasi in 2016-2018

ACTUAL LOSSES FROM ENERGY OUTPUT



A reduction in losses from electricity output to consumers was achieved thanks to the smooth operation of the business cycle and the streamlining of the electricity transmission distribution network.

Indicator	2016	2017	2018	Change vs. 2017, %
System Average Interruption Frequency Index (SAIFI), incidents per consumer	11.167	8.804	5.655	-35.8
System Average Interruption Duration Index (SAIDI), minutes per consumer	1036.24	542.69	387.33	-28.6

Starting from January 1, 2017, the Georgian National Energy and Water Supply Regulatory Commission (GNERC) introduced electronic logs¹ to provide maximum transparency in all aspects of interaction between companies providing network services and selling electricity to consumers. The electronic logs reflect information about the connection of subscribers who were previously disconnected due to their failure to pay for electricity consumed, records requests for new connections, contains reports on the fulfillment of applications, emergency outages and their duration, and responses to subscribers' complaints, among other things.

GNERC strictly controls compliance with the rules and procedures for maintaining electronic logs, which makes it possible to monitor the timeframe for compliance with all the measures specified therein. Based on the results of two years of working within these logs, accounting and strict control have been established at all network facilities of JSC Telasi, which has boosted customer satisfaction.

Long-term development plans of JSC Telasi:

- retooling of the network in accordance with the requirements of the company's technical policy
- construction of new power transmission lines for network protection
- replacement of outdated power lines
- introduction of an automated network management system
- expansion of the network in accordance with municipal development plans

Interaction with the authorities

The Georgian government is reforming the country's electricity sector as part of its of European integration, which calls for adopting a new energy law based on EU directives. New legislative initiatives entail breaking up JSC Telasi, which is to be divided into grid and supply companies. JSC Telasi and PJSC Inter RAO are holding consultations with the Georgian government and the regulatory authorities in connection with the upcoming changes in legislation.

¹ GNERC Resolution No. 13 dated July 25, 2016.

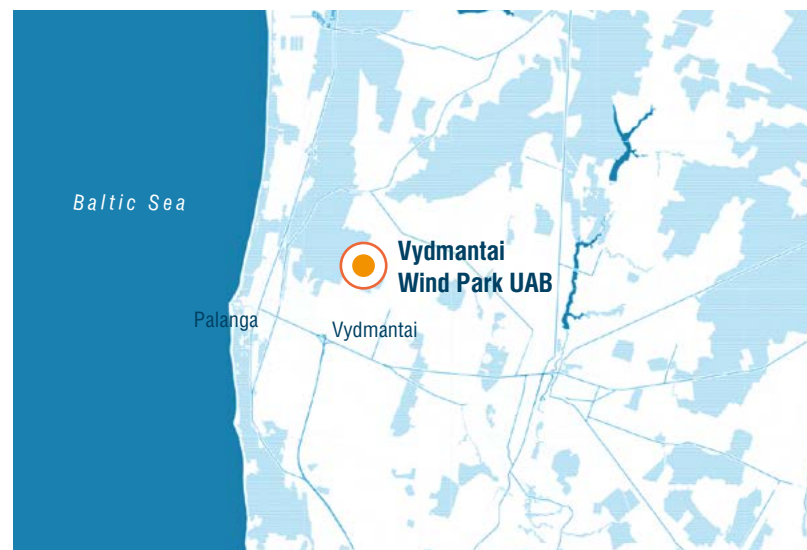
Pridnestrovian Moldavian Republic



CJSC Moldova TPP

CJSC Moldova TPP is one of the largest thermal power plants of this type on the European continent and provides electricity to Transnistria and Moldova. The company produced 4.468 billion kWh of electricity in 2016, 3.557 billion kWh in 2017, and 3.93 billion kWh in 2018. As a generating unit, the Moldova TPP is an integral part of the unified energy system of Moldova and Ukraine. Its open switchgears (110, 330, and 400 kV) play a crucial role in the transmission of electricity for Moldovan consumers and potential transmission to EU countries.

Lithuania



Vydmantai Wind Park UAB

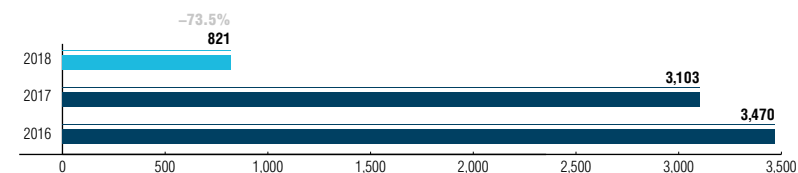
The 30-MW wind farm is one of the largest in the Baltic states. Wind power plants were built in the Kretinga district villages of Kveciai and Rudaiciai in western Lithuania, not far from the settlements of Vydmantai and Kyaulekyay. Fifteen E-70 model wind power plants produced by the German company Enercon GmbH with installed capacity of 2 MW each produce electric power in the wind farm. In 2018, the wind park produced 50 GWh of electricity. In 2017, production amounted to 64 GWh. The park was included in the segment of transmission networks of Lithuania's Palanga-Sventoji energy system with capacity of 110 kW.

Turkey



The Inter RAO Group operates the Trakya Elektrik thermal power plant with installed capacity of 478 MW. Its equipment includes two Siemens SGT5-2000E V 94.2 gas turbines (154 MW each) and a Siemens HPIP-K30-25 LP-N30-2 × 10 steam turbine (170 MW). The plant runs on natural gas and can also operate on backup diesel fuel.

GENERATION, MLN KWH



Interaction with the authorities

The power plant is managed in the BOT project financing format (“Build – Operate – Transfer”). The agreement provides for the construction of the plant, its subsequent operation, and transfer of the property to the government. The concession agreement is valid until June 5, 2019. Top level negotiations are underway between the Russian Federation and Turkey on the conditions for extending the concession agreement.

In order to stabilize its position abroad, the Inter RAO Group is searching for promising investment projects, consulting with governments, and initiating discussions on business projects in foreign countries at the level of an Intergovernmental Commission.

REPAIR ACTIVITIES IN 2018

Asset	Currency	2016	2017	2018	Change vs. 2017, %
Trakya Elektrik Uretim ve Ticaret A.S.	USD	1,923,000	4,549,000	1,234,000	-72.9
JSC Telasi	GEL	2,770,000	3,173,000	2,841,000	-91.0
JSC Khrami HPP-I	GEL	501,300	457,110	484,000	5.9
JSC Khrami HPP-II	GEL	418,010	492,070	455,000	-7.5
JSC Ekibastuzskaya TPP-2	KZT	1,542,251	1,452,463	1,393,410	-4.1
CJSC Moldova TPP	Transnistrian ruble	213,221,000	164,769,000	219,840,000	33.4