

NOTABLE EVENTS

JANUARY

● On January 14, 2005 JSC "Lenenergo" held a seminar for Finnish investment analysts and representatives of investment funds at the company's St.Petersburg headquarters. The event was scheduled to be a part of two days Helsinki and St.Petersburg seminar "Invest in Russian growth". The agenda of the Lenenergo meeting which was attended by 20 leading businessmen covered IR issues related to growth and restructuring of Russian power market with a special insight to the North-West region.

FEBRUARY

● On February 3, 2005 General Director of JSC "Lenenergo" Andrey Likhachev took part in the conference held by "Interfax North-West" where the preliminary results of financial activity of JSC "Lenenergo" for 2004 were reported.

The official opening of substation №542 was held on 8 February 2005 in Saint-Petersburg. This is one of the most important investment projects of the company for the recent years. The new substation was designed for increasing the electricity deliveries, ensuring the connection of new electricity consumers and expanding the existing power capacities.

The meeting of the Board of directors was held on 17 February 2005. The members of the Board discussed the matters of key operational and financial results and considered company's business plan for 2005.

MARCH

● Annual report of JSC Lenenergo for 2003 was awarded the first prize in the nomination "The best idea and design" at the international conference "Power industry of Russia -2005" held in Moscow on 9 March 2005

The meeting of the Board of directors held on 16 March 2005 approved the participation of JSC Lenenergo in Open Joint-Stock Company "Territorial Generating Company-1" and the conclusion of the foundation of OJSC "TGC-1" between JSC Lenenergo, JSC Kolenergo and JSC Karelennergogeneration"

The first meeting of the founders of the new interregional generating company - JSC "TGC-1" was held on 17 March 2005

The governmental registration of JSC "Territorial Generating Company №1" was made on 30 March 2005 in the district inspection of Federal tax service of Russia of Saint-Petersburg.

KEY FIGURES

Operational figures

Installed capacity, MW
 Electricity production, mln. kWh
 Purchased electricity, mln.kWh
 Electricity useful output, mln. kWh
 Heat useful output, '000 Gcal
 Number of employees

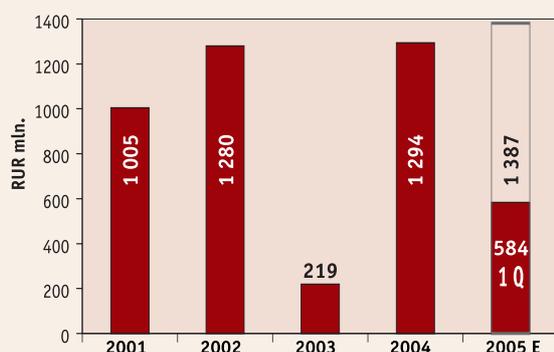
	1Q 2005	1Q 2004	Change,%
Installed capacity, MW	3,226	3,244	(0.5)
Electricity production, mln. kWh	4,477	4,326	3.5
Purchased electricity, mln.kWh	4,547	4,637	(1.9)
Electricity useful output, mln. kWh	6,969	6,882	1.3
Heat useful output, '000 Gcal	9,004	8,632	4.3
Number of employees	12,359	14,359	(13.9)

Financial results (RAS)

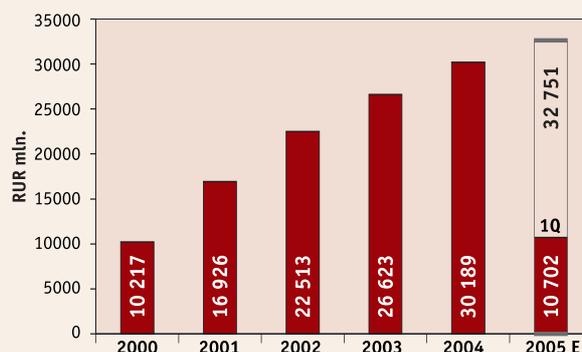
Net sales, RUR mln.
 Operating profit, RUR mln.
 Net profit/loss, RUR mln.

	1Q 2005	1Q 2004	Change,%
Net sales, RUR mln.	10,702	9,104	17.5
Operating profit, RUR mln.	1,303	1,001	30.1
Net profit/loss, RUR mln.	584	254	129.9

Profit/loss

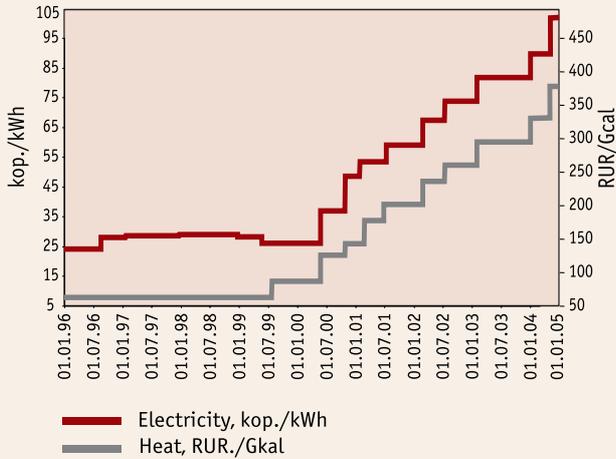


Sales





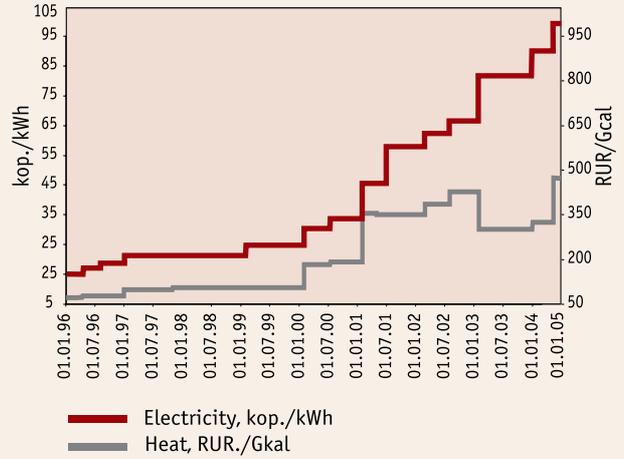
**Tariff changes
St. Petersburg**



Average current tariffs (St. Petersburg):

Electricity 102.3 kop./kW·h
Heat 374.5 RUR/GCal

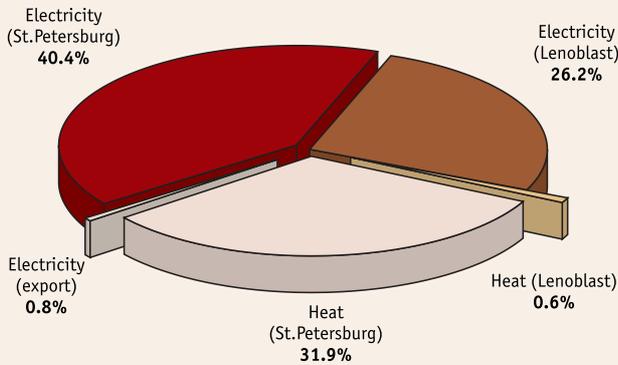
**Tariff changes
Leningrad Region**



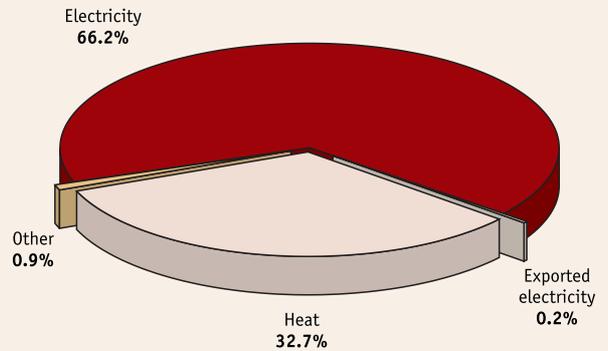
Average current tariffs (Leningrad Region):

Electricity 100.9 kop./kW·h
Heat 492.3 RUR/GCal

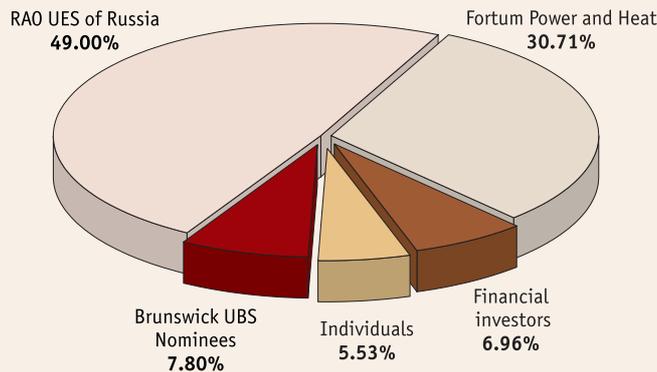
Sales



Cost of Sales



Shareholder structure





BALANCE SHEET

'000 RUR	December 31, 2004	March 31, 2005
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	946	900
Fixed assets, incl.:	35,315,742	35,450,911
Land	20,877	20,877
Buildings, plants and machinery	35,086,671	35,216,617
Other	208,194	213,417
Investments in non-current assets	6,230,615	6,461,952
Long-term financial investments, incl.:	825,545	825,537
Subsidiaries	244,476	244,468
Affiliates	28,074	28,074
Other companies	506,122	506,122
Long-term loans	45,273	45,273
Other long-term financial investments	1,600	1,600
Deferred tax assets	117,584	121,636
TOTAL non-current assets	42,490,432	42,860,936
CURRENT ASSETS		
Inventories	1,586,266	1,436,083
VAT	1,345,925	1,329,131
Long-term accounts receivable	6,725	8,101
Short-term accounts receivable, incl.:	7,935,900	8,868,308
Customers	4,902,495	6,491,336
Notes receivable	-	-
Receivable from subsidiaries and affiliates	-	-
Prepayments	1,492,153	1,220,777
Other	1,541,252	1,156,195
Short-term financial assets	60,122	12,359
Cash and cash equivalents	1,072,181	836,242
Total current assets	12,007,119	12,490,224
TOTAL ASSETS	54,497,551	55,351,160
EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Authorised share capital	897,363	897,363
Additional capital	38,880,753	38,854,878
Reserve capital	125,230	125,230
Social fund	-	-
Retained earnings of prior period	1,314,937	1,340,790
Losses of prior periods	(525,958)	(525,958)
Profit/Loss of the accounting period	-	583,916
TOTAL Shareholders' equity	40,692,325	41,276,219
LONG-TERM DEBT	5,261,247	5,289,280
CURRENT LIABILITIES		
Loans and credits, incl.:	1,764,735	1,543,216
Bank credits	1,696,481	1,404,639
Loans	68,254	138,577
Accounts payable, incl.:	6,290,967	6,482,738
Suppliers	2,262,840	2,154,560
Notes payable	23	23
Accrued payroll	47,057	82,524
Social funds	52,075	47,726
Budget	247,253	207,079
Prepayments received	2,943,976	2,906,143
Other accounts payable	665,838	1,043,931
Due to shareholders	298,668	298,668
Deferred income	189,609	176,051
TOTAL current liabilities	8,543,979	8,785,661
TOTAL EQUITY AND LIABILITIES	54,497,551	55,351,160



INCOME STATEMENT (RAS)

'000 RUR	1st quarter 2005	1st quarter 2004
Net Revenues	10,701,552	9,104,378
Electricity	6,945,030	5,900,956
Heat	3,393,333	2,854,173
Other	363,189	349,249
Cost of goods sold	(9,398,891)	(8,103,625)
Operating Profit	1,302,661	1,000,753
Interest income	44	239
Interest expenses	(106,178)	(95,285)
Other financial items gain	-	-
Other operating income	267,946	297,606
Other operational expenses	(457,746)	(444,705)
Other non-operating income	197,512	215,486
Other non-operating expenses	(174,530)	(409,733)
Pre tax profit	1,029,709	564,361
Income tax and other similar charges	(445,793)	(310,053)
Profit after tax	583,916	254,308
Exceptional income	-	-
Exceptional expenses	-	-
Net profit	583,916	254,308

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