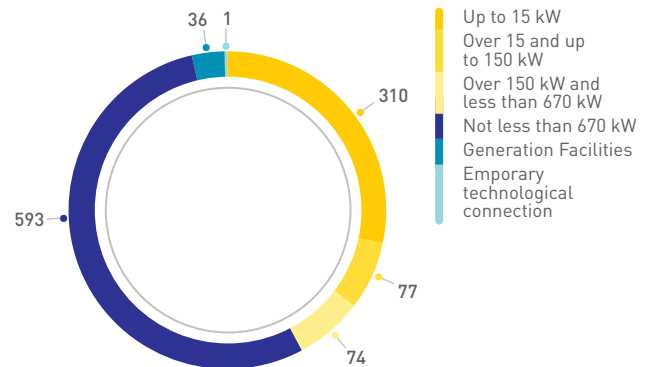


VOLUMES OF CONSUMER DEMAND FOR TECHNOLOGICAL CONNECTION IN 2018

In 2018 The Company concluded 28,083 contracts for technological connection to the power grids of Kubanenergo PJSC for a total capacity of 1,091 MW with a total cost of 2.888 billion rubles, excluding VAT.

The structure of the contracts of Kubanenergo PJSC concluded in 2018 in terms of connected capacity, MW



CLASS OF CUSTOMER	THE NUMBER OF CONTRACTS FOR TECHNOLOGICAL CONNECTION	
	NUMBER	FOR A TOTAL POWER, MW
Up to 15 kW inclusive, total	26,140	310
including individuals up to 15 kW inclusive	21,889	261
Over 15 and up to 150 kW inclusively	1,325	77
Over 150 kW and less than 670 kW	277	74
Not less than 670 kW	256	593
Power generation facilities	3	36
Total, excluding temporary technological connection	28,001	1,090
Emporary technological connection	82	1
Total, with account for the temporary technological connection	28,083	1,091

REVENUES RECEIVED AND CASH COLLECTED

The volume of revenue for technological connection services for the reporting year amounted to 602 million rubles, (excluding VAT), which is 88% lower than planned. The deviation of the actual indicator from the plan is due to:

- with the postponement, on the initiative of Federal Treasury Institution "Rostransmodernization," the deadlines for technical conditions under the concluded contracts for technological connection, made in the framework of the investment project "Construction of a transport passage through the Kerch Strait" (Substation "Port"), the amount of lost revenue – is 3 576 million rubles;
- at the refusal of applicants to conclude contracts for technological connection for individual projects (the amount of revenue – 1,060 million rubles).

In 2018, funds for technological connection services were received in the amount of 3,221 million rubles. (including VAT), which is 10% lower than planned. The main reason for the lack of funds is the late implementation of measures under the contracts, concluded as parts of the investment project "Building a transport passage through the Kerch Strait," while the amount of money from other applicants was 922 million rubles, which is 42% more than planned.

In 2019 The Company plans to receive proceeds from technological connection services for 4,218 million rubles (without VAT). A major technological connection object in 2019 in terms of revenue generation will be PKU "Rostransmodernizatsiya," the planned revenue for it is 3,238.37 million rubles without VAT (in the framework of the project "Construction of a transport crossing through the Kerch Strait").