

The results of the Company's work on reducing accounts receivable for services rendered for the transmission of electricity to counterparties of Kubanenergo PJSC in 2017–2018

2017				
TOTAL RECEIVED POSITIVE COURT DECISIONS, CASES/SUMS OF CLAIMS	TOTAL RECEIVED WRITS OF EXECUTION FOR THE AMOUNT OF	EXTINGUISHED DEBT ACCORDING TO THE WRITS OF EXECUTION	DENIED IN RECOVERY, CASES/ AMOUNT OF CLAIMS	SHARE OF CLAIMS SATISFIED IN FAVOR OF THE COMPANY
62 cases/ 911.15 million rubles	913.63 million rubles	544.38 million rubles/ 59.58%	2 cases / 50.320 million rubles	99.7%
2018				
TOTAL RECEIVED POSITIVE COURT DECISIONS, CASES/SUMS OF CLAIMS	TOTAL RECEIVED WRITS OF EXECUTION FOR THE AMOUNT OF	EXTINGUISHED DEBT ACCORDING TO THE WRITS OF EXECUTION	DENIED IN RECOVERY, CASES/ AMOUNT OF CLAIMS	SHARE OF CLAIMS SATISFIED IN FAVOR OF THE COMPANY
127 cases/ 1,070.5 million rubles	995.06 million rubles	780.47 million rubles/ 78.43%	3 cases/ 22.95 million rubles	97.9%

The coverage of overdue receivables for electricity transmission services measures aimed at its reduction is at a consistently high level and December 31, 2018, is 99.16%.

ACCOUNTS PAYABLE

Analysis of changes in short-term payables, mln rub.

	ON 31.12.2018	ON 31.12.2017	ON 31.12.2016
Short-term payables, including	12,833.09	11,044.75	8,280.20
Suppliers and contractors	5,238.56	6,198.14	4,837.35
Promissory notes payable			
Taxes and fees	606.53	258.01	654.43
Advances received	5,164.80	2,889.10	1,922.41
Other accounts payable	1,823.20	1,699.51	866.01

Short-term payables for 2018 are higher by 1,788.34 million rubles, compared with 2017 and as of December 31, 2018, amounted to 12,833.09 million rubles.

The following changes occurred during the reporting year:

- the indebtedness to suppliers and contractors became lower by 959.58 million rubles due to a decrease in the debt on settlements for electricity transit services by 809.44 million rubles, and a reduction in debt for electricity purchased in order to compensate for losses by 253.46 million rubles;
- the debt on advances received was higher by 2,257.71 million rubles, advances for technological connection make up the bulk of the debt on advances received – 5,144.42 million rubles;
- wage arrears to staff is higher by 103.65 million rubles;
- arrears of taxes and duties are higher by 348.52 million rubles.

Overdue payables in Kubanenergo PJSC based on the results of activities in 2018 is 3,058.04 million rubles.

According to the results of 2018, long-term payables amounted to 1,248.68 million rubles.

BONDED LOANS AND CREDIT RATINGS OF THE COMPANY

September 20, 2016 the Board of Directors of Kubanenergo PJSC approved the Program for the exchange of Kubanenergo PJSC bonds of the 002P series (minutes No. 251/2016). On October 24, 2016, the program of bonds exchange had received the identification number 4-00063-A-002P-02E. The program provided for the possibility of placing documentary interest non-convertible exchange bearer obligations with mandatory centralized storage and total nominal value of all issues of exchange bonds, placed under the program of exchange of obligations of the 002P series is up to 25 billion rubles, with a maturity date that comes no later than 10 920th day from the date of commencement of placement of issuance of exchange-traded bonds under the program of exchange-traded obligations placed by open subscription. In 2017, the placement of bonds under this program was not carried out.

Also, documentary interest-bearing non-convertible exchange-traded bearer bonds with mandatory centralized storage of the 001P-01 and 001P-02 series, which were placed in 2015 under the Program of exchange bonds with the identification number 4-00063-A-001P-02E from 26.08, are in circulation. 2015, in the amounts of 3.6 and 3.4 billion rubles respectively. Payments of coupon income were made in full within the prescribed period.

In 2018, based on the results of the open request for proposals of Kubanenergo PJSC, an agreement dated August 15, 2018, No. 293D/18-28 was concluded with the rating agency Expert RA JSC for three years. In the framework of this contract, in 2018 the rating was not assigned to the Company.