



**Review of Transparency
of Corporate Information Disclosure by RAO UES of Russia
October 2007**

Attention: Management Board of RAO UES of Russia

PricewaterhouseCoopers (hereafter referred to as "PwC") was hired to analyze completeness of the corporate information disclosure by RAO UES of Russia (hereafter referred to as "the Company"), including annual reports and the information posted on the Company's corporate website. The Company management is responsible for preparing corporate reports, developing and maintaining internal reporting processes and the information contained in such reports. Our purpose was to review the level of information disclosure on the basis of 134 criteria (see the Table attached) derived from:

- the generally accepted best practices of preparing corporate reports related to financial and non-financial issues;
- the relevant requirements applicable to companies whose shares are listed on two international stock exchanges (London Stock Exchange and New York Stock Exchange), and
- other internationally accepted criteria for disclosing non-financial reporting (Global Reporting Initiative, GRI)

Applying those criteria, we have analyzed the publicly available information provided by the Company in-print and online. This review was made in October 2007. Any changes that occurred after that date have not been reviewed.

As a result, the information disclosed by the Company complied with 114 criteria out of the 134 ones applied (85%). We have concluded that the highest compliance with the main evaluation criteria was achieved either on the Company's website or in its annual and other published reports or at both sources. At present, there is no problem with insufficiency of information. Specifically, the Company provided detailed information about the restructuring process and status in its Annual Reports and by updating the contents of its website on a regular basis. Further improvements can be achieved by developing a clear-cut and concise structure for presenting a great deal of information that would be convenient for use by all parties concerned in accordance with their needs. Accordingly, our recommendation is to take into consideration the target group of interested parties that the Company would like reach, as well as their needs, with all this to be considered while structuring and presenting such information.

PwC has not conducted an audit or an "agreed analysis of procedures" in accordance with the International Standards on Auditing. Therefore, we do not give such opinion. Our job description did not include the evaluation of quality of the information submitted or the analysis of accuracy of the information disclosed. Nor have we made any evaluatory comparisons with other companies with the application of the same criteria.

This report has been prepared for the management and for its use only and deals exclusively with the procedures for preparing the Company's corporate reports and publicly available information. PwC does not assume any obligations or responsibility to any third parties that may use the information contained in this report as a basis for making decisions.

**PricewaterhouseCoopers Russia B. V.
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[signed]

**Michelle Moore
Partner**