

**Audit Commission
of Open Joint Stock Company
“Federal Grid Company of the Unified energy system”**

**Opinion on the results of the audit of financial and
economic activities of the Open joint stock company
“Federal Grid Company of the Unified energy system”
for 2007**

**Moscow
2008**

**OPINION
OF THE AUDIT COMMISSION
on the statutory accounting reports of the Open joint stock company “Federal Grid Company of
the Unified energy system” for 2007.**

The Audit Commission has audited the attached statutory accounting reports of the Open joint stock company “Federal Grid Company of the Unified energy system” (hereinafter referred to as JSC FSK UES) for 2007. The statutory accounting reports were prepared by the management of JSC FSK UES in accordance with the Federal law “On accounting” and the Regulation on accounting and reporting in the Russian Federation approved by the Order of the Ministry of finance of the Russian Federation dated 29 July 1998 No 34H.

Preparation of the statutory accounting reports is the responsibility of management of JSC FSK UES. In accordance with the Provision on the Audit Commission of JSC FSK UES, the responsibility of the Audit Commission is to express its opinion on these statutory accounting reports and confirm reliability of data of the statutory accounting reports as well as to inform the shareholders of JSC FSK UES about fact of violating accounting procedures and reporting stipulated by the legislation of the Russian Federation, legal acts of the Russian Federation applicable in conducting financial and economic activities, the Charter and internal documents of JSC FSK UES.

In accordance with the Audit Commission work plan, an audit was performed in 2007 in respect of 2006 financial and economic activities of JSC FSK UES for the period from 14.03.2007 till 30.03.2007, a review was completed in respect of fulfilling of JSC FSK UES investment programs for 2006 and for the six month of 2007 – for the period from 05.09.2007 till 21.09.2007.

The audit was planned and performed to obtain reasonable assurance about whether the statutory accounting reports are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statutory accounting reports. In addition, the audit includes evaluating significant estimates made by the management of JSC FSK UES.

Audit Commission has taken into consideration the Audit report dated 02.04.2008 of the independent auditor of the Company - ZAO PricewaterhouseCoopers Audit for 2007.

In the opinion of the Audit Committee, the 2007 statutory accounting reports of JSC FSK UES have been properly prepared to present, in all material respects, the financial position of JSC FSK UES as at 31 December 2007 and financial results of its operations for the period from 1 January up to 31 December 2007.

JSC FSK UES 2007 Annual report has been prepared in accordance with a standard form designed by JSC RAO “UES of Russia”.

The Annual report of JSC FSK UES submitted for the approval of the General shareholder meeting to be held 30 June 2008 includes information provided for by para 3.6 of the Regulation for additional requirements to the procedures for preparing, convening and holding of general shareholder meetings approved by the Resolution of the Federal Commission for the Securities Market of the Russian Federation dated 31 May 2002 No 17/пс, read with the Resolution of the Federal Commission for the Securities Market of the Russian Federation dated 07.02.2003 No 03-6 п/с, specifically:

- company’s position in the industry;
- company’s priority activities;
- report of the Board of Directors (Supervisory Board) of a company on the results of the company’s development in its priority activities;
- company’s growth prospects;
- report on dividends paid (accrued) on the company’s stock;

- description of major risk factors related to the company's activity;
- list of transactions made by the company during the reporting year recognized as material transactions in accordance with the Federal law "On joint stock companies" as well as of other transactions that in accordance with the Charter of the company require approval procedure similar to the approval procedure for material transactions with indication of substantive provisions and the company's body that approved such transaction, for each transaction;
- list of transactions made by the company during the reporting year recognized as related party transactions in accordance with the Federal law "On joint stock companies" with indication of a party (parties) concerned, substantive provisions and the company's body that approved such transaction, for each transaction;
- composition of the Board of Directors (Supervisory Board) of a company including information on changes in the composition of the Board of Directors (Supervisory Board) of the company that took place during the reporting year and details about the Board of Directors (Supervisory Board) members, including their brief personal data and stockholdings during the reporting year;
- composition of the Management Board (collegial executive body) of a company including information on changes in the composition of the Management Board (collegial executive body) of the company that took place during the reporting year and details about the Management Board (collegial executive body) members, including their brief personal data and stockholdings during the reporting year;
- information about the person acting as a single executive body (executive manager, management organization) of the company and members of collegial executive body of the company, including their brief personal data and stockholdings during the reporting year;
- criteria for calculation and the amount of remuneration (reimbursement of expenses) of the person acting as a single executive body (executive manager, management organization) of the company, each member of collegial executive body of the company and each member of Board of Directors (Supervisory Board) of the company or the total amount of remuneration (reimbursement of expenses) paid to all these persons or to be paid on the results of the reporting year;
- information on the company complying with the Code of corporate ethics;
- other information provided for by the Charter of JSC FSK UES.

The Annual report also contains additional information: the accounting balance sheet of JSC FSK UES, 2007 report under International Accounting Standards and information on ownership structure.

Chairman of the Audit Commission
JSC FSK UES

S.B. Sidorov