

## **INTER RAO UES TO SELL 26.43% OF ENEL OGK-5 TO RUSENERGO FUND, RDIF AND MRIF**

**Moscow, 1 March 2012** – INTER RAO UES has reached an agreement to sell its 26.43% stake in Enel OGK-5 to a consortium of investors consisting of Xenon Capital Partners' Rusenergo Fund, the Russian Direct Investment Fund (RDIF) and the Macquarie Renaissance Infrastructure Fund (MRIF).

According to the deal structure INTER RAO UES will receive a fixed amount of USD 625M at closing of the sale and will also participate in future proceeds of the Consortium exceeding 18% of the base level of return from the investment. INTER RAO UES will receive the full amount of such excess proceeds up to USD 125M as well as a 20% share in proceeds further above. The transaction will be completed after accomplishing relevant corporative procedures and receiving approvals of regulatory authorities.

INTER RAO UES plans to spend the proceeds from the transaction on funding its investment program, which is focused on building power generating facilities in Russia in order to perform its power delivery contracts.

This deal is one of the largest private equity transactions in the history of the Russian energy sector. The investment consortium will become a partner of Italian corporation Enel S.p.A., the majority shareholder of Enel OGK-5.

"Inter RAO strictly follows its development strategy 2015, and the sale of its blocking stake in Enel OGK-5 is fully in line with the strategy's approach to dispose of assets," said Inter RAO Chairman of the Management Board Boris KOVALCHUK. "We are confident that the withdrawal of Inter RAO from the shareholder's structure of Enel OGK-5 will not affect our partner relations with Enel Group and we will continue our cooperation on a wide range of issues".

"The RDIF is partnering with some of the most sophisticated international and Russian investors to acquire a material interest in the premium asset on the Russian power market," said Kirill DMITRIEV, Chief Executive Officer of the Russian Direct Investment Fund. "This investment is a robust endorsement of investor sentiment toward the Russian utilities industry and further demonstration of the appeal of Russia's growing economy to international investors."

"Enel OGK-5 is a superior asset, with low leverage, strong fundamentals and a world-class partner in Enel," said Natasha TSUKANOVA, Founder and Managing Director of Xenon Capital Partners. "Hence, we were delighted to act as investor in this transaction, which highlights our capabilities to facilitate and attract high quality institutional investors with longer term investment horizons."

Chief Executive Officer of the Macquarie Renaissance Infrastructure Fund, Damian SECEN, said: "MRIF is delighted to have acquired a major stake in Enel OGK-5. This is a high quality infrastructure asset with a capable and professional management team in place, and represents an excellent opportunity for MRIF to participate in this fundamental sector of the Russian economy."

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**INTER RAO UES** is a diversified energy holding working in various segments of Russian and international electric power industry. INTER RAO UES is a leading exporter and importer of electric energy in Russia actively increasing electricity generation and sales activities and developing new lines of business. INTER RAO UES corporate strategy is focused on making the company a global energy enterprise and a key player in the international energy market. INTER RAO UES Group owns and operates approximately 29,000 MW of installed power generating capacity. <http://www.interrao.ru>

**Enel OGK-5** is Russia's wholesale power generator, running four facilities across Russia. The Company's installed capacity totals 9,562 MW. [www.ogk5.ru](http://www.ogk5.ru)

**Russian Direct Investment Fund (RDIF)**, established in June 2011, is to be capitalized with USD 10 billion in Russian government funds to make equity investments that generate strong returns. In each investment it makes, RDIF is mandated to secure co-investment that as a minimum matches its commitment, thus acting as a catalyst for direct investment into the Russian economy. Additional information is available at [www.rdif.ru](http://www.rdif.ru).

Established in 2009, **Xenon Capital Partners** is an investment and advisory firm focused on the Russian energy sector. Xenon acts as the investment advisor to Rusenergo Fund, Russia's largest power fund, which is invested in equities of Russian electricity generation and distribution companies. Rusenergo Fund is by far the largest Russian power fund. In the corporate finance space Xenon has been acting as a financial advisor to leading energy companies in complex financial and strategic transactions. [www.xenoncp.com](http://www.xenoncp.com)

**Macquarie Renaissance Infrastructure Fund** is jointly managed by Macquarie and Renaissance. It is the first major private fund dedicated to investing directly in infrastructure in Russia and other key CIS markets. MRIF has a diversified portfolio with interests in transportation (Brunswick Rail), power (GSR Energy) and telecommunications (Russian Towers) infrastructure. MRIF continues to actively seek quality investments which will make a significant contribution to modernising infrastructure in the CIS. Governments in the CIS region have recognised the significant need to renew and expand infrastructure to facilitate economic growth. MRIF is committed to being a key player in this development. [www.macquarie.com](http://www.macquarie.com)

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