



International Private Equity Consortium Completes Acquisition of Major Stake in Russian Power Producer Enel OGK-5

AGC Equity Partners Joins Consortium with \$175 Mln Investment, Marking Largest Ever Middle East Private Equity Investment into Russia

Moscow, May 14, 2012, 9:00 MSK - A private equity consortium comprised of the Russian Direct Investment Fund (RDIF), Xenon Capital Partners' Rusenergo Fund, AGC Equity Partners and the Macquarie Renaissance Infrastructure Fund (MRIF) has completed the purchase of a 26.43% stake in leading Russian power producer OJSC Enel OGK-5.

The investment by AGC Equity Partners, a private equity firm whose investors are Middle East institutions, represents the largest private equity investment in Russia by a Middle East investor to date.

Rusenergo Fund and AGC Equity Partners have each invested \$175 million in the transaction, while the RDIF and MRIF have invested \$137.5 million each for a total deal value of \$625 million. The structure of the transaction allows for an additional payment to the seller, though this is contingent on the investment generating an attractive level of returns for the investor consortium.

In addition to the largest Middle East investment into Russia, the transaction represents the largest-ever private equity deal in the Russian power sector. The consortium of investors becomes a partner of Italian energy company Enel, the controlling shareholder in Enel OGK-5.

Natasha Tsukanova, Founder and Managing Director of Xenon Capital Partners, said:

"We are delighted that this complicated transaction has now completed. This closing cements our partnership with such high quality investors as RDIF, MRIF and AGC, a private equity firm which represents a consortium of Gulf and Middle East institutional investors. All together, we now look forward to working closely with the management of Enel OGK-5, who we rate very highly."

Kirill Dmitriev, CEO of the RDIF, said:

"We are delighted to welcome leading Middle East investment firm AGC Equity Partners to our consortium as we close this landmark transaction. This consortium of private equity investors has acquired a blocking stake in the premium asset of the Russian power sector at an attractive valuation. The transaction represents a strong vote of confidence from leading international investors for the Russian utilities industry."

Walid Abu-Suud, Co-CEO of AGC Equity Partners, said:

“We are delighted to be executing our first transaction in Russia, a high-growth market with under-tapped investment potential. The opportunity to co-invest alongside Russia’s new sovereign private equity vehicle RDIF and other distinguished investors gave us additional confidence as we pursued a stake in this world-class energy asset.”

Damian Secen, CEO of MRIF, said:

“Enel OGK-5 is a high growth, high quality asset, with an excellent management team developed by Enel. MRIF is looking forward to bringing global infrastructure financing, investment and management expertise to the table.”

The seller, INTER RAO UES, plans to use the proceeds from the transaction to fund its investment program, which is focused on building additional power generation facilities in Russia.

Notes for editors

OJSC Enel OGK-5 is a leading Russian wholesale producer of power and heat. Enel OGK-5 is a dynamically developing company headquartered in Moscow with four production branches around Russia: in the Urals region - Reftinskaya GRES and Sredneuralskaya GRES, in the northern Caucasus - Nevinnomyskaya GRES, and in Central Russia - Konakovskaya GRES. The gross installed capacity of the company’s power plants is 9576 MW for power and 2448 GCal/h for heat. In addition to the shareholding acquired in this transaction, the stake of Enel Investment Holding B.V. in the share capital of the company is 56.43%, the stake of European Bank for Reconstruction and Development is 5.12% and the stake of other minority shareholders – 12.02%. Additional information is available at www.ogk-5.com.

Russian Direct Investment Fund (RDIF) will be capitalized with USD 10 billion in Russian government funds over the next five years and is charged with making equity investments that generate strong returns, primarily in Russia. In each investment it makes, the RDIF is required to secure co-investment that at minimum matches its commitment, thus acting as a catalyst for direct investment into the Russian economy. Additional information is available at 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.

AGC Equity Partners is a global alternative asset investment firm operating from offices in London and the Middle East. It is created to capitalise on the opportunities presented by the changing environment for investing in alternative assets. AGC Equity Partners adopts a variety of strategies predominantly in the private equity space. Additional information is available at www.agcequitypartners.com.

Macquarie Renaissance Infrastructure Fund (MRIF) 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.

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