



OGK-1 and TNK-BP Have Closed the Joint Venture Transaction

August 12, 2008. JSC First Power Generating Company on the Wholesale Energy Market (OGK-1) (MICEX: OGK1) has closed the transaction on the establishment of the Joint Venture with TNK-BP.

On August 1, 2001 NVGRES Holding, owning 100% of ZAO "Nizhneartovskaya GRES" following the principles stated in the Shareholders Agreement between OGK-1 and TNK-BP, placed additional issue of 3,335 shares to the benefit of TNK-BP.

The shares were placed at the price of EUR 68,990.23754894 per share. The total sum of TNK-BP's contribution amounted to EUR 230,082,442.22572500. The payment was made in cash. In the result TNK-BP became the owner of 25%+1 share package of the increased authorized capital. OGK-1 owns 75%-1 share of the Joint Venture. Two existing power units of Nizhneartovskaya TPP were contributed to the Joint Venture. The Joint Venture will manage three power units of Nizhneartovskaya TPP when the unit №3 is commissioned.

For reference only:

OGK-1 and TNK-BP have signed an agreement on joint development, shareholders agreement, and basic commercial terms of agreements for the supply of gas and electricity.

The launch of construction works of the new power unit is planned for 2008. The works are to be finished in 2011. Modern steam gas equipment of the new power unit will provide up to 57% efficiency (the efficiency of regular steam-power units does not exceed 40%). The new unit will help to save up to 20-25% of fuel, and essentially reduce the air emissions. The power unit №3 is a part of the Russian Federation General Plan for Development of Power Generation Facilities until 2030.

The new power unit will use dry stripped gas, which will be supplied by TNK-BP in the framework of a long term contract. At present TNK-BP provides two existing power units of Nizhneartovskaya TPP with 3 billion m³ of gas per year. The new power unit is expected to consume an extra 1.2 billion m³ of gas per year. In addition, TNK-BP will purchase the produced electricity from the power unit №3 in the amount of about 6 billion kWh in accordance with the agreement for 15 years.

Information on OGK-1

The first power generating company on the wholesale energy market (OGK-1) is the largest wholesale thermal power generation company in Russia, established during the reform of the Russian energy industry, with the installed capacity of 9,531 MW.

The Company's power generation assets are all based in the most energy deficient areas of Russia with the projected highest rate of increase in power consumption. These are the Urals and the Central power systems. OGK-1 has incorporated the following thermal power plants: Permskaya GRES, Verkhnetagiiskaya GRES, Kashirskaya GRES, Nizhneartovskaya GRES, Urengoykaya GRS and Irikliinskaya GRES.

Registered ordinary shares of OGK-1 are traded on the RTS' Classic Market with the ticker OGKA, on the RTS's T+O Market with the ticker OGKAG and on the MICEX Stock Exchange with the ticker OGK1.

www.ogk1.com

Contacts

Head of Investor Relations
Alexander Duzhinov

Tel.: +7 (495) 225-33-91
Mob.: +7 916 582 8760
Email: alexander@ogk1.ru