DTEK Holdings B.V.

Unaudited Condensed Consolidated Interim Financial Statements

30 June 2013

Contents

Report on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders and Board of Directors of DTEK Holdings B.V.

Introduction

We have reviewed the accompanying condensed consolidated interim balance sheet of DTEK Holdings B.V. (the "Company") and its subsidiaries (the "Group") as of 30 June 2013 and the related condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial statements Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

LLC AF PricewaterhouseCoopers (Audit)

Kyiv, Ukraine

29 August 2013

DTEK Holdings B.V.
Unaudited Condensed Consolidated Interim Balance Sheet

In millions of Ukrainian Hryvnia	Note	30 June 2013	31 December 2012 (as restated)
ASSETS			
Non-current assets			
Property, plant and equipment	8	51,916	50,752
Intangible assets		1,927	1,985
Goodwill		4,563	4,563
Investments in associates		12	12
Financial investments	9	2,324	289
Deferred income tax asset		859	930
Other non-current assets		63	50
Total non-current assets		**61,664**	**58,581**
Current assets			
Inventories		4,846	5,055
Trade and other receivables	10	10,796	7,518
Financial investments	9	23	99
Current income tax	19	1,057	272
Cash and cash equivalents	11	3,429	5,360
Total current assets		**20,151**	**18,304**
TOTAL ASSETS		**81,815**	**76,885**
EQUITY			
Share capital	12	0	0
Share premium	12	9,909	9,909
Other reserves		3,103	3,470
Retained earnings		15,243	14,104
Equity attributable to owners of the parent		**28,255**	**27,483**
Non-controlling interest in equity		**5,223**	**5,043**
TOTAL EQUITY		**33,478**	**32,526**
LIABILITIES			
Non-current liabilities			
Liability to non-controlling participants		3	5
Borrowings	13	19,623	17,256
Other financial liabilities	14	4,554	3,860
Retirement benefit obligations		4,512	4,433
Provisions for other liabilities and charges		624	578
Deferred income tax liability		1,476	1,499
Total non-current liabilities		**30,792**	**27,631**
Current liabilities			
Borrowings	13	3,676	3,406
Other financial liabilities	14	285	300
Prepayments received		3,156	3,326
Trade and other payables		9,093	8,162
Current income tax payable		29	375
Other taxes payable		1,306	1,159
Total current liabilities		**17,545**	**16,728**
TOTAL LIABILITIES		**48,337**	**44,359**
TOTAL LIABILITIES AND EQUITY		**81,815**	**76,885**

Approved for issue and signed on behalf of the Management Board on 29 August 2013.

Maksym Timchenko
Director

Vistra (Amsterdam) B.V.
Director

In millions of Ukrainian Hryvnia	**Note**	**Six months ended 30 June 2013**	**2012 (as restated)**
Revenue	15	42,917	36,097
Heat tariff compensation	15	859	2,006
Cost of sales	16	(39,056)	(31,812)
Gross profit		**4,720**	**6,291**
General and administrative expenses		(1,293)	(1,007)
Other operating expenses		(651)	(616)
Distribution costs		(485)	(366)
Other operating income	17	1,117	798
Net foreign exchange gain other than on borrowings		19	442
Operating profit		**3,427**	**5,542**
Foreign exchange gain on borrowings		111	298
Finance income		121	457
Finance costs	18	(1,838)	(2,384)
Gain from a bargain purchase		-	604
Recognition of loss from fair valuation of associate on transfer to subsidiary		-	(385)
Recognition of AFS reserve on transfer to subsidiary		-	(63)
Share of after tax results of associates		-	(204)
Profit before income tax		**1,821**	**3,865**
Income tax expense	19	(624)	(903)
Profit for the period		**1,197**	**2,962**
Profit is attributable to:			
Owners of the Company		702	2,454
Non-controlling interests		495	508
Profit for the period		**1,197**	**2,962**

Unaudited Condensed Consolidated Interim Statement of Comprehensive Income

In millions of Ukrainian Hryvnia	**Six months ended 30 June 2013**	**2012 (as restated)**
Profit for the period	1,197	2,962
Other comprehensive income		
Financial investments:		
-Changes in the fair value of available-for sale financial assets	-	60
-Recognition of AFS reserve on transfer to subsidiary	-	63
Property, plant and equipment:		
-Change in estimate for asset retirement obligation	(15)	(5)
Currency translation reserve	(2)	-
Cash flow hedges	(445)	-
Reclassification adjustment in relation to cash flow hedges	529	-
Income tax relating to components of other comprehensive income	-	(4)
Total comprehensive income for the period	**1,264**	**3,076**
Total comprehensive income attributable to:		
Owners of the Company	769	2,568
Non-controlling interests	495	508
Total comprehensive income for the period	**1,264**	**3,076**

In millions of Ukrainian Hryvnia	Attributable to owners of the Company					Non-controlling interest	Total Equity
	Share capital	Share premium	Other reserves	Retained earnings (restated)	Total		
Balance at 1 January 2013 (as restated)	**0**	**9,909**	**3,470**	**14,104**	**27,483**	**5,043**	**32,526**
Profit for the Six months ended 30 June 2013	-	-	-	702	702	495	1,197
Other comprehensive income	-	-	67	-	67	-	67
Total comprehensive income for the period			**67**	**702**	**769**	**495**	**1,264**
Property, plant and equipment:							
-Realised revaluation reserve	-	-	(500)	500	**-**	-	**-**
-Income tax related to realised revaluation reserve	-	-	66	(66)	**-**	-	**-**
Acquisition of subsidiary							
Acquired non-controlling interest	**-**	-	-	3	**3**	(3)	**-**
Dividends declared	**-**	-	-	-	**-**	(312)	**(312)**
Balance at 30 June 2013	**0**	**9,909**	**3,103**	**15,243**	**28,255**	**5,223**	**33,478**

In millions of Ukrainian Hryvnia	Attributable to owners of the Company					Non-controlling interest	Total Equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2012 (as previously reported)	**0**	**9,909**	**5,731**	**8,785**	**24,425**	**401**	**24,826**
Restatement (Note 3)	-	-	-	(315)	(315)	-	(315)
Balance at 1 January 2012 (as restated)	**0**	**9,909**	**5,731**	**8,470**	**24,110**	**401**	**24,511**
Profit for the Six months ended 30 June 2012	-	-	-	2,454	2,454	508	2,962
Other comprehensive income	-	-	114	-	114	-	114
Total comprehensive income for the period	**-**	**-**	**114**	**2,454**	**2,568**	**508**	**3,076**
Property, plant and equipment:							
-Realised revaluation reserve	**-**	-	(620)	620	**-**	-	**-**
-Income tax related to realised revaluation reserve	**-**	-	91	(91)	**-**	-	**-**
-Recycling of previously recognised share in revaluation of property, plant and equipment in associate on transfer to subsidiary	**-**	-	(1,252)	1,252	**-**	-	**-**
Acquisition of subsidiary	**-**	-	-	-	**-**	3,461	**3,461**
Acquired non-controlling interest	**-**	-	-	(4)	**(4)**	(13)	**(17)**
Dividends declared	**-**	-	-	(1,597)	**(1,597)**	(53)	**(1,650)**
Balance at 30 June 2012 (as restated)	**0**	**9,909**	**4,064**	**11,104**	**25,077**	**4,304**	**29,381**

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

In millions of Ukrainian Hryvnia	Note	Six months ended 30 June 2013	2012 (as restated)
Cash flows from operating activities			
Profit before income tax		**1,821**	**3,865**
Adjustments for:			
Depreciation of property, plant and equipment and amortisation of intangibles, net of amortisation of government grants		3,340	2,807
Losses less gains on disposals of property, plant and equipment		40	25
Assets received free of charge	17	(32)	(87)
Net change in provision for trade and other receivables	17	(865)	(558)
Change in other provisions for liabilities and charges		(1)	(40)
Non-cash operating charge to retirement benefit obligation		103	108
Share of result of associates		-	204
Unrealised result on associate		-	(8)
Gain from a bargain purchase		-	(604)
Unrealised and realised foreign exchange gain on borrowings		(111)	(298)
Unrealised foreign exchange loss		29	-
Extinguishment of accounts payable		(20)	(15)
Loss from fair valuation of associate on transfer to subsidiary		-	385
Recognition of AFS reserve on transfer to subsidiary		-	63
Finance costs, net		1,717	1,927
Other operating non-cash transactions		75	(21)
Operating cash flows before working capital changes		**6,096**	**7,753**
Changes in:			
Inventories		221	(1,008)
Trade and other receivables		(2,426)	(4,215)
Prepayments received		(170)	457
Trade and other payables		1,118	1,362
Other financial liabilities		(68)	275
Taxes payable, other than income tax		147	(238)
Cash generated from operations		**4,918**	**4,386**
Income taxes paid		(1,703)	(1,043)
Defined employee benefits paid		(312)	(266)
Interest and tender costs paid		(1,012)	(797)
Interest received		96	138
Net cash generated from operating activities		**1,987**	**2,418**
Cash flows from investing activities			
Purchase of property, plant and equipment		(4,681)	(3,825)
Proceeds from sale of property, plant and equipment		4	1
Acquisition of subsidiaries		-	(4,653)
Placement of restricted cash		(50)	(139)
Prepayment for shares		(1,908)	-
Deposits placed and financial aid or loan provided		(127)	(223)
Deferred consideration related to acquisition paid		(46)	(54)
Finance lease related to acquisition paid		(12)	-
Cash acquired in business combinations		-	261
Repayment of deposits and loans provided		17	251
Net cash used in investing activities		**(6,803)**	**(8,381)**
Cash flows from financing activities			
Proceeds from borrowings net of discount	13	14,037	6,902
Repayment of borrowings	13	(10,982)	(6,611)
Acquisition of non-controlling interest		(3)	(17)
Dividends paid to non-controlling participants		(280)	(71)
Net cash generated from financing activities		**2,772**	**203**
Net decrease in cash and cash equivalents		**(2,044)**	**(5,760)**
Cash and cash equivalents at the beginning of the period		**5,069**	**10,426**
Exchange (loss)/ gain on cash and cash equivalents		4	(3)
Cash and cash equivalents at the end of the period		**3,029**	**4,663**

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

1 Corporate Information

DTEK Holdings B.V. (the "Company") is a private limited liability company incorporated in the Netherlands on 16 April 2009. The Company was formed through the contribution by the System Capital Management Limited and InvestCom Services Limited of their 100% equity interest in DTEK Holdings Limited, a Cyprus registered entity and predecessor of the Company.

The Company and its subsidiaries (together referred to as "the Group" or "DTEK") are beneficially owned by Mr. Rinat Akhmetov, through various entities commonly referred to as System Capital Management ("SCM"). Mr. Akhmetov has a number of other business interests outside of the Group. Related party transactions are detailed in Note 7.

DTEK is a vertically integrated power generating and distribution group. Its principal activities are coal mining for further supply to its power generating facilities and finally distribution of electricity to end customers primarily in Ukraine. The Group's coal mines, power generation plants and distribution facilities are located in the Donetsk, Kyiv, Dnipropetrovsk, Zaporizhzhya, Lugansk, Lvov regions and Autonomous Republic Crimea of Ukraine and Rostov region of Russian Federation. The Group sells all electricity generated to SE Energorynok, the state-owned electricity metering and distribution pool, at prices determined based on the competitive pool model adopted by the National Electricity Regulatory Committee of Ukraine. The Group's distribution subsidiaries then repurchase electricity for sale to final customers.

2 Operating Environment

Ukraine displays certain characteristics of an emerging market including, but not limited to, a currency that is not freely convertible outside of Ukraine, restrictive currency controls, relatively high inflation and high interest rates.

With exports comprising a large share of domestic GDP, Ukraine's economy is vulnerable to market downturns and slowdowns elsewhere in the world. The Ukrainian government continues to implement economic reforms and develop its legal, tax and regulatory frameworks. The future stability of the economy is largely dependent on the success of these reforms and the effectiveness of implemented economic, financial and monetary measures.

The tax, currency and customs legislation within Ukraine is subject to varying interpretations and frequent changes.

Management is unable to predict all developments which could have an impact on the Ukrainian economy and consequently what effect, if any, they could have on the future financial position of the Group. Management believes it is taking all the necessary measures to support the sustainability and development of the Group's business.

3 Basis of Preparation and Summary of Significant Accounting Policies

These condensed consolidated interim financial statements for the six months ended 30 June 2013 have been prepared in accordance with IAS 34, 'Interim financial reporting'. They do not include all the information and disclosures required for complete set of annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2012, which have been prepared in accordance with IFRS.

The accounting policies adopted are consistent with those of the Group's annual consolidated financial statements for the year ended 31 December 2012, except as described below.

- ***Derivative financial instruments, including hedge accounting.*** The Group enters, from time to time, into various derivative financial instruments to manage its exposure to commodity price risk, foreign currency risk and interest rate risk. Starting from 1 January 2013 the Group applies hedge accounting to such transactions. On initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80% - 125%. Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the statement of income when incurred. Subsequent to initial recognition, derivatives are measured at fair value. When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in statement of comprehensive income and presented in the other comprehensive income. Any ineffective portion of changes in the fair value of a derivative is recognised in the statement of income. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively.

3 Basis of Preparation and Summary of Significant Accounting Policies (Continued)

- ***IAS 19 (revised) Employee benefits***. IAS 19 (revised) amends the accounting for employment benefits. The Group has applied the standard retrospectively in accordance with the transition provisions of the standard. The impact on the Group has been in the following areas:
  - The standard requires past service cost to be recognised immediately in profit or loss and actuarial gains and losses to be recognised in other comprehensive income. This has resulted in unrecognised past service cost and actuarial gains and losses at 1 January 2012 of UAH 315 million, net of deferred tax (30 June 2012 UAH 300 million; 31 December 2012: UAH 161 million) being charged to the income statement and statement of other comprehensive income. The expense recognised in the income statement for the period to 30 June 2012 has reduced by UAH 15 million, including impact on income taxes, as the charge to profit or loss for past service cost is no longer required.
  - 'Retirement benefit obligation' as previously reported has been restated at the reporting dates to reflect the effect of the above. Amounts have been restated as at 1 January 2012 as UAH 3,894 million (previously UAH 3,519 million); 30 June 2012 as UAH 4,462 million (previously UAH 4,105 million) and 31 December 2012 as UAH 4,433 million (previously UAH 4,241 million).
  - 'Deferred income tax asset' as previously reported has been restated at the reporting dates to reflect the effect of the above. Amounts have been restated as at 1 January 2012 as UAH 609 million (previously UAH 549 million); 30 June 2012 as UAH 850 million (previously UAH 793 million) and 31 December 2012 as UAH 930 million (previously UAH 899 million).
  - The effect of the change in accounting policy on the statement of cash flows is not material.
- ***Offset of Trade and other receivables with Prepayments received*.** Trade receivables were partially offset with prepayments received as at 31 December 2012. Management considers that this receivables and prepayments should be presented on a gross basis in financial statements. The effect on the Group was as follows on amounts at 31 December 2012:

In millions of Ukrainian Hryvnia	**31 December 2012 (as originally presented)**	**Restatement**	**31 December 2012 (as restated)**
Trade and other receivables	7,068	450	7,518
Prepayments received	2,951	375	3,326
Other taxes payable	1,084	75	1,159

There was no impact on trade and other receivables, prepayments and other taxes payable at 1 January 2012.

The effect of these changes on the Condensed Consolidated Interim Statement of Cash Flows for the six months ended 30 June 2012 was not material.

- ***Measurement period adjustments related to past business combinations.*** During the second half of 2012 the Group finalised the purchase price allocations for acquisitions. Measurements period adjustments related to past business combinations on acquisition of Dniproenergo PJSC and Krymenergo PJSC are described in Note 23.
- ***Changes in presentation.*** Where necessary, corresponding figures have been adjusted to conform to the presentation of the current year amounts.

The effect of reclassifications for presentation purposes was as follows on amounts for the six months ended 30 June 2012 and on amounts at 31 December 2012:

Impact on Unaudited Condensed Consolidated Interim Income Statement

Increase/(decrease)

In millions of Ukrainian Hryvnia	**Six months ended 30June 2012 (as originally presented)**	**Reclassifi-cation**	**Change in accounting policies and measurement period adjustments**	**Six months ended 30June 2012 (as reclassified and restated)**
Revenue	38,315	(2,218)	-	36,097
Heat Tariff Compensation	-	2,006	-	2,006
Cost of sales	(32,003)	212	(21)	(31,812)
Gross profit	**6,312**	**-**	**(21)**	**6,291**

In millions of Ukrainian Hryvnia	**31 December 2012 (as originally presented)**	**Reclassifi-cation**	**Change in accounting policies**	**31 December 2012 (as reclassified and restated)**
Trade receivables	4,597	(345)	450	4,702
Heat tariff compensation receivable	-	345	-	345

3 Basis of Preparation and Summary of Significant Accounting Policies (Continued)

The effect of these changes on the Unaudited Condensed Consolidated Interim Statement of Cash Flows for the six months ended 30 June 2012 was not material.

- Income tax expense is recognised based on management's best estimate of the weighted average annual income tax expected for the full financial year, which is estimated at 34%.

- In 2013 management revised the structure of segment reporting. Comparative figures for the six months ended 30 June 2012 were adjusted respectively.

Exchange rate fluctuations. As at 30 June 2013, the exchange rate used for translating foreign currency balances was USD 1 = UAH 7.99 (31 December 2012: USD 1 = UAH 7.99); EUR 1 = 10.41 UAH (31 December 2012: EUR 1 = 10.54 UAH).

4 Critical Accounting Estimates and Judgements

Provision for trade and other receivables. Starting from 1 January 2013 the Group changed the methodology used to estimate the recoverability of trade and other receivables. Previously individual accounts of certain customers of the electricity distribution entities (including individuals and state-owned entities) were fully provided. Starting from 1 January 2013 management estimates the likelihood of the collection of those balances based on an analysis of individual accounts. Factors taken into consideration include an ageing analysis of trade and other accounts receivable in comparison with the credit terms allowed to customers, and the financial position of and collection history with the customer. Should actual collections be less than management's estimates, the Group would be required to record an additional impairment expense.

The effective interest rate on trade and other receivables is nil. If the effective interest rate was 1% higher, in the net change in provision for trade and other receivables would have been decreased by UAH 32 million for the six months ended 30 June 2013.

Heat tariff compensation received by Kyivenergo JSC. In accordance with existing legislation, Kyivenergo is entitled to claim heat tariff compensation which is computed as the difference between the heat tariff required to cover all production costs plus reasonable margin and that imposed by the National Electricity Regulatory Committee of Ukraine. Such claims are subject to additional Governmental, Budget and City approvals, prescribed by the state regulations. In October 2012 the Cabinet of Ministers of Ukraine approved Resolution #968 stating that the compensations of the difference between the "economically grounded" tariffs and that imposed by the State should be calculated by the companies entitled to such compensations and approved by the state regularly. Kyivenergo accounts for such heat tariff compensation as government grants and has recorded amounts of compensation receivable on an accrual basis starting from November 2012. During the first six months of 2013 Kyivenergo recorded UAH 859 million of heat tariff compensation (Note 15). The total amount of compensation receivable as at 30 June 2013 is UAH 1,204 million (Note 10).

5 Adoption of New or Revised Standards and Interpretations

The following new standard that is effective for the first time for the six months period ended 30 June 2013 and has been adopted by European Union has a material impact on these condensed consolidated interim financial statements:

- Amended IAS 19, Employee Benefits (issued in June 2011 and effective for annual periods beginning on or after 1 January 2013).

The following new standards and amendments to the standards which are relevant to the Group's consolidated financial statements and have been adopted by European Union are effective for the first time for the six months period ended 30 June 2013, but do not have a material impact on these condensed consolidated interim financial statements:

- IFRS 10, Consolidated Financial Statements (issued in May 2011 and effective for annual periods beginning on or after 1 January 2014).
- Amended IAS 28, Investments in Associates and Joint Ventures (issued in May 2011 and effective for annual periods beginning on or after 1 January 2014).
- IFRS 12, Disclosure of Interest in Other Entities (issued in May 2011 and effective for annual periods beginning on or after 1 January 2014).
- IFRS 13, Fair Value Measurement (issued in May 2011 and effective for annual periods beginning on or after 1 January 2013).
- Amendments to IAS 1, Presentation of Financial Statements (issued in June 2011 and effective for annual periods beginning on or after 1 July 2012).

The following new standard which is relevant to the Group's consolidated financial statements, has been issued, but has not been adopted by European Union:

- IFRS 9, Financial Instruments Part 1: Classification and Measurement (not yet adopted by European Union).

The Group is currently assessing the impact of the new standard on its financial statements.

6 Segment Information

The Management Board is the Group's chief operating decision-maker.

The management has determined the operating segments used for disclosure by the Group based on reports reviewed by the Management Board for the purposes of assessing performance. The Management Board considers the business from a product perspective taking into account the vertical integration of the Group.

The Management Board assesses the performance of the operating segments based on a measure of Adjusted EBITDA. This measurement basis represents profit for the year after excluding the following income statement items: foreign exchange losses less gains from borrowings, certain finance costs, income tax expense, depreciation and amortisation, recognition of loss from fair valuation of associate on transfer to subsidiary, recognition of available-for-sale ("AFS") reserve on transfer to associate, impairment of investment in associates, gain on a bargain purchase, impairment of property, plant and equipment and certain foreign exchange differences. Adjusted EBITDA is a supplemental measure of our performance and liquidity that is not required by or presented in accordance with IFRS.

Reportable segments are analysed by the Management Board on the following dimensions:

- Coal mining and power generation on coal-burnt thermal power plants
- Electricity distribution
- Heat generation
- Renewable power generation on wind farms.

Revenues included in 'Other' segment mainly include revenues from sales of services. These activities are excluded from the reportable operating segments, as they are not reviewed by the Management Board on an on-going basis.

The Group's mining and power generation operations are vertically integrated and while the operating businesses are organised and managed separately, with each segment offering different products and serving different markets, there remains significant inter-dependence between the segments. The primary reporting format, business segments, is based on the Group's management and internal reporting structure. Inter-segment pricing may not be determined on an arm's length basis. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses. Segment revenue includes transfer between business segments. Those transfers are eliminated on consolidation.

Segment information for the reportable business segments of the Group for the six months ended 30 June 2013 is as follows:

In millions of Ukrainian Hryvnia	**Coal and power generation**	**Electricity distribution**	**Heat generation**	**Renewable power generation**	**Other**	**Elimina-tion**	**Total**
Six months ended 30 June 2013							
Sales – external	21,476	19,060	2,162	172	47	-	42,917
Sales to other segments	5	413	-	-	395	(813)	-
Total revenue	**21,481**	**19,473**	**2,162**	**172**	**442**	**(813)**	**42,917**
Heat tariff compensation	**-**	**-**	**859**	**-**	**-**	**-**	**859**
Segment result	5,500	1,870	(67)	144	(369)	(55)	7,023
Depreciation and amortisation	(2,637)	(588)	(52)	(33)	(33)	3	(3,340)
Foreign exchange gain/(loss) on borrowings							111
Unallocated expenses							(135)
Finance costs not included in Segment result							(1,838)
Profit before income tax							**1,821**
Capital expenditure	3,539	405	150	353	93		4,540

6 Segment Information (Continued)

Segment information for the main reportable segments of the Group as of and for the six months ended 30 June 2012 is as follows:

In millions of Ukrainian Hryvnia	**Coal and power generation**	**Electricity distribution**	**Heat generation**	**Renewable power generation**	**Other**	**Elimina-tion**	**Total**
Six months ended 30 June 2012 (as restated)							
Sales – external	20,731	13,086	2,117	-	163	-	36,097
Sales to other segments	2	388	-		303	(693)	
Total revenue	**20,733**	**13,474**	**2,117**	**-**	**466**	**(693)**	**36,097**
Heat tariff compensation			**2,006**				**2,006**
Segment result	6,418	979	1,242	(9)	(362)	(340)	7,928
Depreciation and amortisation	(2,317)	(370)	(94)	-	(28)	2	(2,807)
Gain from a bargain purchase							604
Foreign exchange gain/(loss) on borrowings							298
Recognition of loss from fair valuation of associate on transfer to subsidiary							(385)
Recognition of AFS reserve on transfer to subsidiary							(63)
Unallocated income							443
Finance costs not included in Segment result							(2,153)
Profit before income tax							**3,865**
As at 30 June 2012							
Finance cost							**(2,384)**
Loss on early repayment of long-term payables							211
Unwinding of discounts on long-term payables							20
Finance costs excluded from Segment result							**(2,153)**
Capital expenditure	2,968	320	105	674	119		4,186

7 Balances and Transactions with Related Parties

The nature of the related party relationships for those related parties with whom the Group entered into significant transactions or had significant balances outstanding is detailed below.

	30 June 2013				**31 December 2012**			
In millions of Ukrainian Hryvnia	Entities under common control of SCM	Associates of SCM	Associa-tes	Other related parties	Entities under common control of SCM	Associates of SCM	Associa-tes	Other related parties
Prepayments for property, plant and equipment	-	-	-	1,322	53	-	-	848
Gross amount of trade and other receivables	426	-	-	-	296	-	-	-
Promissory notes receivable	-	-	-	3	-	-	-	-
Cash and cash equivalents – current account	950	-	-	-	1,295	-	-	-
Trade and other payables	(462)	-	-	(52)	(313)	-	-	(62)
Prepayments received	(22)	(6)	-	(170)	(34)	-	(4)	(176)

The income and expense items with related parties were as follows:

	Six months ended 30 June 2013				**Six months ended 30 June 2012**			
In millions of Ukrainian Hryvnia	Entities under common control of SCM	Associates of SCM	Associa-tes	Other related parties	Entities under common control of SCM	Associates of SCM	Associa-tes	Other related parties
Sales of electricity	3,967	160	-	55	3,530	42	-	-
Sales of coking coal	80	-	-	-	396	-	-	-
Sales of steam coal	232	-	-	-	52	-	1,300	-
Sales of inventory	-	-	-	8	-	-	1	-
Purchase non-current assets	(380)	-	-	(36)	(170)	-	-	-
Purchase of raw materials	(79)	-	-	-	(42)	-	-	-
Purchase of services	(950)	-	-	-	(16)	-	-	-
Interest income	16	-	-	-	16	-	-	-
Interest expense of long-term payables	-	-	-	-	(3)	-	-	-

8 Property, Plant and Equipment

Movements in the carrying amount of property, plant and equipment were as follows:

In millions of Ukrainian Hryvnia	Mining assets	Buildings and structures	Plant and machinery	Furniture, fittings and equipment	Construction in progress	Total
Opening net book amount as at 1 January 2013	9,414	13,812	18,373	1,096	8,057	**50,752**
Additions	58	191	836	163	3,292	**4,540**
Disposals	-	(10)	(30)	(6)	(5)	**(51)**
Depreciation charge	(234)	(692)	(2,182)	(183)	-	**(3,291)**
Foreign exchange differences	(20)	(5)	6	-	(15)	**(34)**
Transfer	25	221	677	34	(957)	**-**
Carrying amount as at 30 June 2013	**9,243**	**13,517**	**17,680**	**1,104**	**10,372**	**51,916**

In millions of Ukrainian Hryvnia	Mining assets	Buildings and structures	Plant and machinery	Furniture, fittings and equipment	Construction in progress	Total
Opening net book amount as at 1 January 2012	7,997	7,083	10,250	767	4,530	**30,627**
Acquisition of a subsidiary	1,036	6,754	5,850	303	2,004	**15,947**
Additions	31	158	959	256	2,782	**4,186**
Disposals	(71)	(24)	(34)	(1)	(54)	**(184)**
Depreciation charge	(126)	(655)	(1,767)	(233)	-	**(2,781)**
Transfer	28	305	742	-	(1,075)	**-**
Carrying amount as at 30 June 2012 (restated)	**8,895**	**13,621**	**16,000**	**1,092**	**8,187**	**47,795**

As at 30 June 2013 the Group's property, plant and equipment carried at UAH 1,247 million and related to borrowings with carrying amount of UAH 974 million may not be sold, pledged or disposed without prior consent of the bank (31 December 2012 – UAH 1,150 million related to borrowings in amount of UAH 879 million).

As at 30 June 2013 no buildings, plant and machinery have been pledged to third parties as collateral for loans and borrowings (31 December 2012: UAH 555 million) (Note 20).

9 Financial Investments

Non-current financial investments were as follows:

In millions of Ukrainian Hryvnia	30 June 2013	31 December 2012
Prepayments for shares	2,068	160
Long-term deposits	211	84
Equity securities	45	45
Total	**2,324**	**289**

Current financial investments were as follows:

In millions of Ukrainian Hryvnia	30 June 2013	31 December 2012
Restricted cash	22	80
Loans receivable	1	1
Deposits placed	-	18
Total	**23**	**99**

9 Financial Investments (Continued)

As at 30 June 2013 the Group made prepayments amounting to UAH 1,788 million, to acquire a stake in Naftohazvydobuvannya Private Joint Stock Company, a company involved in oil and gas exploration and development in Ukraine.

As at 30 June 2013 the Group has also made prepayments amounting to UAH 280 million (31 December 2012: UAH 160 million) for the controlling stake of Vanco Ukraine Limited, a company that has a license on an offshore oil and gas exploration and production project in the Black Sea.

Both acquisitions are conditional upon certain regulatory approvals.

As at 30 June 2013, deposits amounting to UAH 211 million (31 December 2012: UAH 84 million) were pledged as collateral for borrowings or bank guarantees received (Note 20).

10 Trade and Other Receivables

In millions of Ukrainian Hryvnia	**30 June 2013**	**31 December 2012**
Trade receivables (less provision of UAH 5,293 million) (31 December 2012: UAH 6,226 million)	8,181	4,702
Other financial receivables (less provision of UAH 614 million (31 December 2012: UAH 589 million)	281	132
Total financial assets	***8,462***	***4,834***
Heat tariff compensation receivable (Note 15)	1,204	345
VAT recoverable (less provision of UAH 85 million) (31 December 2012: UAH 85 million)	641	890
Prepayments to suppliers (less provision of UAH 96 million) (31 December 2012: UAH 86 million)	418	1,388
Other (less provision of UAH 119 million) (31 December 2012: UAH 45 million)	71	61
Total non-financial assets	***2,334***	***2,684***
Total trade and other receivables	**10,796**	**7,518**

11 Cash and Cash Equivalents

As at 30 June 2013, there was UAH 400 million cash restricted in use under letter of credit arrangements (31 December 2012: UAH 291 million). For the purposes of the cash-flow statements this amount is not included in cash and cash equivalents balance.

12 Equity and Other Reserves

The authorised share capital of DTEK Holdings B.V. comprises 15,000 ordinary shares with a nominal value of Euro 10 per share. All shares carry one vote. At 30 June 2013 and 31 December 2012, the issued and fully paid share capital comprises 3,000 ordinary shares.

There were no changes in share capital or share premium during the six months ended 30 June 2013.

13 Borrowings

In millions of Ukrainian Hryvnia	**30 June 2013**	**31 December 2012**
Non-current		
Bank borrowings	12,168	13,315
Eurobonds	7,455	3,941
	19,623	**17,256**
Current		
Bank borrowings	3,260	3,109
Interest accrual	416	297
	3,676	**3,406**
Total borrowings	**23,299**	**20,662**

Movements in borrowings during the period are as follows:

	Six months ended 30 June	
In millions of Ukrainian Hryvnia	**2013**	**2012**
Opening balance as at 1 January	**20,662**	**15,082**
Eurobonds issued	6,002	-
Redemption of bonds	(2,397)	-
Repayment of borrowings	(8,585)	(6,611)
New borrowings	8,158	6,902
Acquisition of subsidiary	-	2,166
Interest and tender costs accrued during the period	1,157	817
Interest and tender costs paid during the period	(1,035)	(797)
Foreign exchange (gain)/loss	(623)	(298)
Amortisation of discount	83	30
Recognition of discount	(123)	(8)
Closing balance as at 30 June	**23,299**	**17,283**

In April 2010, DTEK Finance B.V., a finance vehicle of the Company, issued USD 500 million 5 year Eurobonds bearing 9.5% coupon. The Eurobonds are unsecured. The bond indenture contains specific covenants, including limitations on payments to shareholders, restrictions on permissible business activities, requirements for arm's length affiliate transactions, financial disclosure requirements and a maximum permissible level of leverage. Events of default are comprehensive and include cross-default to other DTEK debt. The majority of the Eurobonds proceeds were used to repay existing indebtedness.

In April 2013 the Group announced the Tender Offer for cash up to an aggregate principal amount of USD 300 million of the outstanding USD 500 million 5 year Eurobonds due in 2015. The purpose of the Tender Offer is to refinance a portion of the Group's indebtedness and proactively manage the debt maturity profile by acquiring outstanding Notes out of proceeds generated from the issuance and offering of the new Eurobonds. The Tender Offer was dependant on the issue of new Eurobonds due in 2018. Together with the Tender Offer the Group announced the Consent Solicitation to change certain covenants.

In April 2013, DTEK Finance PLC, a finance vehicle of the Company, issued USD 750 million 5 year Eurobonds bearing 7.875% coupon. The Eurobonds are unsecured. The new Eurobond indenture contains specific covenants, including limitations on payments to shareholders, restrictions on permissible business activities, requirements for arm's length affiliate transactions, financial disclosure requirements and a maximum permissible level of leverage. Events of default are comprehensive and include cross-default to other DTEK debt. The majority of net proceeds from the Eurobonds issue were used to finance the Tender Offer and Consent Solicitation. The remaining proceeds were used to finance the Group's investment programme, working capital needs and to repay existing indebtedness.

See also Note 8 for disclosure of property, plant and equipment restricted in use or pledged as collateral for loans and borrowings.

14 Other Financial Liabilities

Non-current other financial liabilities comprise:

In millions of Ukrainian Hryvnia	30 June 2013	31 December 2012
Deferred consideration for acquisition	2,060	1,951
Restructured trade payables	1,293	1,303
Gross-settled derivative financial instruments	822	284
Payable for finance lease	232	230
Restructured taxes payable	120	71
Other long-term financial liabilities	27	21
Total non-current other financial liabilities	**4,554**	**3,860**

Current other financial liabilities comprise:

In millions of Ukrainian Hryvnia	30 June 2013	31 December 2012
Current portion of restructured trade payable	161	146
Current portion of deferred consideration	55	65
Restructured taxes payable	26	46
Current part of payable for finance lease	20	20
Other current financial liabilities	23	23
Total other financial liabilities	**285**	**300**

In October 2011, the Group entered into 5-year loan agreements with Russian Commercial Bank (Cyprus) for RUB 10,000 million (UAH 2,495 million) and Sberbank (Russia) for RUB 15,714 million (UAH 3,986 million). Subsequently, in 2011 and 2012 DTEK concluded agreements for a 5-year swap of RUB loans with floating rate for a USD loan with fixed rate in order to hedge future cash flows associated with RUB denominated borrowings with floating rate and USD denominated export sales. As described in Note 3, the Group adopted hedge accounting for this transaction starting from 1 January 2013. The Group designated these swap agreements as cash flow hedge and recognised a net loss of UAH 445 million in other comprehensive income, that was reclassified to the income statement in amount of UAH 529 million.

15 Revenue and Heat Tariff Compensation

	Six months ended 30 June	
	2013	2012
In millions of Ukrainian Hryvnia		(as restated)
Sale of electricity to final customers	19,060	13,082
Sale of electricity to electricity pool	16,641	14,262
Sale of steaming and coking coal	2,734	4,281
Sale of electricity abroad	2,273	2,220
Heat generation	2,162	2,119
Other sales	47	133
Total revenue	**42,917**	**36,097**

Heat tariff compensation

Heat tariff compensation is a government grant and represents the difference between heat tariff required to cover all production costs plus reasonable margin and that imposed by the State, compensated to the Group regularly. The amount of the difference receivable by the Group from the State for six months ended 2013 was UAH 859 million (six months 2012: UAH 2,006 million).

16 Cost of Sales

In millions of Ukrainian Hryvnia	Six months ended 30 June 2013	2012 (as restated)
Cost of electricity purchased	19,480	13,776
Raw materials	6,779	7,314
Staff cost, including payroll taxes	5,949	5,040
Depreciation of property, plant and equipment net of amortisation of government grants	3,251	2,753
Transportation services and utilities	1,892	1,919
Taxes, other than income tax	739	408
Production overheads	496	116
Cost of coal purchased for resale	253	628
Equipment maintenance and repairs	173	174
Cost of extraction services related to Dobropolyeugol	-	8
Change in finished goods and work in progress	23	(387)
Other costs	21	63
Total cost of sales	**39,056**	**31,812**

17 Other operating income

In millions of Ukrainian Hryvnia	Six months ended 30 June 2013	2012 (as restated)
Net change in provision for trade and other receivables	865	558
Fines and penalties received	48	43
Assets received for free	32	87
Income from extinguishment of accounts payable	20	15
Income from recovery on previously written off trade receivables	5	1
Other income	147	94
Total other operating income	**1,117**	**798**

As described in Note 4, The Group has changed its methodology for estimating the likelihood of the collection of trade and other receivables, which resulted in a gain on reversal of provision recognised during the six months ended 30 June 2013 of UAH 748 million.

18 Finance Costs

In millions of Ukrainian Hryvnia	Six months ended 30 June 2013	2012
Interest expense		
- borrowings	733	627
- bonds issued	253	190
Unwinding of discounts on pension obligations	289	282
Tender costs related to Eurobond issue (Note 13)	191	-
Unwinding of discounts on deferred consideration related to acquisition	148	123
Unwinding of discounts on long term accounts payable	131	148
Amortised cost expenses on borrowings	49	31
Unwinding of discounts on assets retirement provision	32	27
Change in fair value of derivative financial instruments (Note14)	-	733
Loss on early repayment of long-term payables	-	211
Investment obligation relating to Dniproenergo	-	12
Other finance costs	12	-
Total finance costs	**1,838**	**2,384**

19 Income Taxes

In millions of Ukrainian Hryvnia	**Six months ended 30 June 2013**	**2012 (as restated)**
Current tax	576	972
Deferred tax	48	(69)
Income tax expense	**624**	**903**

According to the amendments in Tax Code of Ukraine, starting from 1 January 2013 the rules relating to payment of current income taxes changed. According to the new rules, all entities that reported taxable profit in 2012 should make monthly payments during 2013 equivalent to 1/12 of the income tax due in respect of 2012.

20 Contingencies and Commitments

Tax legislation. Ukrainian tax and customs legislation is subject to varying interpretations and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activity of the Group may be challenged by the relevant authorities, and it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes for three calendar years proceeding the year of review. Under certain circumstances reviews may cover longer periods.

The Group conducts intercompany transactions. It is possible with evolution of the interpretation of tax law in Ukraine and changes in the approach of tax authorities under the new Tax Code, that such transactions could be challenged in the future. The impact of any such challenge cannot be estimated; however, management believes that it should not be significant.

***Legal proceedings*.** From time to time and in the normal course of business, claims against the Group are received. On the basis of its own estimates and both internal and external professional advice, management is of the opinion that no material losses will be incurred in respect of claims in excess of provisions that have been made in these condensed consolidated interim financial statements.

Capital commitments. The Group is committed to fund investment programs of newly acquired mining assets totaling UAH 7,727 million during the period 2011 through 2016. As at 30 June 2013 the outstanding commitment equals UAH 4,858 million (31 December 2012: UAH 5,538 million).

Assets pledged and restricted. The Group has the following assets pledged as collateral:

	As at 30 June 2013		**As at 31 December 2012**	
In millions of Ukrainian Hryvnia	**Asset pledged**	**Related liability**	**Asset pledged**	**Related liability**
Financial investments (Note 9)	211	359	84	128
Restricted cash	422	400	371	200
Property, plant and equipment (Note 8)	-	-	555	265
Total	**633**	**759**	**810**	**393**

See also Note 8 for disclosure of property, plant and equipment restricted in use or pledged as collateral for loans and borrowings.

The Group has pledged proceeds from future sales of electricity and part of future volume of electricity production as security for borrowings. Total amount of the pledge is set in the pledge agreements, and the maximum exposure of the Group is limited to the outstanding loan balance and related liabilities as at the reporting date. As at 30 June 2013 future sales proceeds and the volume of electricity production in amount of UAH 8,800 million were pledged as security for the borrowings. As at 30 June 2013 the balance of such borrowings amounts to UAH 323 million (31 December 2012: future sales proceeds and production of electricity totalling UAH 9,606 million were pledged as security for the borrowings of UAH 514 million).

Environmental matters. The enforcement of environmental regulation in Ukraine is evolving and the enforcement posture of government authorities is continually being reconsidered. The Group periodically evaluates its obligations under environmental regulations. As obligations are determined, they are recognised immediately. Potential liabilities, which might arise as a result of changes in existing regulations, civil litigation or legislation, cannot be estimated but could be material. Management believes that there are no significant liabilities for environmental damage.

20 Contingencies and Commitments (Continued)

Compliance with covenants. The Group is subject to certain covenants related primarily to its borrowings. Non-compliance with such covenants may result in negative consequences for the Group including additional cost of borrowings and declaration of default. The Group is in compliance with the covenants as at 30 June 2013 and 31 December 2012.

Insurance. The insurance industry in Ukraine is developing and many forms of insurance protection common in other parts of the world are not yet generally available. At present, Group's insurance policy incorporates "All Risks" Property Damage and Business Interruption coverage for generation and several mining companies as well as Marine Cargo, Construction "All Risks", Delay in Start-Up/Advances Loss of Profits and Third Party Liability coverage for wind power generation companies. In particular, the policy covers losses resulting from loss or damage of property, plant and equipment and loss of profit resulting from business interruption. The Group does not have full coverage for third party liability in respect of property or environmental damage arising from accidents on the Group's property or relating to the Group's operations. Until the Group obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have an adverse effect on the Group's operations.

21 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2012.

There have been no changes in the risk management department since year end or in any risk management policies.

Liquidity risk. Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

22 Fair Value of Financial Instruments

The following table presents fair value of the Group's assets and liabilities at 30 June 2013:

	Measurement method:		**Total fair value**	**Carrying value**
In millions of Ukrainian Hryvnia	**Quoted price in active market**	**Valuation using observable market inputs**		
FINANCIAL ASSETS				
Cash and cash equivalents				
- Bank balances payable on demand	-	2,740	2,740	2,740
- Term deposits	-	289	289	289
- Restricted cash	-	400	400	400
Trade and other receivables (Note 10)				
- Trade receivables	-	8,181	8,181	8,181
- Other financial receivables	-	281	281	281
Other non-current assets				
- Trade and other receivables - non-current	-	73	73	63
Financial investments (Note 9)				
- Securities quoted on Ukrainian stock market	45	-	45	45
- Prepayment for shares	-	2,068	2,068	2,068
- Deposits placed with the maturity more than three months	-	211	211	211
- Restricted cash	-	22	22	22
- Loans receivable	-	1	1	1
TOTAL FINANCIAL ASSETS	**45**	**14,266**	**14,311**	**14,301**
FINANCIAL LIABILITIES				
Liability to non-controlling participants	-	3	3	3
Borrowings (Note 13)	-	15,844	15,844	15,844
Eurobonds (Note 13)	7,345	-	7,345	7,455
Other financial liabilities – non-current (Note 14)	-	4,564	4,564	4,554
Other financial liabilities – current (Note14)	-	230	230	230
Current portion of deferred consideration (Note 14)	-	55	55	55
Trade and other payables	-	7,237	7,237	7,237
TOTAL FINANCIAL LIABILITIES	**7,345**	**27,933**	**35,278**	**35,378**

21 Fair Value of Financial Instruments (Continued)

The following table presents fair value of the Group's assets and liabilities at 31 December 2012:

In millions of Ukrainian Hryvnia	**Measurement method:** Quoted price in active market	**Measurement method:** Valuation using observable market inputs	**Total fair value**	**Carrying value**
FINANCIAL ASSETS				
Cash and cash equivalents				
- Bank balances payable on demand	-	4,759	4,759	4,759
- Term deposits	-	310	310	310
- Restricted cash	-	291	291	291
Trade and other receivables (Note 10)				
- Trade receivables	-	4,702	4,702	4,702
- Other financial receivables	-	132	132	132
Other non-current assets				
- Trade and other receivables - non-current	-	46	46	50
Financial investments (Note 9)				
- Securities quoted on Ukrainian stock market	45	-	45	45
- Prepayment for shares	-	160	160	160
- Deposits placed with the maturity more than three months	-	102	102	102
- Restricted cash	-	80	80	80
- Loans receivable	-	1	1	1
TOTAL FINANCIAL ASSETS	**45**	**10,583**	**10,628**	**10,632**
FINANCIAL LIABILITIES				
Liability to non-controlling participants	-	5	5	5
Borrowings (Note 12)	-	16,715	16,715	16,721
Eurobonds (Note 12)	4,113	-	4,113	3,941
Other financial liabilities – non-current (Note 14)	-	4,100	4,100	3,860
Other financial liabilities – current (Note14)	-	235	235	235
Current portion of deferred consideration (Note 14)	-	65	65	65
Trade and other payables	-	6,274	6,274	6,274
TOTAL FINANCIAL LIABILITIES	**4,113**	**27,394**	**31,507**	**31,101**

During six months of 2013 there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities.

23 Business combinations

Dniproenergo

On 13 March 2012 the Group acquired 25.00% of Dniproenergo PJSC ('Dniproenergo') in a State organised privatisation auction, for a cash consideration of UAH 1,180 million, thus taking its total share to 72.93%.

The following table summarises measurement period adjustments.

In millions of Ukrainian Hryvnia	**As originally reported**	**Measurement period adjustments**	**As adjusted**
Property, plant and equipment	4,633	-	4,633
Intangible assets	9	(2)	7
Other non-current assets	48	-	48
Inventories	622	1	623
Trade and other receivables (gross UAH 3,649 million)	1,780	-	1,780
Current income tax	29	-	29
Cash and cash equivalents	29	-	29
Borrowings	(1,045)	-	(1,045)
Other financial liabilities – non-current	(95)	2	(93)
Provisions for other liabilities and charges	-	(2)	(2)
Retirement benefit obligations	(197)	(1)	(198)
Deferred income tax liabilities	(258)	(3)	(261)
Trade and other payables	(998)	-	(998)
Other taxes payable	(231)	4	(227)
Fair value of 100% of net assets acquired	**4,326**	**(1)**	**4,325**
27.07% non-controlling interest	**(1,171)**	**1**	**(1,170)**
Share of net assets acquired	**3,155**	**-**	**3,155**
Purchase consideration:	**5,246**	**(92)**	**5,154**
Fair value of consideration paid	1,180	-	1,180
Fair value of previously held interest	4,066	(92)	3,974
Goodwill	**2,091**	**(92)**	**1,999**

As results of revaluation of previously held interest to fair value additional loss in amount of UAH 92 million was recognised in the income statement for the six months ended 30 June 2012.

Krymenergo

On 5 May 2012 the Group acquired 45.00% shares of Krymenergo PJSC ('Krymenergo') in a State organised privatisation auction, for a cash consideration of UAH 256 million thus taking its total share to 57.49%.

The following table summarises measurement period adjustments.

In millions of Ukrainian Hryvnia	**As originally reported**	**Measurement period adjustments**	**As adjusted**
Property, plant and equipment	834	1,488	2,322
Intangible assets	3	-	3
Financial investments – non-current	5	-	5
Other non-current assets	20	(1)	19
Inventories	16	(2)	14
Trade and other receivables (gross UAH 1,001 million)	104	(1)	103
Cash and cash equivalents	28	-	28
Borrowings	(21)	-	(21)
Other financial liabilities – non-current	(444)	-	(444)
Deferred income tax asset (liability)	83	(238)	(155)
Trade and other payables	(83)	(5)	(88)
Prepayments received	(125)	-	(125)
Current income tax payable	(13)	-	(13)
Other taxes payable	(35)	7	(28)
Fair value of 100% of net assets acquired	**372**	**1,248**	**1,620**
42.51% non-controlling interest	**(158)**	**(531)**	**(689)**
Share of net assets acquired	**214**	**717**	**931**
Purchase consideration:	**327**	**-**	**327**
Fair value of consideration paid	256	-	256
Fair value of previously held interest	71	-	71
Goodwill/ (Gain from a bargain purchase)	**113**	**(717)**	**(604)**

As result of revaluation of property, plant and equipment UAH 604 million gain on bargain purchase and depreciation charge in amount of UAH 50 million was recognised in the income statement for the six months ended 30 June 2012.

24 Subsequent events

In August 2013 the Group entered the new loan agreement in the nominal amount of RUB 5,350 million with maturity in 2018.

In August 2013 the Group obtained pre-export financing in the nominal amount of USD 375 million with maturity in 2018.