



IUEC

International Uranium
Enrichment Center

Annual report of JSC IUEC for 2009





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Preamble

The present annual report is produced with the use of the information available to the “International Uranium Enrichment Center” Public Joint Stock Company (hereafter – IUEC PJSC, or the Company) at the time of the report production.

The Annual report contains certain forecast statements with respect to business activities, economic performance, financial standing, production and business results of the Company, its plans, intended projects and their anticipated outcome, as well as trends of the price of services, rate of production and consumption, operational costs and expenses, prospects of development, useful life of assets, assessment of inventories general economic forecasts.

The words “intends”, “endeavors”, “anticipates”, “plans”, “believes”, “expects”, “can”, “has to”, “will”, “is going to continue” and other similar expressions usually indicate the prognostic nature of statements.

Prognostic statements are inherently associated with certain risks and uncertainties, of both generic and specific nature, and there is always a chance that the assumptions, forecasts, intended projects and other prognostic statements fail to come true.

In the light of such risks, uncertainties and assumptions the Company cautions that the actual results can differ substantially from those directly stated in or inferred from the prognostic statements, the validity of which is limited to the time of production of the report.

The Company does not claim or guarantee that the results implied by the prognostic statements shall be achieved. The Company is not in any way responsible for the losses that can be incurred by physical or legal bodies through actions relying on the prognostic statements. Such prognostic statements represent in every specific case only one of many possible outcomes, which is not necessarily the most probable one.

Specifically, the factors that can affect the date of commencement of rendering the requested services, anticipated costs and production rates, or useful life of assets can include the possibility to generate profit from the specific product, currency exchange rates and their influence on the market price of the products, actions of the governmental bodies of the Russian Federation including changes of fiscal or other applicable legislations or regulations. The foregoing list of essential factors is not exhaustive. While dealing with prognostic statements, all the aforementioned factors are to be carefully considered, especially the economical, social and legal environment in which the Company is operating.

Except for the cases where it is explicitly prescribed by Law, the Company does not assume any obligations related to publishing updates and amendments to the prognostic statements based on new information or subsequent events.



1. Address of the Director General and Chairman of the Directorial Board of IUEC PJSC

Dear colleagues and partners,

A number of momentous changes were brought into the activities of the International Uranium Enrichment Center during 2009. At the end of the year the shares of the Center were transmitted from Techsnabexport PJSC (TENEX) to Rosatom State Corporation, which undoubtedly further heightened the status of the Center and importance of its functions.

Throughout the year, preparations for transformation of the Center into an independent organization with its own stuff, budget and responsibilities were in progress, and starting from January 2010 the Center operates as a fully independent organization.

Negotiations to approve the contract with the International Atomic Energy Agency were actively pursued, which allowed signing in March 2010 the contract with IAEA determining the conditions for supplying materials for the security stock (fuel bank) at IUEC.

We also achieved some progress in accepting new member-states into the Center, and hope that in the near future Armenia and Ukraine will become fully privileged members of our organization.

The agreement between the Russian Federation and IAEA signed in Vienna on March 29, 2010 about establishing the security stock (fuel bank) and supply of materials to IUEC against guarantees of IAEA sets a number of urgent issues that have to be resolved by IUEC before the end of this year. The center is entrusted with procuring and installing additional equipment for the security stock storage facility per IAEA recommendations, whereafter the first shipment of the nuclear materials for the fuel bank is to be delivered to the facility. All the necessary actions are also to be taken to provide for conducting the first IAEA inspection as early as in 2010.

For the first time in the world, a project is being implemented that unites the efforts of IAEA and the member states to establish a transparent system for guaranteed and equal access to the benefits of the nuclear energy. And it is upon our joint efforts that the success of this important and challenging mission depends.

Director General

Chairman of the Directorial Board

A. E. Lebedev

A. A. Grigoryev

2. General information about the company

Full company name in English: Joint stock company «International Uranium Enrichment Centre».

Abbreviated company name in English: IUEC JSC

Location and postal address: 220th quarter, Angarsk, Irkutsk region, Russian Federation, 665824

Phone: 8 (39-55) 54-45-43

Contact phone in Moscow (495) 544 45 73, fax: (495) 544 45 85.

Electronic mail: info@iuec.ru

Web site: www.iuec.ru

Date of incorporation: September 05, 2007

Primary state registration number: 1073801006982.

Taxpayer identification number: 3801091245

Auditor of the company

Nexia Pacioli LLC located at the address Krasnoproletarskaya 16 bld.3, Moscow, 127743 was authorized to be the Company's auditor for 2009. License № E000733 valid through 2012.

Information about the Company Registrar

The Company registrar is "Registrator R.O.S.T" JSC located at the address: Strominka 18 bld. 13, Moscow, 107996 License №10-000-1-00264 for acting as registrar was issued by the Federal Service for Financial Markets on December 03, 2002.

Information about securities

Registration number of the only issue of ordinary shares of the Company in the amount of 26 000 shares denominated at 1000 rubles per share and the date of state registration are as follows: 1-01-22260-F of 27.11.2007.

No other securities were issued by the Company.

Information about IUEC JSC shareholders

State nuclear energy corporation Rosatom, located at: Bolshaya Ordinka street 24/26, Moscow 119017, Primary State Registration Number 1077799032926, 18.12.2007, Federal Registration Service of Moscow, business account number 238194, number of voting shares owned -23 400*.



Joint Stock Company “National nuclear company “Kazatomprom” located at: Bogenbaybatir st. 168, Almati, Kazakhstan, Stage registration certificate №18975-1910-AO, Department of Justice of Moscow, business account number 238193. Number of the voting shares owned – 2600.

*Note. Until 26.10.2009, instead of Rosatom State Nuclear Energy Corporation the shares were owned by the Joint Stock Company Techsnabexport (TENEX), located at: Ozerkovskaya embankment 28 bld.3, Moscow, 115184, state registration certificate № 029.427of 28.01.1994, Moscow Registration Chamber, business account number 238192.



Information about dividend payment

No dividends were accrued or paid for 2009 and preceding years since the Company was at the formative stage

Subsidiaries and dependent companies

IUEC JSC does not have subsidiaries or dependent companies.

Branches and representative offices of the Company

The company has a branch: Centre

Full name: Moscow branch of the “International Uranium Enrichment Center” public joint stock company.

Abbreviated name: IUEC Moscow branch.

Legal address: Ozerkovskaya embankment 28 bld 3, Moscow, 115184

Licenses

As of December 31, 2009, the Company is a holder of the following licenses:

1. License № GN-05-115-1903 issued on September 01 2008 by the Federal Environmental, Technical and Nuclear Regulatory Service and expiring on August 31, 2011 for handling nuclear materials during their storage.
2. License of the Federal Security Service of Russia for performing activities with the use of information constituting state secret, series GT № 0013838 of October 10, 2008, expiring October 2, 2013.\

Brief historical information about the Company start-up

2006

On January 25, 2006, at the Evrazes (Eurasian Economic Community) the Russian Federation President put forward an initiative to establish “... system of international centers providing nuclear fuel cycle services, including enrichment, under IAEA supervision”.

2007

Pursuant to this initiative, on May 10, 2007 an Agreement was signed between the Governments of the Russian Federation and Republic of Kazakhstan about establishing an International Uranium Enrichment Center.

September 5, 2007 IUEC JSC was incorporated as a legal entity.



3. Description of the Company activities, including core businesses

3.1. Role of the Company in the industry

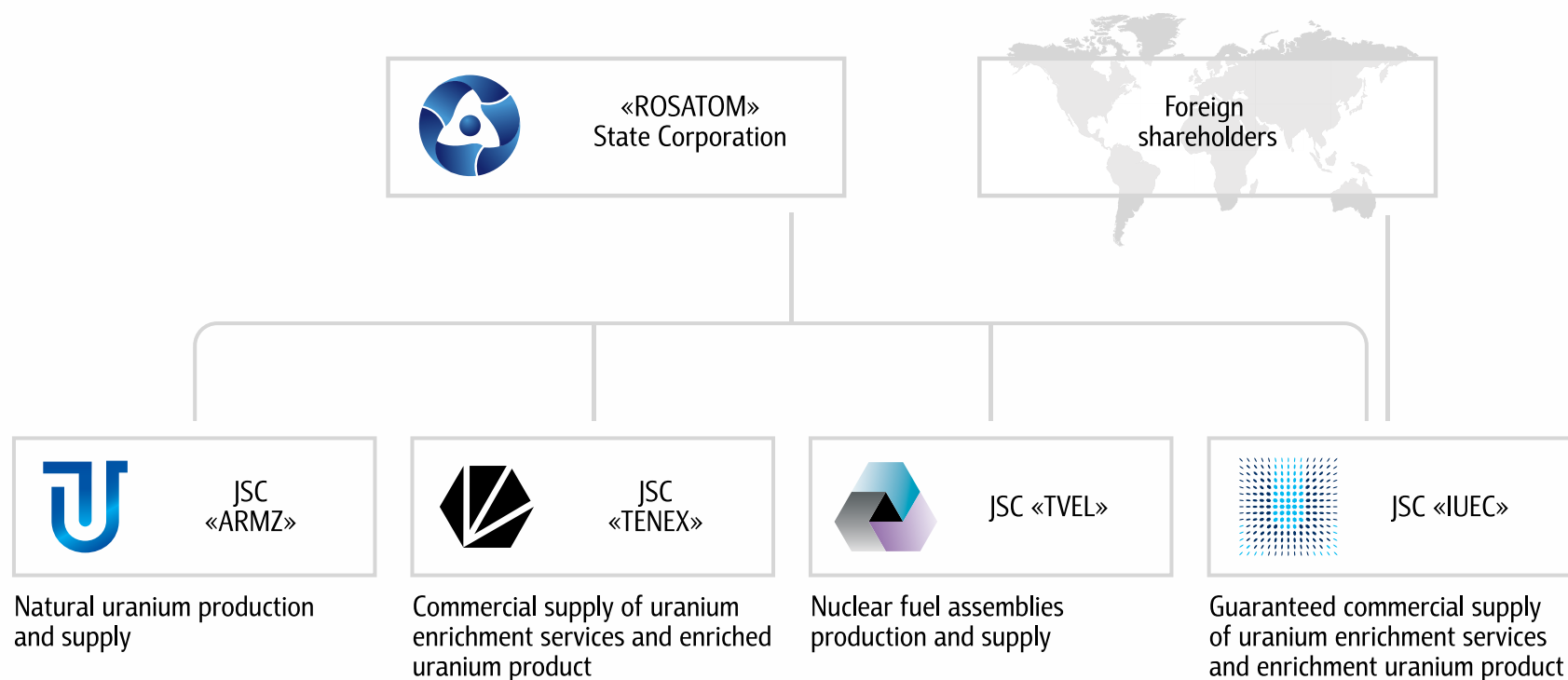


Fig. 1. Role of the Company in the industry

3.2. Company profile

- Rendering uranium enrichment and uranium conversion services, preferentially to the shareholders;
- Rendering services of responsible storage and servicing of the security stock of low-enriched uranium, which is being created pursuant to the Agreement of March 29 2010 between the RF Government and the IAEA about creating physical stock of low-enriched uranium at the RF territory and supplying the low-enrichment uranium from the stock to the IAEA for its member states;
- Export, import and other operations not limited by the nomenclature of goods and services, in compliance with the current legislation and the contractual agreements signed by the company, including export and import of nuclear materials and radioactive substances;
- Handling, including usage, storage and transportation of nuclear materials, radioactive substances and products on their basis.





4. Report on the results of the Company in 2009 Events after the end of reporting period

I. New members joining IUEC

- As of 16.11.2009, agreements have been concluded by means of exchanging diplomatic notes with the Government of the Republic of Armenia and the Cabinet Counsel of Ukraine about participation of the interested organizations of Armenia and Ukraine in activities of the IUEC.
- 31.01.2009, RF Government decree was issued about concluding by means of exchanging diplomatic notes the agreements between the RF government and the government of Kazakhstan and Cabinet Counsel of Ukraine on participation of the interested organization of Ukraine in the activities of the IUEC.
- Presently, the transaction of acquisition of IUEC shares by the authorized Ukrainian counterpart – State-owned Concern “Nuclear Fuel” is undergoing approval by the Federal Anti-Monopoly Service.

II. Creation of the security stock of low-enrichment uranium at IUEC for the purpose of guaranteed supply of low-enrichment uranium to the countries, uranium shipments to which are terminated for political reasons.

- On 27.11.2009, the IAEA Board of Governors reviewed and approved the draft Agreement between the RF Government and the IAEA about creation at IUEC of the security stock of low-enrichment uranium for guaranteed supply to the IAEA member states per request of the Agency, and authorized the IAEA Director General to conclude the Agreement - GOV/2009/81.
- 29.03.2010, and Agreement between the RF Government and the IAEA about creating physical stock of low-enriched uranium at the RF territory and supplying the low-enrichment uranium from the stock to the IAEA for its member states.
- Activities have been started to equip the storage facilities at Angarsk that will house the security stock of the low-enrichment uranium and to apply IAEA guarantees to these materials.

III. Other events.

- 26.10.2009, 90% package of shares of IUEC JSC belonging to Techsnabexport (TENEX) was transferred to Rosatom State Corporation.
- 01.04.2010, IUEC web site was opened. Information and documents about IUEC, including the information and documents to be disclosed according to the Russian legislation, shall be published on the site.

5. Financial performance of the Company in 2009

5.1. Revenues by businesses

Table 1. Revenues by businesses in 2009, thousand rubles.

No	Revenue item	Revenues
1	Rendering consulting services	4 900
2	Interest on short term financial investments	2 224
3	Foreign exchange gain	94 297
	Total	101 421

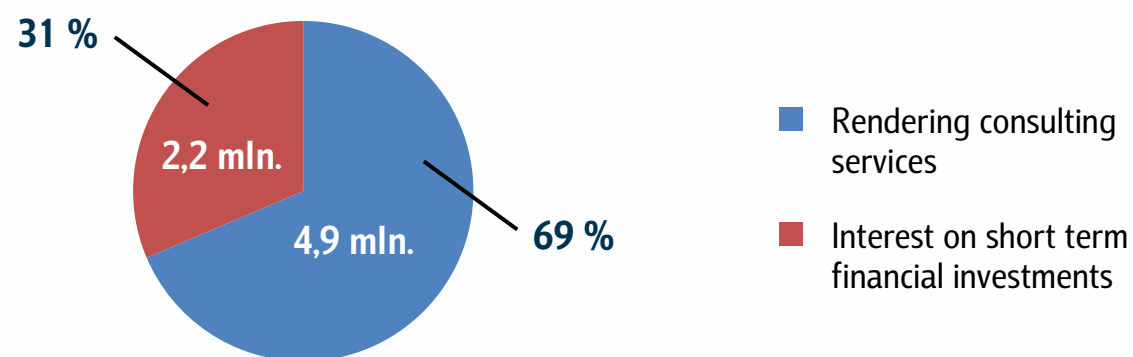


Fig. 2. Structure of IUEC revenues in 2009 exclusive of foreign exchange gains



5.2. Expenses by cost items

Table 2. Expenses by cost items in 2009, thousand rubles.

No	Cost item	Expenses
1	Management expenses	7 315
2	Other expenses	102
3	Foreign exchange losses	93 170
	Total	88 157
		100 587

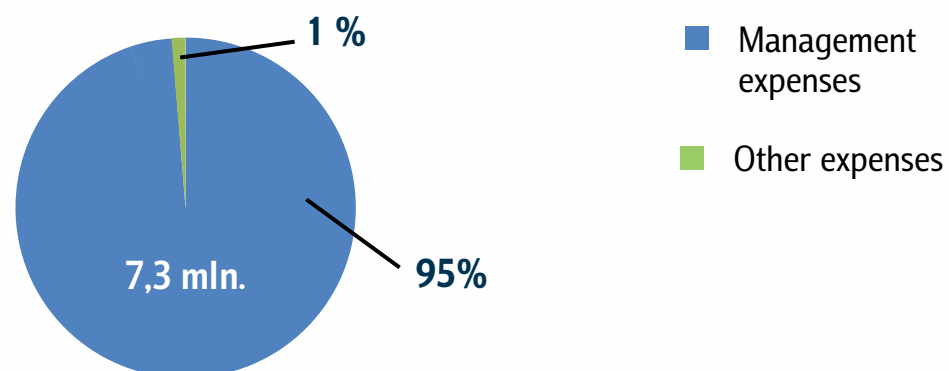


Fig. 3. Structure of IUEC expenses in 2009 exclusive of foreign exchange losses and VAT

Table №4. Structure of managerial costs, thousand rubles.

№	Cost item	Expenses	%
1	Personnel	3 676	50,2
2	Office, furniture and equipment rental	2 203	30,1
3	Depreciation of PP&E and goodwill, deferred expenses write-off	283	3,9
4	Hospitality costs and travel expenses	194	2,7
5	Other general running expenses	363	5,0
6	Communication and IT expenses	43	0,1
7	Other expenses	552	7,5
	Total	7 315	100

5.3. Financial performance

Table №5. Major reportable parameters, thousand rubles.

№	Parameter title	Value
1	Assets (liabilities)	30 250
2	Net assets	29 143
3	Income (less currency exchange differences and VAT on them)	7 124
4	Net sales of goods, products and services	4 900
5	Net operational profit after tax (NOPAT)	651
6	Net profit (loss)	651
7	Total taxes payable to budgets of different levels	1 316



Stuffing

Average payroll of IUED JSC in 2009 was 10 individuals, labor expenses– 3 676 rubles.

Table №6. Major financial coefficients

№	Parameter title	Value
1	Absolute liquidity coefficient	25,5
2	Current liquidity coefficient	26,5
3	Autonomy (financial independence) coefficient	0,96
4	Profitability of assets	2,15%

The values of the main coefficients as of the end of 2009 were significantly exceeding the limiting values (as a rule, the limits are 1.0-2.5 for liquidity coefficient, and 0.5-0.8 for autonomy coefficient).

Dynamics of the balance sheet grand total of IUEC JSC

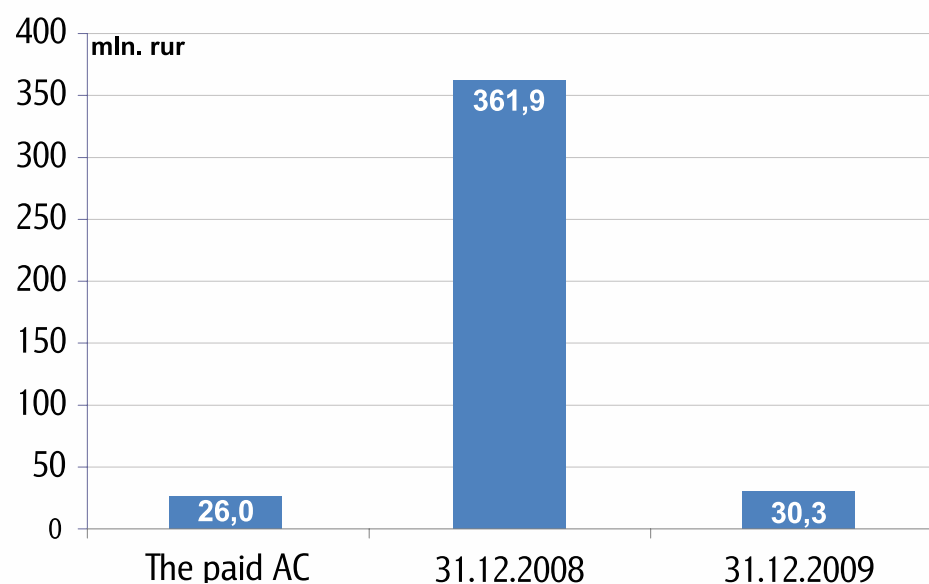


Fig. 4. Dynamics of the balance sheet grand total of IUEC JSC

Decrease of the grand total in 2009 is attributable to repayment in 2009 of substantial debts associated with shipment of products in December 2008, which were on the balance sheet of IUEC as of 31.12.2008.

Dynamics of the cash balance of IUEC JSC

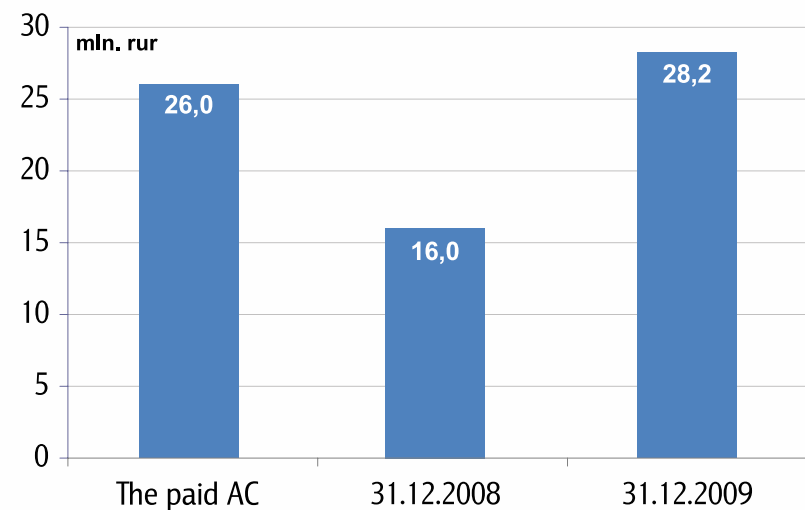


Fig. 5. Dynamics of the cash balance of IUEC JSC

Dynamics of the net profit of IUEC JSC

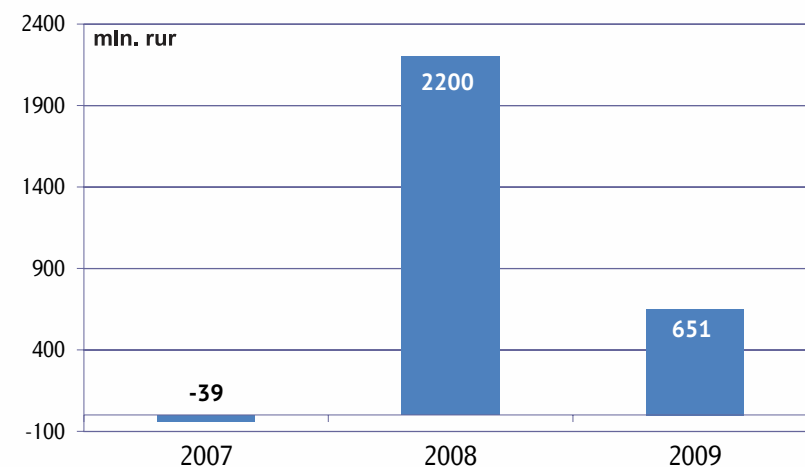


Fig. 6. Dynamics of the net profit of IUEC JSC



The decrease of the net profit in 2009 compared to 2008 is explained by the fact that there were no shipments of uranium products in 2009. In the future, this parameter is expected to improve due to shipments of product as a part of the core business of the Company.

6. Prospects of development of the Company.

The prospects of development of IUEC are associated with its two core businesses:

- Supplying products, preferentially to the IUEC shareholders according to the Company Statute. Development of this business is associated with finalization of joining of Armenia and Ukraine to the IUEC (presently both countries have signed Intergovernmental agreements about participation of their authorized organizations in IUEC; the process of acquisition of IUEC shares by the authorized organizations is in progress), involvement of new members and commencement of shipping uranium to the shareholders.
- support of storing and servicing the security stock, created in pursuance of the Agreement between the RF Government and the IAEA about creating physical stock of low-enriched uranium at the RF territory and supplying the low-enrichment uranium from the stock to the IAEA for its member states. The agreement has been already signed (29.03.2010), measures are being taken to equip the storage facilities and ensure application of IAEA guarantees to the security stock.

7. Description of the main risk factors associated with the Company activities

Financial risks

The Company is exposed to financial risks associated with the lack of liquidity and dependence on the borrowed capital due to absence of current contracts yielding revenues and cash flow. The financial performance of the Company is also affected by the changes of interest rates, inflation, and fluctuations of currency exchange rates.

Legal limitations

The existing legal limitations include the specifics of the current RF legislation in the area of nuclear material handling, accounting and control, specifics of customs and foreign currency regulation in the area of nuclear material export, and limitations of the licensing conditions for the activities performed with the use of information constituting state secret.

8. Corporate management

The corporate management of the IUEC JSC is based on the recommendations of the Corporate behavior code (recommended for implementation in the joint stock ventures incorporated in the Russian Federation by the decree № 421/r issued on 04.2002 by the Federal Financial Market Commission).

The management structure of IUEC is compliant with the requirements of the RF legislation and the Company Statute.

The managerial bodies of IUEC are as follows:

- Shareholders' general meeting
- Board of Directors
- Director General

9. Board of Directors

In 2009, 4 (four) General Shareholder Meetings were conducted. In 2009, the Board of Directors listed below elected by the annual General Meeting of shareholders of June 30 2008 was acting. The same members of the Board of Directors were reelected by the annual General Meeting of shareholders on June 30 2009.

Chairman of the Board – Lebedev A.E., deputy Director General of Techsnabexport JSC (TENEX);

Vandishev Viktor Ivanovich – deputy Chief engineer for science, Angarsk Electrochemical Combine JSC;

Grigoryev Alexey Antonovich – Director General, Techsnabexport JSC (TENEX);

Pashkov Vladimir Igorevich – Minister of economic development, labor, science and graduate school of Irkutsk region;

Polisayev Veniamin Ivanovich – deputy director of the Department of international cooperation, Atomenergoprom;

Romanov Victor Alexandrovich – deputy head of department, head of the nuclear material accounting and control division, Rosatom State Corporation;

Yashin Sergey Alexeevich – Vice-President, Kazatomprom national nuclear company JSC.



Table №7. Brief background of the IUEC Directorial Board members

Name	Background
Vandishev Viktor Ivanovich	<p>Date of birth: February 18, 1947</p> <p>Education: Higher vocational</p> <ul style="list-style-type: none"> • Novouralsk branch of Moscow Engineering and Physics Institute, 1972 <p>Experience:</p> <ul style="list-style-type: none"> • Novouralsk, Urals Electrolysis Chemical Combine (field engineer, 1966-1983) • Angarsk Electrolysis Chemical Combine (deputy Chief Engineer for science, 1983 – present)
Grigoryev Alexey Antonovich	<p>Date of birth: April 15, 1952</p> <p>Education: Higher vocational</p> <ul style="list-style-type: none"> • D.I. Mendeleev Moscow Institute of Chemical Technologies, 1975 • All-union academy of foreign trade, 1983 <p>Experience:</p> <ul style="list-style-type: none"> • Techsnabexport (senior engineer, senior expert, 1975-1983) • Enital JSC (head of department, 1983-1987) • Techsnabexport (senior engineer, senior expert, 1983-1987) • Techsnabexport of USSR Ministry of Intermediate Machinery (Minsredmash) (deputy director, director of Uranservis company, 1988-1994) • Techsnabexport JSC (TENEX) (Deputy Director General, first deputy of Director General, Director General, 1994-present)
Lebedev Alexey Evgenyevich	<p>Date of birth: December 28, 1955</p> <p>Education: Higher vocational</p> <ul style="list-style-type: none"> • V.I. Lenin Moscow State Pedagogical Institute, 1977 <p>Experience:</p> <ul style="list-style-type: none"> • Industrial exhibition center (interpreter, 1977-1980) • All-union Research Institute of instrument engineering (engineer, 1980-1983)

Pashkov Vladimir Igorevich

- USSR Ministry of Intermediate Machinery (Minsredmash) (information officer, 1983-1986)
- Representative office of Minsredmash in Hungary (deputy of the Minsredmash plenipotentiary, Inspector, 1986-1990)
- USSR Ministry of Nuclear Power Industry (Minatomenergoprom) (1st category specialist, 1990-1992)
- RF Ministry for Atomic Energy (Minatom) (Head of the department of foreign relations and protocol, 1992-1997)
- Techsnabexport JSC (deputy Director General, 1997 – present)
- IUEC JSC (director of the IUEC Moscow Branch, 2008 – present)

Date of birth: February 4, 1961

Education: Higher vocational

- V.I. Lenin Moscow State Pedagogical Institute, 1977

Experience:

- Pacific ocean naval academy named after S.O. Makarov, 1985
- Bratsk Industrial Institute, 1996

Experience:

- MOBI JSC (head of the financial department, 1994)
- Administration of Bratsk, Irkutsk region (assistant of Mayor, senior specialist, 1994)
- Internal Affairs Department of Irkutsk region, law enforcement service (1994-1997)
- Administration of Bratsk, Irkutsk region (assistant of Mayor, senior specialist, 1997)
- “Bratskgesstroy” commercial bank (assistant to the Executive Board chairman, 1997-1998)
- Administration of Bratsk, Irkutsk region (deputy head for economics and finance, 1998-200)
- Administration of Irkutsk region (head of the main financial department of Irkutsk region, 2002 -2005)
- Administration of Bratsk, Irkutsk region (vice-mayor, 2005-2006)
- “Noviy Gorod” financial and construction company, JSC (deputy Director



	General, 2006-2008)
	<ul style="list-style-type: none"> • Administration of Irkutsk region (deputy Governor, 2008) • Government of Irkutsk region (Minister of economic development, labor, science and graduate school of Irkutsk region, 2008 – present)
Polisayev Veniamin Ivanovich	<p>Date of birth: November 11, 1950</p> <p>Education: Higher vocational Krasnodar Polytechnic Institute</p> <p>Experience:</p> <ul style="list-style-type: none"> • Techsnabexport of USSR Ministry of Intermediate Machinery (Minsredmash) (senior engineer, deputy director of Licensintorg foreign trade joint stock company, 1987-1995) • Institute of strategic stability of RF Minatom (deputy director, head of the international cooperation group, 2000-2002) • Rosatom (expert, assistant to deputy Minister, advisor of the RF Minister of Atomic Energy, adviser of the corporation head, 2002 - 2007) • Atomenergoprom JSC (deputy director of the international cooperation department, 2007 – present)
Romanov Victor Alexandrovich	<p>Date of birth: October 6, 1952</p> <p>Education: Higher vocational</p> <ul style="list-style-type: none"> • Khabarovsk institute of railroad transport engineers, 1975 <p>Experience:</p> <ul style="list-style-type: none"> • Service in the USSR and RF military, 1975-2002 • Institute of strategic stability of RF Minatom (1st category specialist, 1987-2002) • Rosatom (deputy head of department, head of the nuclear material accounting and control division, 2002 – present)
Yashin Sergey Alexeevich	<p>Date of birth: September 19, 1965</p> <p>Education: Higher vocational</p> <ul style="list-style-type: none"> • Tomsk Polytechnic Institute named after S.M. Kirov, 1988

Experience:

- Ulbinsk metallurgic plant JSC, Ust-Kamenogorsk (operator in the workshop 8, 1988)
- Nuclear fuel manufacturing facility, Ulbinsk metallurgic plant PJSC (workshop shift crew foreman, workshop “V” shift crew foreman, technologist – deputy supervisor of the workshop “V”, deputy director for nuclear fuel production – chief engineer, deputy executive director – chief technologist, director of the uranium production, deputy Director General -director of the uranium production, first director of the uranium production; 1988-2004)
- Kazatomprom national nuclear company JSC (managing director, 2004)
- Kazatomprom national nuclear company JSC (Vice-President 2004-present)

The members of the IUEC JSC do not own shares of the company.

Number of the Directorial Board meetings over the reporting period: 5 (five).

No remunerations were paid to the members of the IUEC Directorial Board in 2009.

10. Information about the person acting as sole executive

IUEC Director General – Grigoryev Alexey Antonovich.

A.A. Grigoryev was appointed the Director General on August 6, 2007 by the resolution of the constitutive meeting of IUEC JSC (protocol №1-2007 of 06.08.2007). Background of the Director General is briefly summarized on the page 14 of the Annual Report.

The Director General of the Company was not reelected during the reporting period and does not own shares of the Company.

As of the date of production of the Annual Report, Lebedev Alexey Evgenyevich was appointed the Director General (minutes of the Directorial Board meeting №1-2007 of 06.08.2007).



11. Criteria for determination and the rate of remuneration (reimbursement of expenses) of the person acting as sole executive and of each individual member of the Directorial Board

In 2009, Grigoryev A. A. was receiving salary for part-time work as the Director General in the amount of 11 496 rubles per month.

The remuneration to the Director General of the Company based on the results of the year are paid in accordance with the resolution of the Directorial Board of the Company based on assessment of the financial and production performance of the Company over the year.

No resolution about remuneration (reimbursement of expenses) of the Director General was adopted for the reporting year.

The following criteria are used to determine the remuneration of the Director General of the Company:

- Amount of product supplied by the Company;
- Revenues of the Company;
- Net assets of the Company.

No remunerations were paid to the members of the Directorial board, including A.A. Grigoryev for performing their duties as Directorial Board members in 2009.

12. List of the major transactions concluded by the Company during the reporting year, for which the procedure of approval of large transaction is applicable in accordance with the statute of the Company, with the essential conditions of every transaction and the executive body that approved the transaction specified

All the major transactions concluded by the Company in 2009 were in the same time transaction with interested parties. Information about the major transactions that are in the same time transaction with interested parties is provided in the Appendix to the Annual report "List of transactions concluded by the company that are considered to be transactions with interested parties according to the Federal Law "On joint stock ventures"".

The Statute of the company does not provide for approval of other transactions according to the procedure similar to the procedure of approval of major transactions.

The information provided in the present annual report is to be disclosed in accordance with the legislation of the Russian Federation on security papers.

Director General



A.E. Lebedev

Chief accountant

I.N. Beskrovnikh



NEXIA PACIOLI
International Audit and Consulting

AUDITORS' REPORT
on accounts (financial) statement

for shareholders of

Joint Stock Company
International Uranium Enrichment Centre

of 04 March 2010

Moscow

Audited entity	Joint Stock Company "International Uranium Enrichment Centre"
Location	Bld. 4, Block 220, Angarsk, Irkutsk Region 665824
Mailing address	Bld. 4, Block 220, Angarsk, Irkutsk Region 665824
Contacts	Phone: (495) 545-0045, ext. 3314
State Register	Certificate of the State Registration: Series 38 No 002365389 of 05 September 2007 issued by the Federal Taxation Service Inspectorate for Angarsk, Irkutsk Region; Entered in the Uniform State Register of Legal Entities under the State Registered Number 1073801006982
Auditor	Limited Liability Company Nexia Pacioli (LLC Nexia Pacioli)
Location	2 Malaya Polyanka st., Moscow 119180
Mailing address	2 Malaya Polyanka st., Moscow 119180
Contacts	Phone: (495) 785-9476; Fax: (495) 785-9461; E-mail: pacioli@pacioli.ru
State Register	Certificate of the State Registration No 856.235 of 23 June 1995 issued by the Moscow Registration Chamber; Certificate of the State Registration: Series 77 No 005390060 of 22 October 2002 issued by the Interregional Inspectorate of MTS of Russia No 39 for Moscow; Entered in the Uniform State Register of Legal Entities under the State Registered Number 1027739428716
Membership in an auditors' self-regulating organization	Member of the auditors' self-regulating organization Non-commercial Partnership "Institute of Professional Auditors" On the Auditors and Audit Organizations' Register of the said auditors' self-regulating organization since 30 October 2009; registered number 10202000073
Audit Service Quality Certificate	No 172 issued by the Non-commercial Partnership "Institute of Professional Auditors"; valid from 16 September 2008 until 16 September 2011

We have conducted an audit of the attached account (financial) statement of JSC IUEC for the period from 01 January until 31 December 2009, inclusive. The entity's account (financial) statement consists of:

- Balance Sheet, as of 31 December 2009,
- Profit and Loss Statement for 2009,
- Appendices to the Balance Sheet and Profit and Loss Statement,
- Explanatory Note.

Basing on the Articles of Incorporation, the Executive Body, **Director General of JSC IUEC**, is responsible for drafting and submitting this account (financial) statement.



Our duty is to express an opinion on the confidence, in all substantive respects, of this statement as based on the audit conducted.

We have conducted the audit in accordance with:

- Federal Law "On the Audit Activity",
- Federal Rules (Standards) of Auditor Activity.

The audit was planned and conducted so that to obtain reasonable assurance that the account (financial) statement does not contain material misstatements. The audit was conducted on a random basis and included test-based studies of evidence confirming numerical indicators of the account (financial) statement and disclosure of information on the financial and economic activities therein, an assessment of observance of the accounting principles and rules applied for preparation of account (financial) statements, a review of basic evaluation indicators gained by the management of the entity subject to the audit, as well as an evaluation of the account (financial) statement submittal. We believe that the audit conducted provides sufficient grounds for us to express our opinion on the confidence of the account (financial) statement.

In our opinion, the account (financial) statement of JSC IUEC truly reflects in all substantive respects the financial stand of the said entity as of 31 December 2009, and the results of its financial and economic activities as of the period from 01 January until 31 December 2009, inclusive, in accordance with the requirements of the Russian Federation legislation in the part of account (financial) statement preparation.

04 March 2010

Executive Director
LLC Nexia Pacioli.

O.V. Goryacheva

Audit Administrator
(General audit qualification certificate № 040535 of
25 December 2001 in General Audit, unlimited
Put on Register of Auditors and Audit Organizations of
IPAR on 18 February 2010 under Registered Number
2100020033278)

O.V. Vasilieva

BALANCE SHEET as of December 31, 2009

Form №1 GRCMD		CODES	
		0710001	
Organization	JSC "International Uranium Enrichment Center"	Date (yyyy/mm/dd)	2009 12 31
Taxpayer Identification Number	RNNBO		80274421
Activity	Production of nuclear materials	TIN	3801091245
Organizational and legal form / form of ownership	OKVED		23.30
		47	31
Joint Stock Company	Joint Federal and Foreign Ownership	ARCFO	
Unit of measure	thousands rubles	ARCMU	384
Location (address)			
Bld. 4, Block 220, Angarak, Irkutsk Region 665824			

Date of approval

Date of sending / receipt

ASSETS	Code	As of the beginning of period reported	As of the end of period reported
I	II	III	IV
I. Fixed assets			
Intangible assets	110	-	588
Main assets	120	36	23
Deferred tax assets	145	-	-
Other fixed assets	150	-	260
Total of Section y I	190	36	852
II. Current assets			
Stocks	210	706	453
including:			
feedstock, materials and similar values	211	4	1
Unexpired costs	216	702	452
Accounts receivable (with payments expected within 12 months after the date reported)	240	339 086	703
including:			
buyers and customers	241	337 621	-
Short-term financial investments	250	6 000	-
Cash	260	16 023	28 242
Total of Section II	290	361 815	29 396
BALANCE (summation of Lines 190 + 290)	300	361 851	30 250

Form 0710001 e.2

LIABILITIES	Code	As of the beginning of period reported	As of the end of period reported
1	2	3	4
III. Shareholders' funds			
Equity capital	410	26 000	26 000
Reserve funds including:	430	-	2 529
reserve funds raised in accordance with the legislation	431	-	2 529
Unappropriated profits (unrecovered loss)	470	2 491	613
Total of Section III	490	28 491	29 143
IV. Long-term liabilities			
Total of Section IV	590	-	-
V. Short-term liabilities			
Accounts payable including:	620	333 360	1 107
suppliers and contractors	621	331 837	311
debt to the entity staff	622	-	54
debt to state non-budgetary funds	623	43	23
debt to taxes and dues	624	1 479	720
Total of Section V	690	333 360	1 107
BALANCE (summation of Lines 490 + 590 + 690)	700	361 851	30 250

INFORMATION on values to be accounted for on off-balance accounts			
Leased fixed assets	010	-	988

Head of Organization Lebedev Alexey Chief Accountant Beskovnykh Igor
(signature) (full name) (signature) (full name)

4 March 2010 JSC

LOSS AND PROFIT STATEMENT for January-December 2009

Organization <u>JSC "International Uranium Enrichment Center"</u>	Form №2 GRCMD	CODES
Taxpayer Identification Number	Date (yyyy/mm/dd)	0710002
Activity <u>Production of nuclear materials</u>	RNBO	2009 12 31
Organizational and legal form / form of ownership	TIN	80274421
	OKVED	3801091245
		23.30
Joint Stock Company	Joint Federal and Foreign Ownership	47 31
Unit of measure <u>thousands rubles</u>	ARCFO	
	ARCMU	384

Indicator		For the period reported	For similar period of preceding year
Item	code	3	4
Income and expenditure of regular activities			
Proceeds (net) from sales of goods, products, works, services (Value Added Tax, excises and similar binding payments extracted)	010	4 900	270 077
Self-cost of sold goods, products, works, services	020	-	(265 452)
Gross profit	029	4 900	4 625
Management expenses	040	(7 315)	(3 038)
Profit (loss) from sales	060	(2 415)	1 587
Other profits and losses			
Interest receivable	060	2 224	1 804
Other profits	090	94 297	19 081
Other expenditures	100	(93 272)	(19 038)
Profit (loss) before taxes	140	834	3 434
Deferred tax assets	141	-	(12)
Current profit tax	150	(183)	(892)
-	160	-	-
Net profit (loss) of period reported	190	651	2 530
FOR INFORMATION:			
Constant tax liabilities (assets)	200	15	90



DETAILS OF CERTAIN PROFITS AND LOSSES					
Indicator		For the period reported		For similar period of preceding year	
Item	code	profit	loss	profit	loss
1	2	3	4	5	6
Fines, surcharges and penalties recognized or subject to recovery by a court ruling (court of arbitration)	210	-	-	-	-
Exchange premium for foreign currency operations	240	68 543	67 015	18 936	18 548

Head of Organization Lebedev Alexey
(signature) (full name)

Chief Accountant Beskrovnykh Igor
(signature) (full name)

4 March 2010



STATEMENT OF CHANGES IN EQUITY

for January-December 2009

Organization JSC "International Uranium Enrichment Center"

Taxpayer Identification Number
Activity Production of nuclear materials
Organizational and legal form / form of ownership

Joint Stock Company / Joint Federal and Foreign Ownership

Unit of measure thousands rubles

Form №3 GRCMD	CODES		
	0710003		
Date (yyyy/mm/dd)	2009	12	31
RNNBO	80274421		
TIN	3801091245		
OKVED	23.30		
	47	31	
ARCFD			
ARCMU	384		

I. Changes in equity

Indicator		Equity capital	Added capital	Reserved capital	Unappropriate d profit (uncovered loss)	Total
Item	code					
1	2	3	4	5	6	7
Balance as of 31 December of the year preceded the previous year	010	26 000	-	-	(39)	25 961
Balance as of 1 January of the	030	26 000	-	-	(39)	25 961
Net profit	032	X	X	X	2 531	2 531
Balance as of 31 December of the preceded year	070	26 000	-	-	2 491	28 491
Balance as of 1 January of the reported	100	26 000	-	-	2 491	28 491
Net profit	102	X	X	X	651	651
Payments to reserve fund	110	X	X	2 529	(2 529)	-
Balance as of 31 December of the	140	26 000	-	2 529	613	29 142

II. Reserves

Indicator Item	code	Balance	Received	Used	Balance
1	2	3	4	5	6
Reserves generated in accordance with the legislation:					
Reserves generated in accordance with the legislation (name of reserves)					
Data of the preceded year	151	-	-	-	-
Data of reported year	152	-	2 529	-	2 529

REFERENCE

Indicator Item	code	Balance as of the beginning of the reported year	Balance as of the end of the reported year
1	2	3	4
1) Net assets	200	28 450	29 170

Head of Organization
(signature) Lubedev Alexey

4 March 2010



Chief Accountant

(signature)

Beskovnykh Igor

(full name)

CASH FLOW STATEMENT

for January-December 2009

Organization JSC "International Uranium Enrichment Center"

Taxpayer Identification Number

Activity Production of nuclear materials

Organizational and legal form / form of ownership

Joint Federal and Foreign
Ownership

Joint Stock Company

Unit of measure thousands rubles

Form №4 GRCMD

Date (yyyy/mm/dd)

RN#BO

TIN

OKVED

ARCFO

ARCMU

CODES		
0710004	2009	12
80274421		31
8801091245		
23.30		
47		31
384		

Indicator Item	code	For the period reported	For the similar period of the preceded year
1	2	3	4
Cash balance as of the beginning of the reported year	010	15 023	5 982
Cash flow of current activities			
Cash received from buyers, customers	020	410 305	-
Cash refunds	030	350	-
Other profits	110	410	-
Cash spent to:	120	(407 639)	(17 584)
pay for purchased goods, works, services, feedstock and other current assets	150	(401 885)	(4 151)
remuneration	160	(2 771)	(955)
pay taxes and duties	180	(2 800)	(414)
Foreign currency purchase	181	-	(12 000)
pay other expenses	190	(203)	(64)
Net cash from current activities	200	3 426	(17 584)
Cash flow of investment activities			
Interest received	240	2 543	1 659
Takeings from repayments of loans given to other organizations	250	48 500	31 000
Currency differences	260	250	-
Loans given to other organizations	310	(42 500)	(17 000)
Net cash from investment activities	340	8 793	15 659



Form 0710004 c. 2

1	2	3	4
Cash flow of financial activities			
Takings from loans and credits given by other organizations	360	-	11 996
Currency sales	370	-	-
Currency buys/purchase	410	-	-
Net cash from financial activities	430	-	11 996
Net increase (decrease) in cash and its equivalents	440	12 219	10 041
Balance of cash as of the end of the period reported	450	28 242	16 023
Effect of changes in foreign exchange rates regarding ruble	460	-	34

Head of Organization Tabedev Alexey
(signature) (full name)

Chief Accountant
(signature)

Beskovnykh Igor
(full name)

4 March 2010



IUEC
International Uranium
Enrichment Center

EXPLANATORY NOTE TO 2009 BALANCE SHEET OF JSC INTERNATIONAL URANIUM ENRICHMENT CENTRE

TABLE OF CONTENTS

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1. Brief description of activities

1.1. General information

Full registered name: Joint Stock Company "International Uranium Enrichment Centre"

Abridged name: JSC IUEC

Registered and mailing address: Bld. 4, Block 220, Angarsk, Irkutsk Region 665824

Phone: 8 (39-55) 54-45-43

Date of state registration of the company: 05 September 2007

State Registered Number: 1073801006982

Certificate of the State Registration: Series 38 No 002365389 issued by the FTS Inspectorate for Angarsk, Irkutsk Region

Taxpayer Identification Number: 3801091245

Company's Auditor:

The company is subject to mandatory audit as per the criteria established by Article 7 of the Federal Law "On the Auditing Activity" No 119-FZ of 7 August 2001 (the company's organizational and legal form is an open-type joint stock company).

In 2009, the company's auditor is Nexia Pacioli LLC approved by the annual shareholders' meeting of JSC IEUC; Record of 30.06.2009.
Auditor's License No E000733, valid until 2012.

Affiliated, subsidiary companies; branches and representative offices

JSC IUEC does not have affiliated and subsidiary companies.

The company has a branch on a separate book of balance.

Full name: Moscow Branch of the Joint Stock Company "International Uranium Enrichment Centre"

Abridged name: Branch JSC IUEC-Moscow

Registered address: 28-3 Ozerkovskaya emb., Moscow 115184

The Statute of the Moscow Branch was approved by a decision of the Board of Directors dated 15.08.2008.



Licenses

As of the end of 2009, the company has licenses as follows:

1. License issued by the Federal Environmental, Industrial and Nuclear Supervision Service for nuclear material handling in storage; No GN-05-115-1903 of 01 September 2008; valid until 31 August 2011.
2. License issued by FSS of Russia for conduct of works involving information constituting a state secret; series GT No 0113838 of 10 October 2008; valid until 02 October 2013

Licenses obtained in 2008 are put on the deferred costs and written off as expenditures evenly on a monthly basis over the entire period of validity.

1.2. Main activities

As per para. 2.2 of the Articles of Association, the company's main activities are:

- provision of uranium enrichment services;
- export, import and other operations, which not limited to a list of goods and services, in accordance with the applicable legislation and agreements and contracts concluded by the company, including export and import of nuclear materials and radioactive substances;
- handling, including the use, storage and transportation of nuclear materials, radioactive substances and products thereof;
- control and accounting of nuclear materials, radioactive substances and products thereof, and radioactive waste.

1.3. Equity capital

Shareholders' information

The number of shareholders on the register, including the number of shareholders on the list of shareholders who have the right to participate in the annual shareholders' meeting of JSC IJEC - 2 (two).

1. State Corporation Rosatom; a share in the equity capital is 90%.
2. JSC NAC Kazatomprom; a share in the equity capital is 10%.

A share of the state (municipality) in the equity capital of the company and availability of the special right (golden share) - unavailable.

Registered number of common shares issue and date of the state registration: 1-01-22260-F of 27.11.2003.

As of 31 December 2009, the equity capital is RUB26m and composed of 26,000 common shares of nominal cost of 1,000 rubles each.

Information on securities:

Share placing decision (made by whom), date of placement	Category (type) of shares	Number of shares in the issue, pcs	Mode of placement	Price of placement, RUB/pcs	State authority, which registered the issue, date, registered No	Status
Board of Directors; Record No 1-2007 of 22.10.2007	Nominal, common, uncertificated	26,000	Placement among founders at the company's foundation	1,000	Registration Authority of FFMS of Russia in State Register, 27.11.2003, 1-01-22260-F	Placement completed

1.4. Personnel

An average headcount of JSC IJEC was 10 persons in 2009.

In 2009, the labor costs were 3,134,500 rubles.

In 2008, the Unified Social Tax was 379,100 rubles.

Accident insurance amounted to 15,700 rubles.

1.5. Corporate governance

Board of Directors

Board of Directors in 2009

Name	Position
Chairman of the Board	
Alexei Lebedev	Director of Branch IJEC-Moscow
Board members	
Alexei Grigoriev	Director General of JSC "Techsnabexport"
Sergey Yashin	Vice President of JSC NAC Kazatomprom
Viktor Vandyshev	Deputy Chief Engineer for Science of JSC AECC
Vladimir Pashkov	Minister of Economic Development, Labor, Science and Higher Education of Irkutsk Region
Viktor Romanov	Deputy Head of Department and Head of Division for Control and Accounting of Nuclear Materials of SC Rosatom
Veniamin Polysaev	Deputy Director of the International Cooperation Department of JSC Atomenergoprom

Members of the Board of JSC IJEC do not own the company shares.

Over the period reported no changes in the composition of the Board of Director took place.

No premiums were paid to the Board members in 2009.

Sole Executive Body

Director General of JSC IUEC - Alexei Grigoriev

Alexei Grigoriev was appointed the Director General on 6 August 2007 by a decision of the Foundation Meeting of JSC IUEC (Record No 1-2007 of 06.08.2007).

Audit Commission

The company Audit Commission was elected by the Annual Shareholders' Meeting of JSC IUEC (Record of 30 June 2008) to consist of three members as follows:

1) M.M. Satanov, Chief Manager of the Internal Audit Department of JSC NAC Kazatomprom,

2) A.V. Volzhanin, Director of the Department for Financial Control of the Financial Directorate of JSC "Techsnabexport",

3) N.V. Yurchenko, Director of the Department for Consolidated Accounting and Accounting Methodology of the Directorate for Accounting and Taxation of JSC "Techsnabexport".

Related-party operations

	Acc. D	Acc. K	Rubles	
JSC AECC		60	66,332,294.89	Leasing services
	60		398,091,705.36	Payment
	001		19,931.00	Leasing of premises
JSC "Techsnabexport"		60	260,000.00	Services
	60		198,370.00	Services
		62	411,304,665.99	Payment
	62		73,708,303.37	Services, exchange rate
	001		968,064	Furniture
LLC Kraun		60	4,224,251.67	Leasing
	60		4,025,531.50	Payment

2. Key financial indicators at yearend

Key financial indicators

	Indicator	2008, ths rub	2009, ths rub
1	Revenues from sales	270,077	4,900
2	Self-cost of sold products	265,452	
3	Pretax profit	3,434	834
4	Net profit (loss)	2,530	651
5	Total assets (liabilities) as of 31.12	361,851	30,250
6	Own working capital as of 31.12	28,491	29,143
7	Self-cost of net assets as of 31.12	28,492	29,143

Proceeds by activities

Proceeds from main activities

In December 2009 JSC IUEC provided a consultancy service "An Analysis of Possibility and Selection of the Most Optimum Scheme of Reprocessing of Recovered Uranium of Japanese Utilities at the Russian Enrichment and Conversion Plants in Accordance with the Agreement between the Government of the Russian Federation and the Government of Japan Concerning the Cooperation in the Peaceful Uses of Atomic Energy signed on 12.05.2009, Including Terms of Application of the IAEA Safeguards and Other Boundary Terms. Preliminary Calculation of Costs of the IAEA Safeguards Application" with the JSC IUEC profit of **4,900,000 rubles**.

Other proceeds

Other proceeds in an amount of **96,521,000 rubles** included:

- positive exchange difference when settling payments under a contract which price is expressed in currency (off-shipment of EUP in December 2008) - **68,543,000 rubles**;
- proceeds as the interest added to the cash balance over 2009 - **23,000 rubles**;
- revenues from currency buy and sell operations - **12,851,000 rubles**;
- VAT refunded due to negative exchange difference - **12,881,000 rubles**.

In addition, other proceeds include revenues from the interest on given loans and deposits - **2,224,000 rubles**.

According to PBU 3/2006 "Accounting of Assets and Liabilities which Cost is Expressed in a Foreign Currency", the cost of assets and liabilities (notes in the cash office of an organization, cash on bank accounts, financial and payment documents, financial investments, cash in payments with legal entities and physical persons, investments in non-current assets (fixed assets, intangible assets etc.), material and



supplies inventories, as well as other assets and liabilities of an organization) expressed in a foreign currency, for the purpose of accounting and book-keeping is subject to recalculation in rubles at the Central Bank exchange rate as of the date of the operation.

Provision of services

Point of proceeds calculation under the contract	Proceeds calculation date	Amount of contract / payment (VAT incl.), ths. rubles	Proceeds in 2009
As at the date of off-shipment	15.12.09	5,780	4,900

Currency buy and sell operations

Currency	Currency amount, ths. units of exchange	Date of currency sale	Central Bank exchange rate as of the sell date	Proceeds in 2009, ths. rubles
USD	204,082	21.01.09	33.4154	6,724.49
EUR	144,057	21.01.09	43.3331	6,126.77
Total				12,851

Interest on the cash balance on the bank account

Reason	Adding date	Amount of added interest, ths. rubles
Supplemental agreement No 1 to the Ruble Operating Account Agreement of 30.11.2007 (adding 0.5% interest rate to daily cash balance of the account)	2009	23

Interest receivable

Type	Currency	Proceeds in 2009, ths. rubles
Deposits	RUB	1,170.59
	USD	15.44
	EUR	37.06
Minimum balance	RUB	1,000.94
	USD	7.28
	EUR	15.21
Total interest receivable		2,224.05

Administrative expenditures

Administrative expenses - 7,314,830 rubles.

Administrative expenses

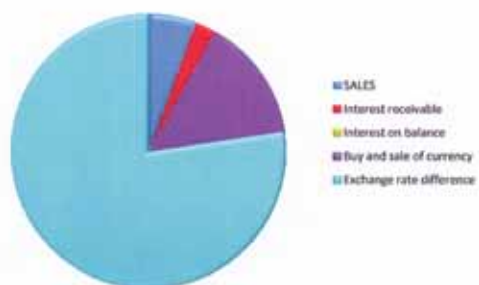
Item	Amount, ths. rubles
Labor costs	3 152,11
UST	477,70
Leasing of premises	2 203,32
Exhibition expenses	261,86
Business travels	145,60
Write-off deferrals	270,48
Information services	129,12
Filling out of the IAEA Questionnaire	200,00
Office expenses	97,58
Register keeping	71,86
Services for the state secret protection	50,85
Depreciation of main assets	25,77
Depreciation of intangible assets	24,72
External audit	60,00
Write-off low-value and non-durable items	43,91
Special communications	15,34
Representation, postal and other	54,16
TOTAL	7 314,83

Other expenses

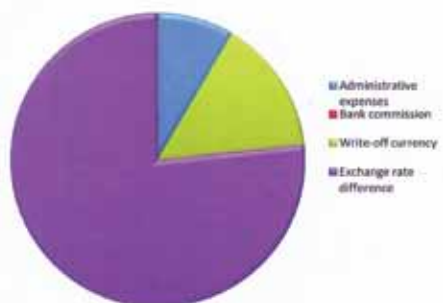
Other expenses as 93,272,000 rubles comprise:

- negative exchange rate difference when settling payments under a contract which price is expressed in currency (off-shipment of EUP in December 2008) and currency buy and sell operations - 67,014,970 rubles;
- write-off currency (selling of currency) - 13,061,920 rubles;
- VAT on exchange rate difference - 13,093,000 rubles;
- bank commission - 12,590 rubles;
- other - 87,080 rubles.

Revenue structure



Expenditure structure

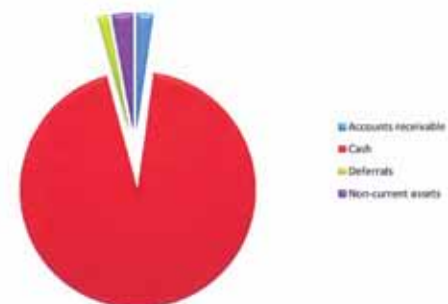


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Company assets

As of 31.12.2009, the company assets consist of:

- accounts receivable (2.2%);
- cash (93.5%);
- deferrals (1.4%);
- non-current assets (2.8%).



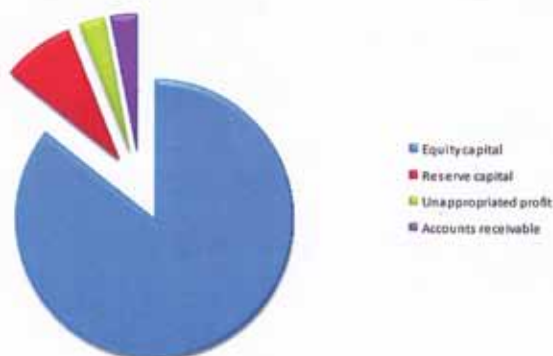
The company has no overdue accounts receivable.

Company liabilities

As of 31.12.2009, the company liabilities consist of:

- equity capital (86%);
- reserve capital (8.4%);
- unappropriated profit (3%);
- accounts receivable (3%).

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The company has no accounts payable.

Financial investments

As of 31.12.2009, there are no short-term financial investments.

Main assets commissioned in 2009

Lock box - less than 20,000 rubles - written-off to other expenses.

Taxes, dues and charges

In 2009, a total amount of paid taxes, dues and charges was 2,783,646,000 rubles, including:

UST - 514,043,000 rubles,
 Personal income tax - 420,009,000 rubles
 Profit tax - 1,147,068,000 rubles,
 Property tax - 662,000 rubles,
 VAT - 701,863,000 rubles

An additional charge of tax on exchange rate difference of 212,000 rubles is reflected in the refined Value Added Tax Declaration of Q1 2009.

Calculation of profit tax

No	Debtor	Amount, rubles
1	Provisional profit tax expense	1 150 626,99
2	Provisional profit tax income	983 538,46
3	Running tax liability	15 418,53

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6	Profit tax for 2009 (para. 1 - para. 2 + para. 3)	182 507,06
---	---	------------

Indicator	Calculation method	Normal value	Value	Explanation
1. Capitalization rate (U1)	$U1 = (p.590 + p.690) / p.490$	$U1 \leq 1.5$	0,03	Shows how much borrowed current assets fall on 1 ruble of investments in own funds
2. Utilization rate of own funding sources (U2)	$U2 = (p.490 - p.190) / p.290$	Limiting $U2 \geq 0.1$ Optimum $U2 \geq 0.5$	0,97	Shows what part of the current assets is financed from own funds
3. Equity to total assets (U3)	$U3 = p.490 / p.700$	$U3 \geq 0.4$ -0.6	0,97	Shows specific weight of own funds in a total of funding sources
4. Funding ratio (U4)	$U4 = p.490 / (p.590 + p.690)$	$U4 \geq 0.7$ Optimum $U4 = 1.5$	32,53	Shows the ratio of own and borrowed funds
5. Financial stability index (U5)	$U5 = (p.490 + p.590) / p.300$	$U5 \geq 0.6$	0,97	Shows what part of asset is funded from sustainable sources

3. Financial statements

The Financial statements are compiled in accordance with the rules of accounting and reporting applicable in the Russian Federation.

- No events occurring after the reporting date,
- No contingency,
- Cessation of company's activities is not planned,
- Earnings per share are 23.57 rubles.

3.1. Account policy for book-keeping

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In the company the book-keeping is carried out in according to the applicable legislation of the Russian Federation, including the Federal Law on Accounting No 129-FZ of 21.11.1996; Accounting Provisions, Labor Code of the Russian Federation and other legislative and regulatory documents of the Russian Federation on accounting.

The useful life of main assets is determined basing on the Classifier of Main Assets to be included in the depreciation groups, as approved by resolution of the Russian Government No 1 of 01 January 2002.

Accruals of depreciations of main assets are calculated by straight-line method.

The yearly revaluation of main assets is not carried out.

The write-off of inventories as uranium-containing feed for production is done by batches of uranium-containing feed at self-cost of each unit within a batch.

The write-off of inventories like other feed, fuel and other materials, valuation is done at an average self-cost.

Accounting of accounts receivable and payable on ledgers also includes liabilities covered by bills of credit and advance payments. A short-term debt is the debt of 1 year maturity. A long-term debt is the one with a maturity of more than one year.

A long-term debt on loans is accounted for as the long-term over the entire validity period of a contract.

Upon expiration of the limitation period, the accounts receivable and payable are written off to profit or loss.

According to the Articles of Association, the company builds up a reserve fund out of net profit to cover losses of the joint stock company (Russian Federation Law "On Joint Stock Companies" No 208-FZ of 26.12.95).

If it is confirmed that a substantial decrease of financial investments is sustainable, the company is to set up a reserve, as of December 31 of the reported year, to cover a loss of value of the financial investments equal to the difference between the book value and estimated value of such financial investments.

The company does not set up reserves towards doubtful debts.

Net profit of the company is used as decided by the Board of Directors and approved by the General Shareholders Meeting.

3.2. Account policy for taxation.

The company uses the accrual method for the recognition of incomes and expenses when calculation the profit tax.

When writing off uranium-containing feed and materials to production, the valuation is done using the method of valuation based on the cost of reserve units as per the Procedure for Separate Accounting of Nuclear Materials by Batches adopted in the company.

When writing off inventories within the groups, such as other feed, fuel and other materials, the valuation is done using an average self-cost; the RF Taxation Code Article 254 para. 8.

Main assets useful life is determined basing of the Classifier of Main Assets to be included in the depreciation groups, as approved by resolution of the Government of the Russian Federation No 1 of 01 January 2002.

The straight-line method is used to accrue depreciation regarding the depreciating property.

Capital expenditures in an amount of 10% of the initial value of the main assets are one-time included in other expenses of the reported (taxed) period; the RF Taxation Code Article 259 para. 1.

The company does not set up reserves for repairs of the main assets.

General Director

A. Lebedev

Chief Accountant JSC "IUEC

I. Beskrovnykh





Issuer code	
TIN	3801091245
PSRN	1073801006982

I. Affiliated persons list as of 31.12.2009

	Full name (name of non-profit organization) or last, first and patronymic name of an affiliated person	Location of a legal entity or residential address of a physical person (quoted by consent only)	Ground(s) of acknowledgement as an affiliated person	Effective date of ground(s)	An affiliated person share in equity capital of the joint stock company, %	Fraction of common shares of the joint stock company owned by an affiliated person, %
1.	State Atomic Energy Corporation "Rosatom"	24/26 Bolshaya Ordynka st., Moscow 119017	D	26.10.2009	90	90
2.	Joint Stock Company "Scientific and Production Association - Central Research Institute of Machine Engineering Technology"	4 Sharikopodshipnikova ya st., Moscow 115088	V	26.10.2009	0	0
3.	Joint Stock Company "State Scientific Center of the Russian Federation "All-Russian Design and Research Institute of Nuclear Power Engineering"	6a Kosmonavta Volkova st., Moscow 125171	V	26.10.2009	0	0
4.	Joint Stock Company "Sangtuda HPP-1"	64 Somoni st., Dushanbe, Republic of Tajikistan	V	26.10.2009	0	0
5.	Joint Stock Company INTER RAO UES	WTC-2, 12 Krasnopresnenskaya Naberezhnaya, Moscow 123610	V	26.10.2009	0	0
6.	Joint Stock Company Atomstroyexport	35-3 Malaya Ordynka st., Moscow 115184	V	26.10.2009	0	0

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7.	Joint Stock Company ISOTOPE	22 Pogodinskaya st., Moscow 119435	V	26.10.2009	0	0
8.	Joint Stock Company AKME-Engineering	24/26 Bolshaya Ordynka st., Moscow 119017	V	26.10.2009	0	0
9.	Joint Stock Company Tekhnopark-Technology	3 Parkovaya st., Satis, Diveevo District, Nizhniy Novgorod Region 607328	V	26.10.2009	0	0
10.	Limited Liability Company "New Composite Materials" (new Holding Company Composite)	14, bld 3, Krzhizhanovskogo st., Moscow 117218	V	26.10.2009	0	0
11.	Joint Stock Company "EGMK-Project"	7 Ukulanskaya st., Tommot, 678955 Republic of Sakha (Yakutia)	V	26.10.2009	0	0
12.	Joint Stock Company Atomredmetzoloto	22 Bolshoi Drovyanoi Pereulok, 109004 Moscow	V	26.10.2009	0	0
13.	Joint Stock Company Techsnabexport	28-3 Ozerkovskaya Naberezhnaya, 115184 Moscow	V	05.09.2007	0	0
14.	Joint Stock Company Atomic Energy Power Corporation	24/26 Bolshaya Ordynka st., Moscow 119017	V	26.10.2009	0	0
15.	Kirienko Sergey Vladilenovich	*	V	26.10.2009	-	-
16.	Dub Alexei Vladimirovich	*	V	26.10.2009	-	-
17.	Avdeev Aleksandr Aleksandrovich	*	V	26.10.2009	-	-



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18.	Belov Vladimir Aleksandrovich	*	V	26.10.2009	-	-
19.	Dod Evgeni Vyacheslavovich	*	V	26.10.2009	-	-
20.	Belekiy Dan Mikhailovich	*	V	26.10.2009	-	-
21.	Silkin Andrey Nikolayevich	*	V	26.10.2009	-	-
22.	Kudryavtseva Anna Vadimovna	*	V	26.10.2009	-	-
23.	Belugin Aleksandr Vladimirovich	*	V	26.10.2009	-	-
24.	Melamed Leonid Borisovich	*	V	26.10.2009	-	-
25.	Travin Vladimir Valentinovich	*	V	26.10.2009	-	-
26.	Privalov Dmitri Viktorovich	*	V	26.10.2009	-	-
27.	Grigoriev Alexei Antonovich	*	A B	05.09.2007 30.06.2008		
28.	Zhivov Vadim Lvovich	*	V	26.10.2009	-	-
29.	Vandyshev Viktor Ivanovich	*	A	30.06.2008	-	-
30.	Lebedev Alexei Evgenievich	*	A	30.06.2008	-	-
31.	Polysaev Veniamin Ivanovich	*	A	30.06.2008	-	-
32.	Romanov Viktor Aleksandrovich	*	A	30.06.2008	-	-
33.	Yashin Sergey Alekseevich	*	A	30.06.2008	-	-
34.	Pashkov Vladimir Igorevich	*	A	30.06.2008	-	-

Total bound and numbered and stamped 34 thirty four sheets

