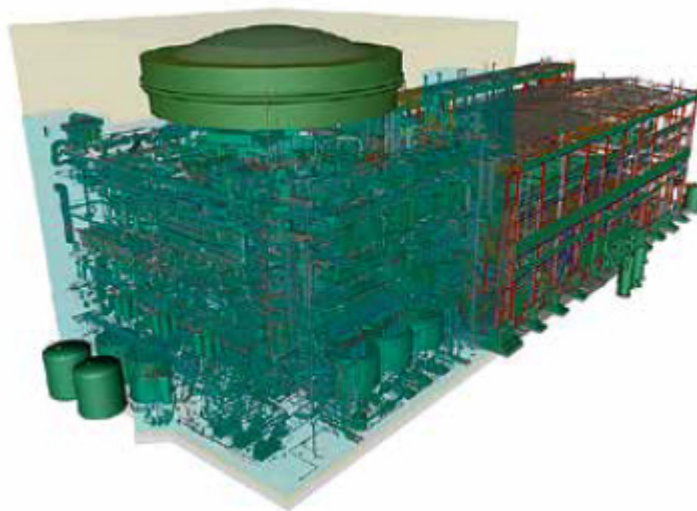


Development of Procurement and Supplies Management System

One of the most significant innovations currently introduced into the Integrated Company is the standard Procurement and Supplies Management System (PSMS). Elaboration thereof is carried out within the VVER-TOI Project and is oriented to foreign construction projects. PSMS is an integrated platform with a set of tools for cooperation of all participants of NPP construction project: designer, purchasers, engineering and construction companies, etc. PSMS is controlled by means of the SmartPlant Materials information platform.

The main tasks to be solved by the Procurement and Supplies Management System:



- Elaboration of an integrated solution for management of material supplies, logistics and relationship with suppliers;
- Development of a unified platform for cooperation of all project participants;
- Reduction in costs of project execution and time of work performance, increase in risk management efficiency, and gaining advantage on complex highly competitive markets;
- Assurance of easy access to data on materials and equipment for each department or functional unit of an enterprise.

The total volume of financing of the System from the VVER-TOI Project budget funds amounts to

83.4 million rubles. Additional financing to provide staged and trial application of the System is made at the Company's expense.

In 2012 work on elaboration of the Procurement and Supplies Management System was carried out in two directions approved by the VVER-TOI Governing Board:

1. Development of the Procurement and Supplies Management System to be applied in the territory of Russia;
2. Development of the Procurement and Supplies Management System to be applied abroad.

2013 plans on further elaboration of the Procurement and Supplies Management System on the basis of SmartPlant Materials software include:

Holding of open tender for improvement of the SmartPlant Materials platform;
Improvement of the SmartPlant Materials platform;
Carrying out of tender procedures within the frames of execution of the Procurement and Supplies Management System;
Elaboration of possibility to download the reports from SmartPlant Materials in xls format;
Holding of tender of work execution for elaboration of locks against unauthorized access, mass mail distribution and junk mail;
Integration with Atomsmeta¹³ Complex;
Integration with accounting system of the enterprise.

Pilot commissioning of the Procurement and Supplies Management System in the Integrated Company is scheduled for 2013 within the database of the Belarusian NPP.

¹³ The unified costing complex of the nuclear industry companies which permits to use the integrated method of costing documentation control within the full accounting chain, including application of a single approach to cost formation for various facilities of the nuclear industry.

