

Corporate Action Statement/Disclosure of insider information

“Information on decisions adopted by Board of Directors of “IDGC of the South” PJSC

1. General information	
1.1. Full company name of the issuer	Public Open Joint Stock Company “Interregional Distribution Grid Company of the South”
1.2. Short company name of the issuer	“IDGC of the South” PJSC
1.3 Location of the issuer	Rostov-on-Don, the Russian Federation
1.4 PSRN of the issuer	1076164009096
1.5 TIN of the issuer	6164266561
1.6 Unique issuer’s code assigned by the registration authority	34956-E
1.7 Internet website address used by the issuer for information disclosure	http://www.mrsk-yuga.ru; http://www.e-disclosure.ru/portal/company.aspx?id=11999
2. Statement content	
2.1. Quorum of meeting of issuer’s BoD and results of voting on the adopted decisions: 10 out 11 members of BoD participated in the meeting; quorum is present. On item 1: “FOR” – 10 votes “AGAINST” – 0 votes “ABSTAINED” – 0 votes On item 2: “FOR” – 10 votes “AGAINST” – 0 votes “ABSTAINED” – 0 vote On item 3: “FOR” – 10 votes “AGAINST” – 0 votes	

“ABSTAINED” – 3 votes

On item 4:

“FOR” – 10 votes

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

On item 5:

“FOR” – 10 votes

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

On item 6:

“FOR” – 10 votes

“AGAINST” – 2 votes

“ABSTAINED” – 0 votes

On item 7:

“FOR” – 5 votes

“AGAINST” – 2 votes

“ABSTAINED” – 2 votes

Company’s BoD member Ebzeev B.B., being a person implementing functions of sole executive body (Director general) of the Company, is considered as dependent director and does not participate in voting on this issue.

On item 8:

“FOR” – 10 votes

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

On item 9:

“FOR” – 5 votes

“AGAINST” – 2 votes

“ABSTAINED” – 2 votes

Company's BoD member Ebzeev B.B., being a person implementing functions of sole executive body (Director general) of the Company, is considered as dependent director and does not participate in voting on this issue.

Disclosure of insider information on item 1: "On taking into consideration the report of the Company's Director general concerning implementation of Plan of activities aimed at enhancement of operating efficiency and financial state of IDGC of the South PJSC in the 2nd quarter of 2016"

2.2.1 Content of decision:

To take into consideration the report of the Company's Director general concerning implementation of Plan of activities aimed at enhancement of operating efficiency and financial state of IDGC of the South PJSC in the 2nd quarter of 2016, in accordance with Appendix 1 to this decision of Company's BoD.

Disclosure of insider information on item 2: "On taking into consideration the report of the Company's Director general concerning provision of insurance of the Company in the 2nd quarter of 2016"

2.2.1 Content of decision:

To take into consideration the report of the Company's Director general concerning provision of insurance of the Company in the 2nd quarter of 2016, in accordance with Appendix 2 to this decision of Company's BoD.

Disclosure of insider information on item 3: "On approval of the Regulations for Internal Audit Sector of IDGC of the South PJSC".

2.2.3. Content of decision:

1. To approve the Regulations for Internal Audit Sector of IDGC of the South PJSC, in accordance with Appendix 3 to this decision of Company's BoD.
2. To recommend Director general of IDGC of the South PJSC to approve the Regulations for Internal Audit Department of IDGC of the South PJSC, in accordance with Appendix 3 to this decision of Company's BoD.

Disclosure of insider information on item 4: "On approving schedule of Internal Audit Sector of IDGC of the South PJSC for 2016"

2.2.4. Content of decision:

1. To approve schedule of Internal Audit Sector of IDGC of the South PJSC for 2016, in accordance with Appendix 4 to this decision of Company's BoD.

Disclosure of insider information on item 5: On approval of budget of Internal Audit Sector for 2016”

2.2.5. Content of decision:

To approve budget of Internal Audit Sector of IDGC of the South PJSC for 2016, in accordance with Appendix 5 to this decision of Company's BoD.

Disclosure of insider information on item 6: “On discussion of candidature of head of Internal Audit Sector of IDGC of the South PJSC and their remuneration”

2.2.6. Content of decision:

1. To appoint Pechenkin Nikolai Vladimirovich for the position of Director in charge of Internal Audit – Head of Department of Internal Audit of IDGC of the South PJSC and determine remuneration payable to Director in charge of Internal Audit – Head of Department of Internal Audit of IDGC of the South PJSC in accordance with Appendix 6 to this decision of Company's BoD.

2. To instruct the Company's Director General to:

2.1. appoint Pechenkin Nikolai Vladimirovich for the position of Director in charge of Internal Audit – Head of Department of Internal Audit of IDGC of the South PJSC

2.2. develop a system of key performance indicators by the results of activity during a quarter and 2016 for Director in charge of Internal Audit – Head of Department of Internal Audit of IDGC of the South PJSC; to submit the system for approval of the Audit Committee under the BoD of IDGC of the South PJSC. Deadline: 30.09.2016

Approving of transactions recognized in accordance with legislation of Russian Federation as large-scale transaction and (or) transactions of interest/Disclosure of insider information on item 7: “On approval of service contract between IDGC of the South and “FOCL-Power Lines Directorate” JSC for preventive maintenance of display wall Barco as interested party transaction”

2.2.7. Content of decision:

Resolution was not adopted

Disclosure of insider information on item 8: “On submission of report concerning the reasons of exceeding the planned indicator of average losses of electric energy (with specification of voltage levels) at “Astrakhanenergo” in the 1st quarter of 2016”.

2.2.8. Content of decision:

To take into consideration the report concerning the reasons of exceeding the planned indicator of average losses of electric energy (with specification of voltage levels) at “Astrakhanenergo” in the 1st quarter of 2016, in accordance with Appendix 8 to this decision of Company’s BoD.

Approving of transactions recognized in accordance with legislation of Russian Federation as large-scale transaction and (or) transactions of interest/Disclosure of insider information on item 7: “On approval of contract between IDGC of the South and “FOCL-Power Lines Directorate” JSC for construction, re-equipment and reconstruction of grid facilities, as interested party transaction”

2.2.9. Content of decision:

Resolution was not adopted

2.3. Date of holding the meeting of Board of Directors: **19 August 2016.**

2.4. Date of drawing up and number of the minutes of meeting: **No. 198/2016 dated 22 August 2016**

3. Signature

3.1 Head of corporate governance and shareholders

interaction department (attorney dd 11.02.2016

No.45-16)

(signature) Pavlova Ye.N.

3.2. Date 22 August 2016