

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	49 Bolshaya Sadovaya str., Rostov-on-Don, the Russian Federation, 344002		
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			
<p>2.1. Quorum of meeting of issuer’s BoD and results of voting on the adopted decisions: 11 out of 11 members of BoD participated in the meeting, quorum is present.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>On item 1 paragraph 1:</p> <p>“FOR” – 9 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 2 votes</p> <p>On item 1 paragraph 2.1:</p> <p>“FOR” – 9 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 2 vote</p> <p>On item 1 paragraph 2.2:</p> <p>“FOR” – 8 votes</p> <p>“AGAINST” – 3 votes</p> <p>“ABSTAINED” – 0 votes</p> </td> <td style="width: 50%; vertical-align: top;"> <p>On item 1 paragraph 2.3:</p> <p>“FOR” – 6 votes</p> <p>“AGAINST” – 3 votes</p> <p>“ABSTAINED” – 1 votes</p> <p>On item 1 paragraph 3:</p> <p>“FOR” – 9 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 2 votes</p> <p>On item 2:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> </td> </tr> </table>		<p>On item 1 paragraph 1:</p> <p>“FOR” – 9 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 2 votes</p> <p>On item 1 paragraph 2.1:</p> <p>“FOR” – 9 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 2 vote</p> <p>On item 1 paragraph 2.2:</p> <p>“FOR” – 8 votes</p> <p>“AGAINST” – 3 votes</p> <p>“ABSTAINED” – 0 votes</p>	<p>On item 1 paragraph 2.3:</p> <p>“FOR” – 6 votes</p> <p>“AGAINST” – 3 votes</p> <p>“ABSTAINED” – 1 votes</p> <p>On item 1 paragraph 3:</p> <p>“FOR” – 9 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 2 votes</p> <p>On item 2:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p>
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Disclosure of insider information on item 1: “Approving the report on			

implementation of business plan (including investment programme and information on key operational risks) of “IDGC of the South” PJSC for the 1st half year of 2015”

2.2.1 Content of decision:

1. To approve the report of Company’s Director General on implementation of business plan (including investment programme and information on key operational risks) of “IDGC of the South” PJSC for the 1st half year of 2015 in accordance with Appendix 1 to present decision of Company’s BoD.

2. To note:

2.1 Increasing of accounts receivable for 1 596 mln. rubles (16.3%) in comparison with planned indicator.

2.2 Non-implementation of approved investment programme of “IDGC of the South” PJSC in 1st half year of 2015 related to financing (implementation 45%: planned 1 105 mln. rubles, in fact 497 mln. rubles).

2.3 Absence of financing on title “Construction of 110/35/10 kV substation “Chertkovskaya” with reorganization of 110, 35 and 10 kV power branch lines at reconstructed substation.

3. To instruct Director General of the Company:

3.1 To provide the implementation of planned indicator of relative amount of electric energy losses in the Company by the results of 9 months of 2015 and whole 2015.

3.2 To provide the implementation of investment programme of “IDGC of the South” PJSC for 2015 approved in the federal subjects of Russia.

3.3 To provide the implementation of events on management of key operational risks of the Company planned for 2015 including priority events on the following risks:

- KOP-007 “Risk of changing the amount of overdue accounts receivable from specified in business plan”;

- KOP-008 “Risk of changing the amount of Debt/EBITDA indicator in comparison with specified indicator in business plan”;

- KOP-009 “Risk of changing of net profit in comparison with amount specified in business-plan”.

3.4 To estimate risks connected with “IDGC of the South” PJSC received functions of guarantee supplier on the territory of Republic of Kalmykia , to determine the events on risks optimization on insufficient receiving of income for services on electric energy transmission while the Company implements the function of guarantee supplier.

3.5 To settle disputes on current charging for services on electric energy transmission since December of 2015 in “IDGC of the South” PJSC branch – “Astrakhanenergo”.

Disclosure of insider information on item 2 “Taking into consideration the report of sole executive body of the Company on implementation decisions in the 2nd quarter of 2015 adopted at the meetings of Company’s BoD”

2.2.2. Content of decision:

1. To take into account the report of sole executive body of the Company on implementation decisions in the 2nd quarter of 2015 adopted at the meetings of Company’s BoD in accordance with Appendix 2 to present decision of Company’s BoD.
2. To consider as invalid paragraph 2 on item 4 “On taking into consideration the report of Director General of the Company on results of implementation of events on compliance with laws on control of insider information in “IDGC of the South” JSC for the 1st quarter of 2013” of Decision of BoD dd. 29.11.2013 (Minutes No. 120/2013 dd. 02.12.2013).
3. To consider as invalid paragraph 2 on item 14 “On taking into consideration the report of Company’s Director General on implementation of Scheduled-plan of events on integration of management of productive assets system of the Company for the 1st quarter of 2013” of decision of BoD dd. 02.08.2013 (Minutes No. 112/2013 dd. 05.08.2013).
4. To instruct Company’s Director General:
 - to present for consideration of Company’s BoD the annual report on results of implementation of events on compliance with laws on control of insider information as part of report of Director General on implementation of decisions adopted at the meetings of Company’s BoD for the 4th quarter of year following the reported year;

- to present for consideration of Company's BoD the annual report on implementation of Scheduled-plan of events on introduction of management of productive assets system as part of report of Director General on implementation of decisions adopted at the meetings of Company's BoD for the 4th quarter of year following the reported year;

- to present for consideration of Company's BoD the annual report on activity of workgroup on decreasing of disputes on forming the amounts of rendered services between "IDGC of the South" PJSC and "Astrakhan energy selling Company" PJSC as part of report of Director General on implementation of decisions adopted at the meetings of Company's BoD;

- to provide the correcting and presenting for consideration of Company's BoD as part of report of sole executive body of "IDGC of the South" PJSC on implementation of decisions in the 3rd quarter of 2015 adopted at the meetings of Company's BoD, information on measures adopted by management board on correction of violations and shortcomings detected by external supervision bodies and agencies for 9 months of 2015.

2.3. Date of holding the meeting of Board of Directors: **6 October 2015.**

2.4. Date of drawing up and number of the minutes of meeting: **No. 168/2015 dated 9 October 2015**

3. Signature

3.1 Head of corporate governance and shareholders

interaction department (attorney dd 19.01.2015

No.25-15)

(signature) Pavlova Ye.N.

3.2. Date 9 October 2015