

Corporate Action Statement:

“Information on decisions adopted by Board of Directors of “IDGC of the South” PJSC (Disclosure of insider information)

1. General information	
1.1. Full company name of the issuer	Public 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: 11 out 11 members of the Board of Directors participated in the meeting, quorum is present.	
On item 1:	
“FOR” – 9 votes	
“AGAINST” – 1 votes	
“ABSTAINED” – 1 votes	
On item 2:	
“FOR” – 11 votes	
“AGAINST” – 0 votes	
“ABSTAINED” – 0 votes	
Disclosure of insider information on item 1: “On approval of the amended business-plan of “IDGC of the South” PJSC a well as investment programme and information on key operational risks for 2015	

2.2.1 Content of the decision:

1. To approve the Company business plan, including the investment programme and information on the key operational risk, for 2015 with the regard of implementation of the Directives of the Russian Federation Government No. 2303p-P13 dd. 16.04.2015 on the operating expenses reduction by at least 2-3% annually, according to Appendix 1 to this decision of the Board of Directors.
2. To mark mismatch of the volume and structure of sources of financing of the Investment Programme for 2015, set forth in the business plan of the Company (section 6 “Investment Programme”), with the volume and structure of financing of the Investment Programme for 2015, approved within the frameworks of Order of Russian Federation Government No.977 dated 01.012.2009 “On investment programmes of power industry participants”, due to approval of investment programmes of Company’s braches in the 2nd quarter of 2015, which took into account parameters of the first half of 2015.
3. To take into consideration the volume and structure of sources of financing of the Investment Programme for 2015, specified in the business plan of the Company (section 6 “Investment Programme”).

Disclosure of insider information on item 2:

“On consideration of report presented by Director General of the Company on implementation of plan of activities aimed at increase of company’s efficiency and enhancement of financial and economic state of “IDGC of the South” PJSC in the 3rd quarter of 2015”

1. To take into consideration the report on implementation of plan of activities aimed at increase of company’s efficiency and enhancement of financial and economic state of “IDGC of the South” PJSC in the 3rd quarter of 2015, according to Appendix 2 to this decision of the Board of Directors.
2. To instruct Director general of “IDGC of the South” PJSC to ensure that the list of activities, aimed at supporting in 2016 and 2017 the Schedule of activities on increase of company’s efficiency and enhancement of financial and economic state of “IDGC of the South” PJSC, includes the following: “Reduction of the level of losses by 11%

by 2017 in comparison to 2012.”

3. To note the low efficiency of activities on reduction of overdue accounts receivable for electricity transmission services by the results of 9 months of 2015;

4. To instruct Director general of “IDGC of the South” PJSC to ensure by the results of 2015 the planned effect: the level of overdue accounts receivable for electricity transmission services must not exceed 10 482 million rubles.

2.3. Date of holding the meeting of Board of Directors: **7 December 2015.**

2.4. Date of drawing up and number of the minutes of meeting: **No. 173/2015 dated 8 December 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 8 December 20 15