

Corporate Action Statement “Information that in issuer’s opinion exerts a significant impact on the cost of securities”/Disclosure of insider information

1. General information	
1.1. Full company name of the issuer	Open Joint Stock Company “Interregional Distribution Grid Company of the South”
1.2. Short company name of the issuer	“IDGC of the South”, JSC
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. Brief description of an event (action) the occurrence (performance) of which, in the issuer’s opinion, influences the price of its securities: On the procedure of placement and period for submission of offers for listed non-convertible interest-bearing certified bearer bonds subject to mandatory deposit of series BO-01 by “IDGC of the South” JSC (identification number of issue 4B02-01-34956-E dated 04.09.2014) (hereinafter – the Listed Bonds).</p>	
<p>2.2. In case of the relevant event (action) is related to a third person or associated therewith, a full firm name (for non-profit organizations – name), address, INN (if applicable), OGRN (if applicable) or surname, name, patronymic (if any) of such a person/entity: such information cannot be provided, as the information concerns the potential investors in the Listed Bonds of “IDGC of the South” JSC.</p>	
<p>2.3. In case of the relevant event (action) is related to a third person or associated therewith, a full firm name (for non-profit organizations – name), address, INN (if applicable), OGRN (if applicable) or surname, name, patronymic (if any) of such a person/entity: such information cannot be provided, as the information concerns the potential investors in the Listed Bonds of “IDGC of the South” JSC.</p>	

The content of the resolution adopted by the joint stock company's sole executive body:

1. To decide that the Listed Obligations are placed by way of collecting of requests from the part of buyers to purchase the Listed Bonds at a fixed price and coupon rate for the first coupon period that were preliminary determined by the Issuer in accordance with the procedure and on conditions provided by the Resolution on issuance and Prospectus.
2. To decide that the offers containing the offers to enter into the Preliminary Agreements, in accordance with the definition of this term the Resolution on issuance of the Listed Securities, are send to the address of "Gazprombank" (Joint Stock Company).
3. To establish that the period for sending offers containing a proposal to enter into Preliminary Agreements with potential buyers of the Listed Bonds, containing an obligation to enter into master agreements for sale and purchase of the Listed Bonds at the date of commencement of placement of the Listed Bonds begins at 11:00 on 11 June 2015 and ends at 12:00 on 11 June 2015.

11 June 2015

Concerning: Participation in placement of the listed bonds of Joint-Stock Company "Interregional grid company of the South", series BO-01.

ATTENTION: YOU SHOULD READ THE BELOW INFORMATION BEFORE TAKING ANY ACTION.

This message covers the below information and issue documents available at <http://www.mrsk-yuga.ru>; <http://e-disclosure.ru/portal/company.aspx?id=11999> (hereinafter jointly the **Documents**) and You will need to familiarize with provisions of this message before you take any actions relating to such Documents. When familiarizing with or taking any actions relating to the Documents, You undertake an obligation to comply with the below conditions, including any changes in such conditions that may be received by You from us as a result of Your familiarization with the Documents.

THIS MESSAGE AND DOCUMENTS PRESENTED FOR YOUR ATTENTION DO NOT MAKE AN OFFER TO SELL ANY SECURITIES AND ARE NOT PROVIDED FOR FAMILIARIZATION OR ACCESS BY PERSONS, RESIDING

IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN. THIS MESSAGE AND DOCUMENTS CANNOT BE SENT OR DISTRIBUTED, EXCEPT IN ACCORDNCE WITH THE PROCEDURE PROVIDED BELOW, AND CANNOT BE REPRODUCED BY ANY MEANS.

Neither “Gazprombank” (Joint Stock Company) nor Joint-Stock Company “Interregional grid company of the South” (hereinafter the **Issuer**) make any offer to sell any securities and take any actions in order to obtain an offer to purchase any securities in relation to any persons covered by any jurisdiction. This message and Documents presented for Your attention cannot be used for or in relation to any preparation of any message in any jurisdictions or in any circumstances, in which such prepared message is deemed invalid or illegal. The Issuer requires that any person who gain access to this message and the Documents studies and complies with such limitations. Documents presented for Your familiarization are provided for information only and not an advertisement or offer to sell any securities in any country.

The Issuer’s securities cannot be offered for sale or be sold in the United States of America without registration or release from registration in accordance with the US “Securities Act of 1933” (as amended).

This message and Documents are provided only for: (i) who reside outside the territory of the United Kingdom or (ii) professional investors covered by article 19(5) of the Financial Promotion Order 2005 under the UK Financial Services and Markets Act 2000 (hereinafter the **Order**) or (iii) legal entities or other persons who own large net capital who may legally receive such a message and Documents covered by article 49(2)(a) - 49(2)(d) of the Order (all such persons are jointly referred as the **Relevant Persons**). Any securities can be purchased and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities can be adopted only by the Relevant Persons. Any other person who is not the Relevant Person may not act in relation to or otherwise relay upon this message and Documents or any information contained therein. Any public offer of securities that can be deemed made based on the fact that this message and Documents are sent in any EU member state that ratified Directive 2003/71/EC (together with any additional procedures for its adoption in such a member

state hereinafter the **Prospectus Directive**) addressed only to qualified investors of such a EU member state in the sense defined by the Prospectus Directive.

This message and Documents shall not be deemed an issue prospectus for the purpose of their interpretation in accordance with procedures for application of the Prospectus Directive or other applicable rights. This message and Documents as well as issue prospectus prepared in relation to placement of the Issuer's securities cannot be distributed in any country where such distribution requires compliance with additional requirements or violates legislation of such a country.

HOLDING LISTED BONDS OR OTHER FINANCIAL INSTRUMENTS ALWAYS INVOLVES RISKS. This message is for information only and contains very limited information on investing into the Issuer's securities. An informed decision is to be made prior to investing based on inter alia thorough analysis of the Issuer, its affiliates, transactions, financial status, sales and income, condition of the Russian economy as a whole and other risk factors.

Dear Investor,

Hereby, we inform You on an opportunity to take part in placement of non-convertible interest-bearing certified listed bonds of **Joint-Stock Company "Interregional grid company of the South"**. "Gazprombank" (Joint-Stock Company) (hereinafter **Gazprombank**) shall act as organizer of such placement (hereinafter the Organizer). This message is a proposal to make offers and is not an offer.

The issuer gained access to trade at the stock exchange in the course of issue of non-convertible interest-bearing certified bearer exchange-traded bonds series BO-01 (BO-01) with mandatory centralized storage in the amount of 6 000 000 (six million) pieces, 1 000 (one thousand) rubles each, to be redeemed on the 1 813-th (one thousand eight hundred thirteenth) day since the bond offering date, with early repayment opportunity when requested by their holders and at the issuer's discretion, placed by means of public offering (hereinafter the **Listed Bonds**). Issue of Listed Obligations is allowed by MICEX CJSC for trading at the stock exchange in course of placement on 4 September 2014 with the assigned identification number 4BB02-01-34956-E. The fact that the Listed Bonds can be traded at the stock exchange in the course of placement does not

mean the actual information provided in the issue documents is accurate and reliable. The Listed Bonds shall be placed by entering into transactions relating to sale and purchase of the Listed Bonds at the MICEX. Placement of the Listed Bonds is planned for 22 June 2015 but can take place at any other date. The last date of beginning of placement is fixed (determined) in accordance with the Resolution on Securities Issue and Prospectus (hereinafter the **Issue Documents**). The Listed Bonds can be paid in cash only.

You can take part in placement, by making an offer to enter into a preliminary agreement on purchase by You of the Listed Bonds (hereinafter the **Offer to Purchase**) in accordance with the procedure provided below in a form provided in Annex hereto, stipulating the maximum amount in RUR that You are ready to pay for the purchased Listed Bonds and minimum coupon rate for the Listed Bonds to be applied for You to purchase the Listed Bonds for the above amount.

Offer to Purchase is Your offer to enter into the Preliminary Agreement as defined below.

For the purpose of compliance with the requirements to the procedure of placement of the Listed Bonds, the Organizers consider only those Offers to Purchase that are duly made and signed and submitted to the Organizers in accordance with the procedure and based on conditions provided for in this message.

Procedure for Placement and Settlements

If You decide to take part in placement of the Listed Bonds, please confirm your consent with the procedure and conditions of placement of the Listed Bonds provided in the Issue Documents and this message, by sending a duly made and signed Offer to Purchase to Gazprombank (by courier or email) to the below address no later than at 12:00AM Moscow time 11 June 2015 (hereinafter the Book Closure Time). Moreover, the Offer to Purchase sent by the legal entity is to be made on the blank of such a legal entity, signed and sealed by the authorized person. The Offer to Purchase cannot be withdrawn after the Book Closure Time.

To avoid any doubts and misunderstandings, please note that the fact that Your Offer to Purchase is received by the Organizers does not mean that it will be accepted. The

Organizers do not assume any obligations and do not make any representations or warranties to the extent that Your Offer to Purchase will be accepted in full or in part.

After the first coupon rate for the Listed Bonds is determined, the Issuer makes a decision to accept or decline Your Offer to Purchase. If a decision to accept Your Offer to Purchase is made, Gazprombank, acting as an agent on behalf of the Issuer and at its expense or as a commissioner on his own behalf and at the Issuer's expense, will send You (by courier or fax or email) a written notice of acceptance (hereinafter the **Notice of Acceptance**) of Your Offer to Purchase to the address or fax number or email stipulated in Your Offer to Purchase. If the Notification of Acceptance is emailed, it deemed to be received at the moment of its sending. If the Issuer makes a decision to decline Your Offer to Purchase or the Issuer does not considers Your Offer to Purchase or no decision will be made regarding Your Offer to Purchase, Gazprombank will not send You a notification thereof. Moreover, the fact that such a message is not sent to You does not mean that Your Offer to Purchase is accepted (silence is not acceptance).

ATTENTION! ACCEPTANCE OF YOUR OFFER TO PURCHASE MEANS THAT A PRELIMINARY AGREEMENT (HEREINAFTER THE PRELIMINARY AGREEMENT) IS MADE BETWEEN YOU AND ISSUER, IN ACCORDANCE WITH WHICH YOU AND THE ISSUER UNDERTAKE TO ENTER INTO A MASTER AGREEMENT FOR SALE AND PURCHASE OF THE LISTED BONDS (HEREINAFTER THE MASTER AGREEMENT) AT THE DATE OF COMMENCEMENT OF PLACEMENT OF THE LISTED BONDS AS FOLLOWS: THE ISSUER SHALL SELL AND YOU SHALL BUY FROM THE ISSUER AND PAY FOR THE LISTED BONDS IN THE NUMBER AND FOR THE OFFERING PRICE AND WITH A COUPON RATE STIPULATED IN THE NOTIFICATION OF ACCEPTANCE. MOREOVER, THE NUMBER OF LISTED BONDS STIPULATED IN THE NOTIFICATION OF ACCEPTANCE SHALL DEPEND ON THE OFFERING PRICE, COUPON INTEREST RATE AND MARKET DEMAND FOR THE BONDS. YOUR OFFER TO PURCHASE CAN BE ACCEPTED IN FULL OR IN PART. IF YOUR OFFER TO PURCHASE IS ACCEPTED IN PART, THE PRELIMINARY AGREEMENT SHALL BE

DEEMED MADE ONLY IN RELATION TO THIS PART OF YOUR OFFER TO PURCHASE TO BE STIPULATED IN THE NOTIFICATION OF ACCEPTANCE.* THE PROCEDURE FOR ENTERING INTO THE MASTER AGREEMENT (PROCEDURE FOR PLACEMENT OF THE LISTED BONDS), DATE OF COMMENCEMENT OF PLACEMENT OF THE LISTED BONDS, OFFERING PRICE, COUPON RATE FOR THE LISTED BONDS AND PROCEDURE FOR SETTLEMENTS SHALL BE ESTABLISHED (DETERMINED) IN ACCORDANCE WITH THE ISSUE DOCUMENTS.

*The Notification of Acceptance shall stipulate the number of the Listed Bonds calculated based on the offering price and the relevant part of the amount stipulated in Your Offer to Purchase as the maximum amount that You are ready to pay for the purchased Listed Bonds.

This Notification, Offer to Purchase and Notification of Acceptance (if any) forms an integral part of the Preliminary Agreement.

All disputes relating to the entering into the Preliminary Agreement, its effect and performance shall be resolved in the Moscow Court of Arbitration.

If You accept the abovementioned conditions and procedure for participation in the placement of the Listed Bonds, You may email a copy of the Offer to Purchase to Gazprombank at BondsBook@gazprombank.ru, Semen.Odintsov@gazprombank.ru (to the attention of Semen Odintsov), with following obligatory sending of an original copy of the Offer to Purchase by courier to the office of Gazprombank to its address: 7 Koroviy Val str., Moscow 119049 (to the attention of Semen Odintsov).

Kind regards,

Joint Stock Company “Interregional distribution gird company of the South”

[IN THE INVESTOR’S FORM] (for legal entities)

Date:

To GPB Bank (JSC)

Mailing address:

7 Koroviy Val str., Moscow 119049
to the attention of Semen Odintsov).

E-mail: BondsBook@gazprombank.ru, Semen.Odintsov@gazprombank.ru

Fax:+7 (495) 983-17-63

Regarding: Participation in placement of listed bonds of Joint Stock Company “Interregional distribution gird company of the South”, series BO-01.

Dear Sir/Madam,

In accordance with the request (hereinafter the **Request**) for offers for entering into preliminary agreements, in accordance with which the investor and Joint Stock Company “Interregional distribution gird company of the South” undertake to enter at the date of commencement of placement of listed certified interest-bearing non-convertible bearer bonds series BO-01 with obligatory centralized storage with the maturity date on the 1 813th (one thousand eight hundred thirteenth) day from the date of commencement of placement of the listed bonds by public subscription under identification No. 4B02-01-34956-E dated 04.09.2014 (hereinafter the **Listed Bonds**), master agreements for sale and purchase of the Listed Bonds of Joint Stock Company “Interregional distribution gird company of the South” (hereinafter the **Issuer**), we send You this message.

Hereby, we confirm that we [stipulate Your full name] have read and understood the conditions set forth in the Request and Issue Documents and procedure for participation in placement of the Listed Bonds and settlements declare that we agree and ready to comply with such conditions and procedure.

Therefore, we hereby state that are ready to participate in placement of the Listed Bonds and offer to purchase the Listed Bonds from the Issuer under the following conditions:

Maximum amount that we are ready to pay for the purchased Listed Bonds (RUR)*	Minimum first coupon rate for the Listed Bonds to be applied for us to purchase the Listed Bonds for the abovementioned maximum amount
[please, specify]	[please, specify]

Please note that [please stipulate your broker’s name] (for Purchasers who work through a broker) shall be the Participant at MICEX stock exchange who submits requests for purchase of the Listed Bonds on our behalf.

This message is the Offer to Purchase, offer to enter into the Preliminary Agreement.

This Offer to Purchase shall be valid until 25 June 2015 (inclusive). If this Offer to Purchase is accepted, please, send us the Notification of Acceptance to the following details: for sending by courier: [specify the name of Your office (a registered address for an individual)], for sending by fax: [specify the fax number of Your office, fax number for an individual)], for sending by email: [stipulate the email address of the responsible employee of Your office (email for an individual)].

All terms used but not defined in this message shall be understood in the meaning assigned to the same in the Request.

Kind regards,

Name:

Position:

(if the person is acting by proxy, please specify the details of the document)

Stamp here

* This amount does not include expenses for the purchase of the Listed Bonds and settlements.

2.4. If the relevant event (action) is associated with or may have significant influence on the price of particular securities of the issuer, then the kind, category (type) or other identification characteristics of issuer's securities shall be specified: **listed non-convertible interest-bearing certified bearer bonds subject to mandatory deposit of series BO-01 by "IDGC of the South" JSC (identification number of issue 4B02-01-34956-E dated 04.09.2014);**

2.5. The date of the relevant event (action) if the relevant event occurs in respect of a third party (relevant action is taken by a third person) and the date when the issuer was informed on occurrence of such an event (taking the abovementioned action): **11 June 2015**

3. Signature

3.1. Deputy director in charge of corporate governance
(power of attorney #441-14 dated 31.12.2014).

signature)

O.V. Musinov

3.2. Date: 11 June 2015