

**Notice of material fact/Insired information disclosure, Information on Resolutions Adopted
by the Board of Directors of IDGC of the South, PJSC**

1. General information	
1.1. Full legal name of the Issuer:	Public Joint-Stock Company Interregional Distribution Grid Company of the South
1.2. Abbreviated legal name of the issuer:	IDGC of the South, PJSC
1.3. Location of the Issuer:	Rostov-on-Don, Russian Federation
1.4. OGRN (Primary State Registration Number) of the Issuer	1076164009096
1.5. OGRN (Primary State Registration Number) of the Issuer	6164266561
1.6. Unique issuer code assigned by the registering authority	34956-E
1.7. (address of the web page used by the issuer to disclose information)	http://www.mrsk-yuga.ru http://www.e-disclosure.ru/portal/company.aspx?id=11999
2. Message content	
<p>2.1. Quorum of the meeting of the Issuer's Board of Directors and voting results on decision-making issues: 11 out of 11 members of the Board of Directors took part in the meeting, the quorum is available.</p> <p>Voting results:</p> <p>item № 1 on the agenda: "In favor", 9 votes "Against", 0 votes "Abstained", 2 votes</p> <p>item № 2 on the agenda: "In favor", 11 votes "Against", 0 votes «ABSTAINED» - 0 votes;</p> <p>item № 3 on the agenda: "In favor", 9 votes "Against", 0 votes "Abstained", 2 votes</p>	
<p>On approval of the Issuer's internal documents/ Insider Information Disclosure on agenda item 1: On approval of the Regulation on corporate support to the employees of IDGC of the South PJSC branches in improving living conditions</p>	
<p>2.2.1 Content of the resolution adopted by the issuer's board of directors: to approve the Regulation on corporate support to the employees of IDGC of the South PJSC branches in improving living conditions in accordance with Annex 2 to the present Resolution of the Board of Directors of the Company</p>	
<p>Insider Information Disclosure on agenda item 2: On approval of the report on execution of business plan in relation to IDGC of the South Group for 1Q2017 free under RAS principles and consolidated under IFRS principles</p>	
<p>2.2.2 Content of the resolution adopted by the issuer's board of directors: to approve the report on implementation of the business plan in relation to IDGC of the South Group free under RAS principles and consolidated under IFRS principles for 1Q2017 in accordance with Annex 2 to the present Resolution of the Board of Directors of the Company</p>	

Disclosure of insider information on item No. 3: On pre-approval of the decision to close the transaction by the Company related to alienation of immovable property constituting fixed assets, the purpose of use of which is not production, transfer, dispatching, distribution of electric and heat power – non-residential premises with total area of 2 562,3 sq.m. located at 48 Pereulok Semashko, Leninskiy District, Rostov-on-Don, Rostov region

2.2.3 Content of the resolution adopted by the issuer's board of directors:

1. to approve the decision to close the transaction on the following material conditions:

- Composition of immovable property is given in Annex 3 to the present Resolution of the Board of Directors

as of 31.12.2016 the carrying (residual) value of immovable property being alienated is RUB3,046,219.40 (three million forty six thousand two hundred and twenty rubles 40 kopeks);

- the property is alienated by one lot in the public auction with involvement of the property disposal agent;

- Initial auction price is RUB86,270,000.00 (eighty six million two hundred seventy thousand ruble 00 kopeks) without VAT. It is determined based on report No. 103/1 prepared by the independent appraiser (BEAKON-ArsGor Company LLC)

- Procedure (term) of payment for property – prior to transfer of title to property within 15 (fifteen) business days from signing the sales contract by the parties – by way of transfer of funds by the Buyer to the Seller's current account

2. to ensure sale of property set forth in clause 1 of the present Resolution of the Board of Directors as and how determined by the Procedure for sale of non-core assets held by IDGC of the South PJSC approved by the resolution of the Board of Directors of IDGC of the South PJSC of 02.11.2016 (minutes No. 206/2016 of 07.11.2016)

2.3. Date of the meeting of the Issuer's Board of Directors, at which the respective resolutions were adopted: **July 07, 2017**

2.4. Date of drafting and number of the minutes of the meeting of the Issuer's Board of Directors, at which the respective resolutions were adopted: **July 10, 2017, minutes No. 239/2017.**

3. Signature

3.1. Head of Department
Corporate Secretary
(acting under Power of Attorney No 215-16 dd.
30.12.2016)

E. N. Pavlova

(Signature)

3.2. Date: July 10, 2017

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