

Corporate action statement/Disclosure of insider information

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

| 1. General information | |
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| 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, 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 BoD participated in the meeting; quorum is present. | |
| On item 1: | |
| “FOR” – 11 votes | |
| “AGAINST” – 0 votes | |
| “ABSTAINED” – 0 votes | |
| Disclosure of insider information on item 1: “On approval of report on implementation of the business-plan of IDGC of the South PJSC including the investment programme and information on main operational risks for 2016” | |
| 2.2.1 Content of decision: | |
| 1. To approve the report on implementation of the business-plan of IDGC of the South PJSC including the investment programme and information on main operational risks for 2016, in accordance with Annex 1 to the present resolution of the Company’s Board of Directors. | |

2. To note:

- the level of payment for electricity transmission services in 2016 – 96.5%.
- growth of the Company's accounts payable to FGC UES PJSC for electricity transmission services in the amount of 1 649.09 million rubles.

2.1 To instruct the sole executive body of the IDGC of the South PJSC to:

- ensure the settlement of the Company's accounts payable to FGC UES PJSC for electricity transmission services. Deadline: 01.07.2017.
- submit to the next internal meeting of the Board of Directors of the Company a programme of measures to achieve the planned level of electric energy losses by Astrakhanenergo, branch of IDGC of the South PJSC.

3. To note the information on the risks that have occurred by results of 2016 and their assessment in accordance with Annex 2 to the present resolution of the Company's Board of Directors.

3.1. To instruct the sole executive body of the IDGC of the South PJSC to:

- adjust the Action Plan for the management of key operational risks of the Company for 2017 in order to prevent their occurrence in future. To inform the authorized Committee under the Board of Directors of the Company on results of adjustment.
- take measures to establish the responsibility of the owners of risks in the event of deviation of the level of actual consequences of the implementation of key operational risks from the planned. To inform the authorized Committee under the Board of Directors of the Company on the taken measures.

2.3. Date of holding the meeting of Board of Directors: **24 March 2017.**

2.4. Date of drawing up and number of the minutes of meeting: **No. 224/2017 dated 27 March 2017**

3. Signature

3.1 Head of Department – Corporate Secretary
(attorney dd 30.12.2016 No.215-16)

_____ Pavlova Ye.N.
(signature)

3.2. Date 27 March 2017

