

## QUARTERLY REPORT

Interregional Distribution Grid Company of the South,  
Joint Stock Company  
Issuer's Code: 3 4 9 5 6 - E

for quarter III, 2012

Location: 49 Bolshaya Sadovaya St., Rostov-on-Don, Russian Federation, 344002

Information contained in this quarterly report is subject to disclosure in accordance with the legislation of the Russian Federation on securities

Deputy CEO of "IDGC of the South", JSC

Date: November 13, 2012

\_\_\_\_\_ Vashkevich V.F.  
signature

Chief Accountant of "IDGC of the South", JSC

Date: November 13, 2012

\_\_\_\_\_ Savin G. G.  
signature

Contact person: Kuznetsova Larisa Nikolaevna, Deputy Head of Section for Corporate Management and Reforming of "IDGC of the South" JSC

phone: (861) 279 85 54

Fax: (861) 279 85 54

E-mail: kuznecovaln@mrsk-yuga.ru

Internet website used by the issuer for the information disclosure: <http://www.mrsk-yuga.ru>

## Introduction

Basis for the Issuer's obligations to disclose information in the form of quarterly report:

The Issuer had the securities Prospectus registered;

State registration of the Issuer's securities issue (additional issue) was made along with the security Prospectus registration; therewith, such securities were placed by open subscription or by closed subscription in a group of persons not exceeding 500.

Full company name of the Issuer in Russian: **Открытое акционерное общество "Межрегиональная распределительная сетевая компания Юга"**, in English: **"Interregional Distribution Grid Company of the South", Open Joint Stock Company.**

Short company name of the Issuer in Russian: **ОАО "МРСК Юга"**, in English: **"IDGC of the South", JSC.**

The report contains additional information to be disclosed according to requirements of Regulations on Information Policy of Open Joint Stock Company "Interregional Distribution Grid Company of the South" approved by decision of Board of Directors of "IDGC of the South", JSC on 30.08.2007 (Minutes No.2/2007 dated 03.09.2007).

Complete text of Regulations on Information Policy of Open Joint Stock Company "Interregional Distribution Grid Company" can be reviewed at the Internet corporate website of "IDGC of the South", JSC at: <http://en.mrsk-yuga.ru/management/regulations/>

This quarterly report contains the estimates and forecasts of the authorized management authorities of the Issuer concerning future events and/or actions, prospects of development of the economy sector in which the Issuer carries out the ordinary activity, and results of the Issuer's activity, including plans of the Issuer, probability of occurrence of certain events and fulfillment of certain actions. Investors should not fully rely on estimates and forecasts of management authorities of the Issuer as actual results of the Issuer's activity in future can differ from those predicted for many reasons. Acquisition of securities by the Issuer is connected with risks described in the present quarterly report.

**I. Brief Data on the Persons Forming Management Authorities of the Issuer, Data on Bank Accounts, Auditor, Appraiser and Financial Adviser of the Issuer, as well as on Other Individuals Who Signed the Quarterly Report**

**1.1. Persons Forming Management Authorities of the Issuer**

List of Board of Directors of the Issuer:

Surname, first name, patronymic	Year of birth
Goncharov Valeriy Anatolievich (chairman)	1963
Arkhipov Sergey Aleksandrovich	1967
Branis Aleksandr Markovich	1977
Dyakov Fedor Aleksandrovich	1958
Katina Anna Yurievna	1982
Kuvaeva Valeriya Dmitrievna	1987
Osipov Aleksandr Mikhailovich	1969
Prokhorov Egor Vyacheslavovich	1982
Repin Igor Nikolaevich	1966
Filkin Roman Alekseevich	1983
Shevchyuk Aleksandr Viktorovich	1983

Sole Executive Body of the Issuer

Surname, first name, patronymic	Year of birth
Arkhipov Sergey Aleksandrovich	1967

The Structure of the Issuer's Collegiate Executive Body

Surname, first name, patronymic	Year of birth
Arkhipov Sergey Aleksandrovich till 08.10.2012 (chairperson)	1967
Akilin Pavel Evgenievich	1975
Alaev Timur Ulyumdzhievich	1971
Vashkevich Vladimir Frantishkovich	1972
Vosmirko Aleksandr Vladimirovich	1959
Goncharov Pavel Viktorovich	1966
Ivanov Vitaliy Valerievich	1970
Karpenko Vadim Vladimirovich	1959

Kuzhilin Aleksandr Vladimirovich	1969
Kalenyuk Yegor Vladimirovich	1970

## 1.2. Data on Bank Accounts of the Issuer

There are no changes during accounting period

## 1.3. Data on Auditor (Auditors) of the Issuer

Contains information about the auditor (auditors) who implements (implemented) an independent audit of accounting (financial) statements, as well as the consolidated accounts (consolidated financial statements) of the issuer, and (or) a group of organizations that are in relation to each other controlling and controlled entities or obligated make such statements on other grounds and in the manner prescribed by federal law, if at least one of these organizations is the issuer (hereinafter - consolidated Financial (consolidated financial statements) of the issuer), which is part of the quarterly report, based on agreement, and auditor (auditors) approved (selected) for the audit of the annual accounting (financial) statements of the issuer, including its consolidated accounting (consolidated financial statements), for the current and the last completed fiscal year.

Full company name: **Limited liability company “FinExpertiza”**

Location: building 1, 69 Mira St., Moscow, RF 129110

Postal address: post box 179, Moscow 129110

TIN: 7708096662

PSRN: 1027739127734

phone: +7 (495) 775 22 00

fax: +7 (495) 775 22 01

e-mail: [info@finexpertiza.ru](mailto:info@finexpertiza.ru)

Data on the auditor's membership in self-regulating organizations of auditors

Full company name: **Non-profit organization “Russian Audit Chamber”**

Location: **building 3, 3/9 3<sup>rd</sup> Syromyatnicheskiy lane, Moscow, Russia 105120**

Additional information:

**Phone/Fax: (495) 781-24-79 (multichannel), e-mail: [apr@aprussia.ru](mailto:apr@aprussia.ru)**

**Certificate dd. 31.07.2009, Principal Number of Registration Entry No. 4209**

Financial year(s) among the last five completed financial years and current financial year which the auditor carried out (will carry out) an annual

independent audit of financial (accounting) statements of the issuer

Accounting (financial) report, year	Aggregate accounting report, year	Consolidated accounting report, year
2011	2011	-

Periods among the last five completed financial years and current financial year which the auditor carried out (will carry out) an annual independent audit of financial (accounting) statements of the issuer

Accounting (financial) report, year	Aggregate accounting report, year	Consolidated accounting report, year
31.12.2011		

Factors that may influence the independence of the auditor from the issuer, including information on presence of significant interest between the auditor (auditor's officers) with the issuer (issuer's officials)

**Factors that may influence the independence of the auditor from the issuer, including information on presence of significant interest between the auditor (auditor's officers) with the issuer (issuer's officials) are absent**

#### Procedure for Selecting Auditor for the Issuer

Tender procedure connected with auditor selection and the main terms:

The auditor company is chosen based on the results of open contest held by the Company according to Regulations on the procedure of scheduled purchases of goods, works and services to satisfy the needs of "IDGC of the South", JSC (p.1.1.1, p.7.1.1) or by the Company's authorized entity based on the Agreement concluded. The Company's Auditor is approved by General Shareholders Meeting of the Company according to p.10 cl.10.2 of the Charter of "IDGC of the South", JSC.

For participation in the Competition, auditor organizations should meet the following requirements:

- not to be in the process of liquidation;
- not to have the judgment concerning suspension of operations in accordance with the procedure stipulated by the Code of the Russian Federation on Administrative Offences as of the date of consideration of the Application Form for participation in the Competition;

- not to have debts under the accrued taxes, duties and other obligatory payments to the budgets of any level or the state unappropriated funds as of the last calendar year the amount of which exceeds twenty five percent of the balance sheet asset of the participant according to the accounting reports as of the last completed accounting period. Participant of the order placement is considered to meet the requirement in case it appeals against the debt in accordance with the legislation of the Russian Federation, and the decision on the appeal is not taken as for the date of application for the Competition is not taken
- not to fall under terms enlisted in clause 1 of article 12 of the Federal Law “On the Auditor’s Activity”.

Procedure of nomination of the auditor for probation by the shareholders’ (participants’) meeting, including the responsible management authority, is specified as follows:

According to articles No.No.47, 48, 54 and 88 of the Federal Law on Joint Stock Companies; according to subclause 11 of cl.10.2 of article 10; cl.11.1 of article 11; cl.24.8 of article 24 of the Charter of “IDGC of the South”, JSC General Shareholders Meeting annually approves the Auditor Company for audit and check of annual financial statements of the Company.

Federal Law “On Joint Stock Companies” does not fix any date or terms of nominating candidate auditors for entering them in the voting list on the issue of approbation as the Company’s auditor. The given law also doesn’t delegate shareholders the authority to nominate the candidate auditor.

The Company’s Board of Directors Audit Committee’s terms of reference cover the selection of candidate auditors for the Company estimation of their qualification level, their work efficiency and their observation of independence, introduction of the auditor candidates for the Board of Directors consideration as well a conclusion making concerning auditor candidates introduced by the third persons.

In this connection, the candidate auditor for approbation at the annual general shareholders meeting is selected by the Board of Directors of the Company within the framework of solution of the issues of preparing and holding of the annual general shareholders meeting.

For the purpose of auditing financial statements and financial (accounting) reports for the year 2011 the Board of Directors of “IDGC of the South” JSC has recommended (Minutes No. 64/2011 dd. 29.04.2011) and appointed “FinExpertiza”, LLC as the auditor of the Company on June 15, 2011 by the decision of the Annual General Shareholders Meeting of the Company (Minutes No. 5 dd. June 17, 2011).

Information on the works conducted by the auditor with the frameworks of special auditor tasks:

such works were not conducted in the accounting period.

The procedure of Auditor remuneration estimation is described, including the actual remuneration amount paid to the Auditor by the Company according to the results of each of five last completed financial years ended with social audit of financial and accounting statements of the Issuer.

Amount of fee of the issuer's auditor is determined by the Issuer's Board of Directors according to clause 24.9 of the article 24 of the Charter of "IDGC of the South", JSC

Service cost and order of paying the auditor's fee are specified by the agreement concluded between the Company and the auditor.

The amount of payment for the auditors services rendered to "IDGC of the South", JSC as audit of Its 2011 financial statements (accounts) by "FinExpertiza" LLC, is determined by the decision of Board of Directors of "IDGC of the South", JSC as amounting to 2 000 005 (two million and five) rubles 60 kopecks, including 18% VAT (Minutes No. 69/2011 dd. 01.08.2011).

Actual amount of the fee paid by the Issuer to the auditor for each accounting year when independent audit of the Issuers financial statements and financial (accounting) reports was carried out by the auditor is as follows::

Auditor name	Financial year	Subject of Agreement	Remuneration amount (including VAT), rbs
"Fineart-Audit", LLC	2007	Carrying out audit of financial (accounting) reports of the Issuer	354 000
"Fineart-Audit", LLC	2008	Carrying out audit of financial (accounting) reports	9 763 910
"Nexia Pacioli" LLC	2009	Carrying out audit of financial (accounting) reports	2 973 600
"Auditinform" JSAF"	2010	Carrying out audit of financial (accounting) reports	2 600 000
"FinEXpertiza" LLC	2011	Carrying out audit of financial (accounting) reports	<b>2 000 005</b>

Provides information on deferred and delayed payments for audit services: the

issuer has deferred and / or delayed payments for services rendered by auditors.

Full company name: **Closed Joint-Stock Company “KPMG”**

Abbreviated name: **“KPMG” CJSC**

Location: Office 3035, 18/1 Olimpiyskiy avenue, Moscow, Russia 123110

TIN: **7702019950**

PSRN: **1027700125628**

phone: (495) 937-4477

fax: (495) 937-4400

e-mail: moscow@kpmg.ru

Data on participation of the auditor in self-regulatory organizations of auditors

Full name: Non-profit partnership "Auditor chamber of Russia"

Location: Building 3, 3/9 Third Syromyatnicheskiy lane, Moscow, Russia 105120

Additional Information:

Phone/fax: (495) 781-24-79

e-mail: apr@aprussia.ru

Certificate No. 255 dd. 28.12.2009, Principal Number of Registration Entry 10301000804

Financial year(s) among the last five completed financial years and current financial year which the auditor carried out (will carry out) an annual independent audit of financial (accounting) statements of the issuer

Accounting (financial) report, year	Aggregate accounting report, year	Consolidated ccounting report, year
2012		2012

Periods among the last five completed financial years and current financial year which the auditor carried out (will carry out) an annual independent audit of financial (accounting) statements of the issuer

Accounting (financial) report, year	Aggregate accounting report, year	Consolidated ccounting report, year
30.09.2012		31.12.2012

Factors that may influence the independence of the auditor from the issuer, including information on presence of significant interest between the auditor (auditor's officers) with the issuer (issuer's officials)



**Factors that may influence the independence of the auditor from the issuer, including information on presence of significant interest between the auditor (auditor's officers) with the issuer (issuer's officials) are absent**

#### Procedure for Selecting Auditor for the Issuer

Tender procedure connected with auditor selection and the main terms:

The auditor company is chosen based on the results of open contest held by the Company according to Regulations on the procedure of scheduled purchases of goods, works and services to satisfy the needs of “IDGC of the South”, JSC (p.1.1.1, p.7.1.1) or by the Company’s authorized entity based on the Agreement concluded. The Company’s Auditor is approved by General Shareholders Meeting of the Company according to p.11 cl.10.2 of the Charter of “IDGC of the South”, JSC.

For participation in the Competition, auditor organizations should meet the following requirements:

- not to be in the process of liquidation;
- not to have the judgment concerning suspension of operations in accordance with the procedure stipulated by the Code of the Russian Federation on Administrative Offences as of the date of consideration of the Application Form for participation in the Competition;
- not to have debts under the accrued taxes, duties and other obligatory payments to the budgets of any level or the state unappropriated funds as of the last calendar year the amount of which exceeds twenty five percent of the balance sheet asset of the participant according to the accounting reports as of the last completed accounting period. Participant of the order placement is considered to meet the requirement in case it appeals against the debt in accordance with the legislation of the Russian Federation, and the decision on the appeal is not taken as for the date of application for the Competition is not taken
- not to fall under terms enlisted in clause 1 of article 12 of the Federal Law “On the Auditor’s Activity”.

Procedure of nomination of the auditor for probation by the shareholders’ (participants’) meeting, including the responsible management authority, is specified as follows:

According to articles No.No.47, 48, 54 and 88 of the Federal Law on Joint Stock Companies; according to subclause 11 of cl.10.2 of article 10; cl.11.1 of article 11; cl.24.8 of article 24 of the Charter of “IDGC of the South”, JSC General Shareholders Meeting annually approves the Auditor Company for audit and check of annual financial statements of the Company.

Federal Law “On Joint Stock Companies” does not fix any date or terms of

nominating candidate auditors for entering them in the voting list on the issue of approbation as the Company's auditor. The given law also doesn't delegate shareholders the authority to nominate the candidate auditor.

The Company's Board of Directors Audit Committee's terms of reference cover the selection of candidate auditors for the Company estimation of their qualification level, their work efficiency and their observation of independence, introduction of the auditor candidates for the Board of Directors consideration as well a conclusion making concerning auditor candidates introduced by the third persons.

In this connection, the candidate auditor for approbation at the annual general shareholders meeting is selected by the Board of Directors of the Company within the framework of solution of the issues of preparing and holding of the annual general shareholders meeting.

For the purpose of auditing financial statements and financial (accounting) reports for the year 2012 the BoD of IDGC of the South JSC has recommended (minutes 87/2012 dd 05.05.2012) and appointed on June 18, 2012 by the decision of annual General meeting of shareholders (minutes 7 dd 21.06.2012) the auditor – "KMPG" CJSC.

Information on the works conducted by the auditor with the frameworks of special auditor tasks:

such works were not conducted in the accounting period.

The procedure of Auditor remuneration estimation is described, including the actual remuneration amount paid to the Auditor by the Company according to the results of each of five last completed financial years ended with social audit of financial and accounting statements of the Issuer.

Amount of fee of the issuer's auditor is determined by the Issuer's Board of Directors according to clause 24.9 of the article 24 of the Charter of "IDGC of the South", JSC

Amount of remuneration for the auditor's services rendered to "IDGC of the South" JSC by "KPMG" CJSC – on audit of the financial (accounting) statements of "IDGC of the South" JSC for 2012 (audited period from January 1, 2012 to December 31, 2012), prepared in accordance with RAS - determined by the Board of Directors of "IDGC of the South" JSC 23.08.2012 in the amount of 1 558 788 (one million five hundred fifty eight thousand seven hundred eighty eight) rubles including VAT (18%). (Minutes No. 94/2012 of 08.24.2012).

Information on deferred and overdue payments for auditor's services: the Issuer does not have deferred and/or overdue payments to the auditor

The auditor "FinExpertiza" LLC and "KMPG" CJSC, and the Issuer are (were) not involved in any close business relations. The Issuer did not extend any borrowings to abovementioned audit company (executives of the audit

company). The auditors “FinExpertiza” LLC and “KMPG” CJSC (its executives) do not have (did not have) any stakes in authorized capital of the Issuer. The Issuer’s executives do not simultaneously occupy positions as executives of the abovementioned auditor and they are not relatives of the auditor.

#### **1.4. Data on Appraiser of the Issuer**

The Issuer did not engage any appraisers.

#### **1.5. Data on Advisors of the Issuer**

The Issuer did not engage any advisors.

#### **1.6. Data on Other Individuals who Signed the Quarterly Report.**

There are no other individuals who signed the quarterly report.

## II. Basic Information on Financial and Economic Condition of the Issuer

### 2.1. Financial and Economic Performance Indicators of the Issuer

Performance indicators that characterize issuer's activity shown according to the accounting report

Standards (rules) used for making the accounting report – RAS (Russian Accounting Standards)

Unit of measurement for index of performance: rubles/employee

Indicator	2011, 9 months	2012, 9 months
Workforce productivity	132.09	138.69
Debt-to-equity ratio	1.47	1.79
Long-term debt to total sum of debt and equity ratio	0.49	0.53
Current ratio	0.03	2.82
Overdue debt, %	22.72	29.87

Analysis of the issuer's business activity on the basis of the abovementioned indicators:

The coefficient of work productivity for the comparability of the data is given for 1 month. During the 9 months of 2012 an average one person had 138.69 thousand rubles of revenue. The positive dynamic characterizes the increase in labor productivity, improvement of efficiency of human resource management.

The ratio of debt to equity ratio characterizes the proportion of borrowed funds and shows the extent of their use in the total amount of funds invested in the organization. Compared with 9 months 2011 this figure increased by 21.7%, which is due to an increase in accounts payable in the reporting period of 2012.

The ratio of long-term debt to total long-term debt and equity capital during 9 months of 2012 amounted to 0.53. It is considered as valid if the amount of long-term debt does not exceed the value of equity (i.e. the difference between current assets and short-term debt).

The index level of the current coverage of debt income (profit) describes how the sources have their own rubles per ruble liabilities, payable in the reporting period.

The level of outstanding debt is the proportion of time the outstanding accounts receivable in total obligations of the enterprise and as of 30.06.2012 it was 29.87%.

### **Indicators Additionally Disclosed in Accordance with Regulation Concerning Information Policy of "IDGC of the South"**

Dynamics of Indicators Forming Financial Result of the Company (in items of

ruble):

<b>indicators</b>	<b>2011, 9 months</b>	<b>2012, 9 months</b>
Sales proceeds	17 456 381	18 105 895
Cost value	14 852 320	15 094 546
Gross profit	2 604 061	3 011 349
Pretax profit	117 986	-27 548
Clear profit	-11 257	-88 402

Expenditure Structure (in items of rubles):

<b>indicators</b>	<b>2011, 9 months</b>	<b>2012, 9 months</b>
Tangible inputs	3 842 524	3 675 044
Power purchased	3 075 592	2 886 135
Power purchased for industrial and business needs	155 098	135 097
Raw materials	611 833	653 811
Industrial work and service	5 202 159	5 212 588
Labor cost expenditure	2 642 140	2 800 678
Single Social Tax	855 454	831 544
Non state pensionary insuring	0	0
Amortization	1 635 168	1 769 486
Other including	674 875	805 205
Foreign organizations service pay	228 994	314 446
Insurance pay	95 714	85 692
Taxes- and-dues	65 149	71 471
Cost of production and product sale	14 852 320	15 094 546

Cost behavior:

<b>Period</b>	<b>rubles</b>	<b>Growth rate, %</b>
9 months of 2011	14 852 320	101.6
9 months of 2012	15 094 545	

Cost escalation during 9 months of 2012, compared with 9 months of 2011 amounts 1.6%, is explained mostly by the implementation of Company's programme on financial recovery which in its turn leads to economy in expenditures.

Income growth (decline) rate:

<b>Period</b>	<b>rubles</b>	<b>Growth rate, %</b>
9 months of 2011	17 456 381	103.7
9 months of 2012	18 105 895	

Growth of revenues during 9 months of 2012, compared with 9 months of 2011 is insignificant and amounts to 3.7%

Efficiency indicators, %:

<b>indicators</b>	<b>9 months of 2011</b>	<b>9 months of 2012</b>
ROE, return on equity	-0,1	-0,5
ROA, return on assets	0,0	-0,2
ROTA, return on total assets	0,3	-0,1

The decreasing of performance indicators for 9 months of 2012 compared to the same period of last year due to lower net income from minus 11 257 thousand rubles for the 9 months of 2011 to minus 88 402 thousand rubles in the reporting period.

Structure of proceeds in business lines (in items of ruble):

<b>Name</b>	<b>9 months of 2011</b>	<b>9 months of 2012</b>
Total product (service) sales proceeds	17 456 381	18 105 895
Principal activity output (service)	17 391 248	18 052 759
Network service	17 291 072	17 996 070
Grid power supply service	16 868 800	17 391 760
Technical connection service	422 272	604 310
Other output (service) of principal activity	100 176	56 689
Output (services) of auxiliary activity	65 133	53 136

## **2.2. Market Capitalization of the Issuer**

Market capitalization is calculated by way of multiplying the corresponding category (class) shares amount by a share market price disclosed by Securities Market Maker and fixed in conformity with Order of fixing the market price of securities, cash price of securities as well as the limits of fluctuations of market prices of securities in purposes of Tax Code of RF approved by Order of Federal Market Service No. 10-65/ПЗ-Н dated 09.11.2010 (registered by Ministry of Justice of the Russian Federation on 29.11.2010, registration number 19062)

Unit of measurement: rubles.

<b>Indicator</b>	<b>2011</b>	<b>3<sup>rd</sup> quarter of 2012</b>
Market capitalization	3 283 547 452.53	2 610 599 544.71

Information on Securities Market Maker providing data for market capitalization calculation, and other additional information on securities public circulation at the Issuer's discretion:

Calculation of capitalization was performed on the basis of information provided by securities trade organizer - Closed joint stock company "Stock Exchange MICEX" (MICEX)

The information additionally disclosed by the issuer in accordance with the Regulation on Information Policy of "IDGC of the South, JSC

Information on market capitalization for the five financial years in accordance with the results of the auction each organizer of trade, which were admitted to trading shares of the Company:

Period		RTS (USD) (classical market)	RTS (RUB) stock market	MICEX (RUB)
Year	Quarter	Capitalization		
2008	III	567846495.00	11954663055.36	14011861322.80
	IV	99622192.00	8999370725.88	2485573693.59
2009	I	64754425.00	8703990926.22	2988665763.84
	II	214187713.10	8467886330.88	6062010390.98
	III	308828796.00	6724497969.00	10530065707.90
	IV	293885467.0	9090026920.72	8866375099.39
2010	I	318791015.0	8886797648.78	10405537967.7
	II	273961028.0	8866375099.39	7949850931.81
	III	273961028.0	8965997292.00	8183963083.31
	IV	288904357.0	8970978401.0	8831507332.14
2011	I	249055480.0	7471664410.0	6929221573.46
	II	219168823.0	7471664410.0	5879701779.39
	III	219168823.0	7471664410.0	4 049 642 110.0
	IV	174338836.0	3735832205.0	3283547452.53
2012	I	-	-	3332362326.68
	II	-	-	2626539095.45
	III			2 610 599 544,71

The Company's shares were admitted to trading on OJSC "RTS" to 19.12.2011 (date of reorganization of OJSC "RTS")

## 2.3. Obligations of the Issuer

### 2.3.1. Accounts Payable

Structure of Issuer's borrowings

#### 9 months of 2012

In items of rbs

Long-term borrowings	15 312 900
including:	
Credits	10 442 322
Loans, except bonded loans	312 900
bonded loans	4 557 678

Short-term borrowings	2 438 515
including:	
Credits	2 405 126
Loans, except bonded loans	33 389
bonded loans	0
Total amount of overdue loan debt	0
including:	
credits	0
Loans, except bonded loans	0
bonded loans	0

#### Accounts payable

unit of measurement: thousand rubles

Total for accounts payable	11 282 394
overdue	3 370 540
including	
Payable to budget and state off-budget funds	89 974
overdue	0
payable to suppliers and contractors	4 539 273
overdue	2 020 634
payable to staff	188 326
overdue	0
other	6 464 821
overdue	1 349 906

If there are overdue accounts payable, including credit contracts or loan contracts, as well as Issuer's debt securities (bonds, notes and others), causes of non-fulfilment and consequences following or likely to follow as resulting from the abovementioned credit default, including sanctions imposed on the Issuer and terms (approximate terms) of overdue accounts payable satisfaction shall be specified as follows:

Overdue accounts payable of "IDGC of the South" JSC as of 30.09.2012 amounted to 29.87% of the total amount payable.

The main consequence of default by the issuer's creditors could reclaim arrears in court in accordance with the provisions of the Civil Code. However, in order to minimize the risks of on-demand accounts payable through the court is working on pre-trial settlement of disputes and the possible restructuring of existing debt.

Its obligations to credit organizations the Company performs in a timely manner and in full volume.



## Creditors Accounting for at Least 10 % of the Total Payables

Full company name: "Federal Grid Company of Unified Energy System" Open Joint-Stock Company

Short company name: "UES FGC" JSC

Location: Moscow

TIN: 4716016979

RCBIC: 1024701893336

Amount of accounts payable, rbs: 2 905 757

Amount and terms of overdue accounts payable (rate per cent, fines and penalty fees): The issuer has no arrears to "UES FGC" OJSC as of 30.09.2012

The creditor is not an affiliate of the Issuer.

### 2.3.2. Credit History of the Issuer.

Issuer's performance of obligations on credit and/ or loan agreements valid in the course of the last 5 completed financial years or for each completed financial year if the Issuer has been operating less than 5 years, and on current agreements as of the end date of the accounting quarter, with principal debt amount of at least 5 percent of the Issuer's balance sheet assets as of the last completed reporting quarter date preceding the corresponding agreement date, and on other credit and/ or loan agreements essential for the Issuer.

<b>Type and identification characteristics of liability</b>	
<b>1. Revolving line of credit, Credit agreements No. 180/7, No. 180/8, No. 180/9 dd. 17.10.2011</b>	
<b>Terms of liability and information of its fulfilling</b>	
Full company name	Astrakhan branch No. 8625 of open joint stock company Sberbank of Russia
Sum of debt as of the moment of creation of obligations, RUR	2 400 000 RUR X 1000
Sum of debt as of the end of reporting quarter, RUR	2 400 000 RUR X 1000
Credit (loan) period, years	1
Average interest rate, % per annum	8,9
Number of interest (coupon) periods	-
Overdue on interest payments	No
Planned credit payment period	17.10.2012
Actual credit payment period	current
Other information on obligations specified by the	no

issuer	
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<b>Type and identification characteristics of liability</b>	
<b>2. Debenture issue, series 02, placing through “MICEX Stock Exchange” CJSC</b>	
<b>Terms of liability and information of its fulfilling</b>	
Full company name	Purchasers of securities
Sum of debt as of the moment of creation of obligations, RUR	6 000 000 RUR X 1000
Sum of debt as of the end of reporting quarter, RUR	4557678 RUR X 1000
Credit (loan) period, years	5
Average interest rate, % per annum	8,1
Number of interest (coupon) periods	<b>10 coupon periods 182 days each</b>
Overdue on interest payments	no
Planned credit payment period	26.08.2014
Actual credit payment period	26.08.2014
Other information on obligations specified by the issuer	no

**During the last completed financial year the issuer had bonded loan of series 02 placed via MICEX CJSC.**

Sum of debt as of the moment of creation of obligations: **6 000 000 thousand rubles**

Sum of debt as of the end of reporting quarter: **4 557 678 thousand rubles**

Credit (loan) period, years: **5**

Average interest rate, % per annum: **8.1**

Number of interest (coupon) periods: **10 coupon periods 182 days each**

Overdue on interest payments: **no**

Planned credit payment period: **26.08.2014**

Actual credit payment period: **26.08.2014.**

### **2.3.3. The Issuer’s Obligations from Collateral Furnished to Third Parties**

Absent

### **2.3.4. Other Obligations of the Issuer**

Other obligations, which were not shown in the balance sheet and seriously

influence financial status of the Issuer, its cash position sources of financing and terms of their use performance of the Issuer, are absent.

#### **2.4. Risks Connected with Purchase of Equity Securities Placed or in the Process of Placement.**

No changes has occurred in the regarding this paragraph

### **III. Detailed Information on the Issuer**

#### **3.1. Incorporation History and Development of the Issuer**

##### **3.1.1. Data on Company Name (Name) of the Issuer**

Full company name of the Issuer: Open Joint Stock Company: Открытое акционерное общество "Межрегиональная распределительная сетевая компания Юга" (Open Joint Stock Company "Interregional Distribution Grid Company of the South")

Date of introducing the current company name: **28.06.2007**

Short company name of the Issuer: ОАО "МРСК Юга" ("IDGC of the South", JSC)

Date of introducing the current company short name: **28.06.2007**

The Issuer's name is similar to those of other legal bodies – interregional distribution grid companies established in the reforming process of the electric power complex of Russia, including:

- Open Joint Stock Company "Interregional Distribution Grid Company of the Centre and Volga Region" ("IDGC of the Centre and Volga Region", JSC);
- Open Joint Stock Company "Interregional Distribution Grid Company of Urals" ("IDGC of Urals", JSC);
- Open Joint Stock Company "Interregional Distribution Grid Company of Volga" ("IDGC of Volga", JSC);
- Open Joint Stock Company "Interregional Distribution Grid Company of Centre" ("IDGC of Centre", JSC);
- Open Joint Stock Company "Interregional Distribution Grid Company of the Northern Caucasus" ("IDGC of the Northern Caucasus", JSC);
- Open Joint Stock Company "Interregional Distribution Grid Company of Siberia" ("IDGC of Siberia", JSC);
- Open Joint Stock Company "Interregional Distribution Grid Company of the Northwest" ("IDGC of the Northwest", JSC).

In order not to confuse the names, special attention must be given to the contents of the full and short names of these entities specifying the regions of their location – the Centre, the Centre and Volga region, Urals, Volga, the Northern Caucasus, Siberia, the Northwest.

All previous company names of the Issuer throughout the Company's lifetime: the Issuer's company name has not changed throughout the Company's lifetime.

### **3.1.2. Data on State Registration of the Issuer**

Primary State Registration Number of juridical entity: 1076164009096

Date of registration: 28.06.2007

Name of registering authority: Federal Tax Service Office in Leninskiy district, Rostov-on-Don

### **3.1.3. Data on the Issuer's Incorporation and Development**

No changes has occurred regarding this paragraph

### **3.1.4. Contact Information**

Location: 49 Bolshaya Sadovaya st., Rostov-on-Don, Russia, 344002

Location of permanent executive body

49 Bolshaya Sadovaya st, Rostov-on-Don, Russia, 344002

Postal address

327 Severnaya st, Krasnodar, Russian Federation, 350015

Telephone: (861)279-88-08

Fax: (861)279-88-09

E-mail: office@mrsk-yuga.ru

Internet website address (addresses) for information disclosure on the Issuer, the securities issued and/ or in the process of issuance: www.mrsk-yuga.ru.

Name of the Issuer's specialized division for shareholders and investors: Securities and shareholders division of the Corporate Management Department of "IDGC of the South", JSC.

Location of the division: Room 627, 327 Severnaya st, Krasnodar, Russian Federation, 350015

Telephone: (861)279-85-38

Fax: (861)279-85-86

E-mail: yurchenkoai@mrsk-yuga.ru

Internet website address: www.mrsk-yuga.ru

### **3.1.5. Taxpayer Identification Number**

6164266561

### **3.1.6. Branches and Regional Offices of the Issuer**

There were not any changes in the composition of branches and representative offices in the accounting quarter.

### 3.2. Ordinary Economic Activity of the Issuer

#### 3.2.1. Company's Industry of the Issuer

Major industry of the issuer according to Russian National Classifier of Economic Activities: 40.10.2

OKVED codes
40.10.3
40.10.5
74.14
74.15.2
64.20.11
40.10.3

#### 3.2.2. Principal Business Activity of the Issuer

Types of business activity (types of activity, types of goods (works, services)), providing not less than 10% of the Issuer's proceeds (income) for the accounting period

In items of thousand rbs

goods (works, services): Electricity transmission in grids

indicator	2011, 9 months	2012, 9 months
Volume of proceeds (income) of the type of business activity	16 868 800	17 391 760
Share of proceeds volume in the type of activity related to the total volume of the proceeds (income) of the Issuer, %	96.6	96.1

Change of proceeds volume of the Issuer from its principal business activity accounts for 10% in comparison with the correspondent reported period: no changes

#### Data on Electricity Transmission Tariffs and Charge for Technical Connection to Distribution Grids

In 2012 uniform ("boiler") method of making rate of transport services is in force in the territory of all RF entities within liability area of "IDGC of the South" JSC. A distinction of the method is in the fact that electricity is

transmitted to absolutely all consumers of one and the same voltage class as per uniform tariff, irrespective of the type of company the grid of which they are connected to.

In accordance with paragraph 2 of the Order issued by the RF Government on December 29, 2011 No. 1178 “On the pricing of regulated prices (tariffs) in the power industry” the single (boiler) tariffs for electricity transmission are fixed by the executive authorities of the Russian Federation in the sphere of state regulation of tariffs for the period from January 1, 2012 to June 30, 2012 at a level not exceeding the amount specified for the above prices (tariffs) in 2011 in accordance with p. 9 of Decree of the Government of the Russian Federation dd. December 27, 2010 No. 1172.

Thus, pursuant to Resolution of the RF Government dated December 29, 2011 No. 1178 the single (boiler) tariffs for the transmission of electrical energy in 2012 are set by semester, with periods:

from 1 January 2012 to June 30, 2012;

July 1, 2012 December 31, 2012.

#### “Astrakhanenergo” Branch of “IDGC of the South” JSC

“Boiler” model acting in the region – “upper boiler”. The holder of the “boiler” is “Astrakhanenergo” branch “IDGC of the South” JSC. “Astrakhanenergo” branch of “IDGC of the South” JSC brings under control the whole grid Indispensable Gross Receipt of the four power selling companies (hereinafter – PSC) of the region as per “boiler” tariffs and pays traffic through local grid organizations’ grids (hereinafter – LGO) as per individual tariffs. All the consumers of transport services pay “Astrakhanenergo” branch of “IDGC of the South” JSC as per flat-rate tariffs.

“Boiler” tariffs for 2012 are calculated by return on invested capital method (RAB method) and determined by the Decree of Tariff Service of Astrakhan region dd. May 30, 2012, No. 71 .

#### “Volgogradenergo” Branch of “IDGC of the South” JSC

In 2012 “mixed boiler” pattern of settling was introduced in the region, “Volgogradenergo” branch of “IDGC of the South” JSC being the boiler holder. “Volgogradenergo” branch of “IDGC of the South” JSC receives revenue from transport service consumers as per boiler and flat-rate tariffs (from “Volgogradoblelektro” JSC, “Volgograd Interdistrict Electric Grids” Municipal Unitary Manufacturing Enterprise, “Volzhskie Interdistrict Electric Grids” Municipal Fiscal Enterprise). Transport service consumers pay “Volgogradenergo” branch of “IDGC of the South” JSC as per two-part tariffs and flat-rate tariffs.

“Boiler” tariffs for the 1<sup>st</sup> half year of 2012 are calculated by long-term indexation method and approved by Resolution of Regional Tariffs Service of

Volgograd region No. 54/1 dd. 23.12.2011, for the 2<sup>nd</sup> half of 2012 - the decision of the Ministry of Fuel, Energy and tariff regulation of the Volgograd region on July 18, 2012 No. 3/1. Individual tariffs for mutual settlement of accounts between “Volgogradenergo” branch of “IDGC of the South” JSC and “Volgogradoblelektro” JSC, “Volgograd Inter-District Electric Grids” Municipal Unitary Manufacturing Enterprise, “Volzhskie Inter-District Electric Grids” Municipal Fiscal Enterprise are approved by Resolution of Regional Tariffs Service: for the 2<sup>st</sup> half of the year – the decree No.54/1 dd. 23.12.2011, for the 2<sup>nd</sup> half – the decree No.21/4 dd May 31, 2012.

#### Kalmenergo” Branch of “IDGC of the South” JSC

“Boiler from Below” pattern of settling is used in the region. “Kalmenergo” branch of “IDGC of the South” JSC makes up its revenue according to “boiler” tariffs for productive supply of consumers of “Kalmenergosbyt” JSC connected to grids of “Kalmenergo” branch of “IDGC of the South” JSC and at residential rates of output of the grid of “Kalmenergo” branch of “IDGC of the South” JSC to grids of Territorial Grid Companies. Transport service consumers settle with “Kalmenergo” branch of “IDGC of the South” JSC as per flat-rate tariffs.

“Boiler” tariffs and residential rates for 2012 have been calculated by return on invested capital method (RAB method) and are approved by Order of Regional Tariffs Service of Republic of Kalmykia No. 65/п/э dated 31.05.2012.

#### “Rostovenergo” branch of “IDGC of the South” JSC

“Two Boilers” pattern of settling is used in the region. There are two big grid companies in the region which are “boiler” holders: “Rostovenergo” branch of “IDGC of the South” JSC and “Donenergo” JSC. “Rostovenergo” branch of “IDGC of the South” JSC collects its share of the grid “boiler” from all Power Supply Companies as per “boiler” tariffs and at residential rates - from “Donenergo” JSC. The company shares part of its grid receipt with its subordinate Territorial Grid Companies at residential rates. “Donenergo” JSC collects its share of the grid boiler from “Donenergosbyt” LLC, “Energosbyt Rostovenergo” JSC as per boiler tariffs and shares the revenue with “Rostovenergo” branch of “IDGC of the South” JSC and the subordinate Territorial Grid Companies at residential rates. Transport service consumers settle with “Rostovenergo” branch of “IDGC of the South” JSC as per two-part tariffs and flat-rate tariffs.

“Boiler” tariffs for 2012 were calculated by return on invested capital method (RAB method) and approved by Resolution of Regional Tariffs Service of Rostov region No. 31/1 dated 28.12.2011.. Residential rates for settling between “Rostovenergo” branch of “IDGC of the South” JSC and “Donenergo” JSC are approved by Resolution of Regional Tariffs Service of Rostov region: for the 1<sup>st</sup> half of the year – the resolution No.31/2 dd December 28, 2011, for the 2<sup>nd</sup> half

– the resolution No.14/9 dated May 31, 2012.

**Transmission Tariff Menu for the period of July 1, 2012 to December 31, 2012**

Unified (Boiler) Transport Service Tariffs for 01.07.2012-31.12.2012					
No., date of tariff design/consumer group		Two-part tariff			Flat-rate tariff (rbs/MW*h)
		Rate of electric grid maintenance (rbs/MWmonth)	Rate of payment for electric energy losses in grids (rbs/MW*h)		
<b>“IDGC of the South” JSC</b>					
<b>“Astrakhanenergo”</b>					
1	Resolution of tariffs service of Astrakhan region No. 71 dd. 30.05.2012 (source of publication: “Collection of Laws and Regulatory Legal Acts of Astrakhan Region”, No. 25 dd. 07.06.2012)	HV	188 597,22	407,80	680,12
		MV1	246 590,80	394,28	883,03
		MV2	524 698,54	314,51	1 421,33
		LV	787 027,09	622,35	2 012,91
		LV for households and consumer categories equated	-	-	1 272,69
<b>“Volgogradenergo”</b>					
2	Order of Regional Tariffs Board at Administration of Volgograd region dd 23.12.2011 No.54/1 (published at “Volgogradskaya pravda” newspaper, No. 25, 07.06.2012)	other consumers			
		HV	640 042,55	63,58	923,58
		MV1	780 482,06	112,25	1 285,14
		MV2	1 055 370,15	244,90	2 123,52
		LV	1 062 712,66	802,94	3 235,28
		Urban population	-	975,87	975,87
		Consumers considered as population	-	975,87	975,87
		Rural population	-	297,90	297,90
		Urban population with electric cooker	-	297,90	297,90
<b>“Kalmenergo”</b>					
3	Order of Regional Tariffs Service at Kalmykiya	other consumers			
		HV	724 412,67	114,05	1 939,54



	Republic dd 31.05.2012 No.65-п/э (published at "Khalmg Unn" newspaper No.93-94 dd. 02.06.2012)	MV1	940 114,61	225,39	2 594,44
		MV2	1 138 214,10	360,05	2 749,84
		LV	1 391 618,35	576,80	3 537,94
		Population	-	-	1 287,64
<b>"Rostovenergo"</b>					
4	Order of Regional Tariffs Service at Rostov region dd 31.05.2012 No. 14/8 (published at "Nashe Vremya" newspaper dated 21.06.2012 No. 319-322)	other consumers			
		HV	546 869,10	697,46	1 664,20
		MV1	576 742,60	767,17	1 828,99
		MV2	841 850,10	801,78	1 842,08
		LV	1 090 599,20	809,32	2 330,07
		Population	-	-	1 348,54

Residential Transport Service Rates for Mutual Settlements between Regional Distribution Companies and Allied Grid Companies for the period of 01.07.2012-31.12.2012

No.	No. and date of tariff design adoption	Name of entity	Two-part tariff		Flat-rate tariff
			Rate of maintenance	Rate of electric energy losses payment	
			rbs/MWmo	rbs/MWh	Rbs/MWh
<b>"IDGC of the South" JSC</b>					
<b>"Volgogradenergo"</b>					
1	Resolution of Regional Tariffs Department at Administration of Volgograd region No. 21/4 dd. 31.05.2012 (source publication: "Volgogradskaya Pravda" No.107, dd. 20.06.2012)	"Volgogradoblelectro" JSC	0,00	99,79	99,79
		"Volgograd Interdistrict Electric Grids" Municipal Unitary Operational Enterprise	202 368,19	183,45	703,11
		"Volzhskie Interdistrict Electric Grids" Municipal Fiscal Enterprise	121 883,43	334,82	541,61
		"Oboronenergo", JSC	838 850,26	563,59	2 474,51
		Branch of "VgAZ" – "SUAL" JSC	840 898,70	59,37	1393,93

"Kalmenergo"					
2	Order of Regional Tariffs Service of Kalmykia Republic No. 65-п/э. Dd. 31.05.2012 (published in "Khalmg Ynn" newspaper No. 93-94 dd 02.06.2012	"KalmEnergoKom" JSC	412 909,847	274,260	1 213,449
		"Oktyabrsky Transenergo" LLC	357 310,309	258,710	1 116,428
		"Multi-Industry Production Association of Communal Services at Iki-Burulsky Rural Municipality of Republic of Kalmykia" Municipal Unitary Enterprise	299 619,424	382,892	1 107,465
		"Gazpromenergo" LLC	978 237,120	357,826	2 506,745
		"Russian Railways" JSC	471 437,918	313,123	1 336,557
"Rostovenergo"					
3	Resolution of Regional Tariffs Service of Rostov Region No. 14/9 dd 31.05.2012	"Donenergo" JSC	69 793,770	0,231	144,434

### Technological Connection Tariff Menu for 2012 (from 01.07.2012)

Date of tariff design adoption	Connection category		In items of	Payment rate
	Power range, kW	Connection point voltage level, kV		
"Volgogradenergo" branch of "IDGC of the South" JSC				
Resolution of Regional Tariffs Department of Volgograd Region No. 19/2 dd 23.05.2012 (source publication: Volgogradskaya Pravda"	For connecting consumer power receivers to the extent technically feasible			
	under 100 kW	0,4	rbs/kW	337,21
	above 100 kW	0,4	rbs/kW	87,88
	under 100 kW	6-10	rbs/kW	337,21
	above 100 kW	6-10	rbs/kW	87,88
	For connecting consumer power receivers in absence of feasibility over the need for the construction of new electric grid facilities connecting operating facilities and newly connected power receivers and (or) power facilities			

No. 99, dd. 06.06.2012)	under 100 kW	0,4	rbs/kW	9 068,87
	above 100 kW	0,4	rbs/kW	9 068,87
	under 100 kW	6-10	rbs/kW	9 068,87
	above 100 kW	6-10	rbs/kW	9 068,87
	For applicants with maximum connected power not exceeding 15 kW	-	for the connection	466,1
<b>“Kalmenergo” branch of “IDGC of the South” JSC</b>				
Order of RST of Kalmykia Republic dd. 23.01.2012 No. 12-П/э (Order placed on the official web-site of RST of Kalmykia republic)	At the level of the voltage below 35 kV for applicants with connected capacity of more than 15 kW and 637.5 kW inclusive and for applicants with connected capacity of 15 kW, provided the excess distance from the border area of the Applicant to transmission facilities network organization of more than 300 m in cities and towns and more than 500 m in rural areas	Under 35 kV	rbs/MW	7 392,62
	Standardized tariff rates for the grid connection to the distribution network of the branch (in 2001 prices), at voltages below 35 kV for applicants with connected capacity of more than 15 kW and 637.5 kW inclusive and for applicants with connected capacity of 15 kW, with provided excess distance from lot Applicant to transmission facilities network organization of more than 300 m in cities and towns and more than 500 m in rural areas			
	Rate to cover the costs for technological connection to the activities do not include the construction and rehabilitation of transmission facilities, total, including:	Under 35 kV	rbs/MW	<b>88 862.72</b>
	Preparation of technical specifications and their coordination by network organization	Under 35 kV	rbs/MW	28 069.56
	Accomplish the technical conditions (excluding the investment component)	Under 35 kV	rbs/MW	8 309.32
	Checking of the network organization to technical concerns	Under 35 kV	rbs/MW	24 042.32
	Participation of grid company in revision (examination) of	under 35 kV	rbs/MW	1 386.92

	connected devices by the federal body of executive power in charge of technological supervision			
	Connection by the grid company of the facilities of the applicant and switching the commutation machine	under 35 kV	rbs/km	27 054,61
	Rate on covering expenses at technological connection, precisely for covering expenses for construction and modernization of overhead lines	LV	rbs/km	215 125,00
		MV2		268 750,00
	Rate on covering expenses at technological connection, precisely for covering expenses for construction and modernization of cable lines	LV		-
		MV2	-	-
	Rate on covering expenses at technological connection, precisely for covering expenses for construction and modernization of substations	LV		313 313,75
		MV2	rbs/km	313 313,75
Order of Regional Tariffs Service of Republic of Kalmykia No. 11-п/э dd. 23.01.2012. (Published on the official website of Regional Tariffs	For applicants with maximum power not exceeding 15 kW (with allowance for power previously connected to this connection point) and distance between the Applicant's lot lines and the electric grid facility of "Kalmenergo" branch of "IDGC of the South" JSC not exceeding 300 m in	0,4-10 kV		466,1

Service of Republic of Kalmykia)	town and 500 m in rural environment			
“Rostovenergo” branch of “IDGC of the South” JSC				
Resolution of Regional Tariffs Service of Rostov Region No. 30/10 dd 27.12.2011 (source publication of original version: “Our Time” newspaper, No. 14-17, 24.01.2012)	Standardized tariff rates of payment for technological connection to distribution grids of the branch (prices of 2001)			
	Rate of covering expenses of technological connection exclusive of construction and overhaul of electric grid facilities, total, including:	-	rbs/MW	180 128,62
	preparing technical requirements by grid company and approving them by system operator	-	rbs/MW	73 976,34
	grid company’s verification of meeting technical requirements by the applicant.	-	rbs/MW	46 206,29
	Participation of the grid company in checking up devices under the connection by an official of federal executive body in charge of technological supervision, involving owner of the devices	-	rbs/MW	-
	Actual connection of the applicant’s facilities to electric grids and switching device by the grid company	-	rbs/MW	59 945,99

Rate of covering expenses of technological connection in the part of expenditures for construction and overhaul of OHTL	LV	Rbs/km	282 513,00
	MV2		384 817,00
Rate of covering expenses of technological connection in the part of expenditures for construction and overhaul of cable power lines	LV	Rbs/km	291 225,00
	MV2		527 796,00
Rate of covering expenses of technological connection in the part of expenditures for construction and overhaul of substations, including:	-	-	-
Construction of main substations, 35 kV and above substations	-	rbs/line	-
Construction of package transformer substations, Distribution Transformer Substations of under 35 kV voltage class	LV	rbs/line	121 527,00
	MV2		-
Construction and overhaul of sectioning switches, electrical distribution points, switchgears, switching equipment (cubicles, chutes, panels and circuit breakers)	LV	rbs/line	141 000,10
	MV2		141 000,10

	Setting up electricity metering	LV	rbs/line	13 919,36
		MV2		13 919,36
	Set up of telemetering (telecontrol)	LV	rbs/line	5 806,25
		MV2		5 806,25
	Setting up Relay protection and emergency control equipment, linkage, capacitance current compensation	LV	rbs/line	17 464,37
		MV2		17 464,37
	For legal entities and nonprofit organizations as applicants to supply electricity to citizens who are members of the organization and settle according to general exit charge register	-	for the connection	N*466,1
	For individuals and legal entities in order to consume electric energy for public living needs, with connected power not exceeding 15 kW	-	for the connection	466,1

Branch of "IDGC of the South" JSC – "Astrakhanenergo"				
Resolution of Tariff Service of the Astrakhan region dd 19.06.2012 No. 77. (Source of Ordinance Publication, "Collection of laws and regulations of the Astrakhan region", No. 28, dd 21.06.2012)	Rates of payment for technological connection without investment component			
	To supply the applicant by electricity who needs electric power up to 15 kW inclusive, provided that the distance from the lot lines of the applicant to transmission facilities necessary to the applicant-voltage network organization, which has applied for more than 300 meters in cities and towns and more than 500 meters in a rural are, total	HH	rubles./ kW	613,52
		CH2		
	Preparation and issue of technical specifications (TS) and their coordination by network organization	HH	rubles./ kW	207,52
		CH2		
	Development of project documentation by the network organization	HH	rubles./ kW	0
CH2				

Performing of technical conditions by network organization	HH	rubles./ kW	0
	CH2		
Check by grid organization of implementation of technical conditions by applicant	HH	rubles./ kW	127,18
	CH2		
Participation in inspection by officer attached to RTN power receivers	HH	rubles./ kW	0
	CH2		
The actual actions on connection and ensure the operation of devices in the electrical network	HH	rubles./ kW	278,82
	CH2		
To supply the applicant by electricity who needs electric power more than 15 kW to 100 kW, total	HH	rubles./ kW	<b>112,52</b>
	CH2		
Preparation and issue of technical specifications (TS) and their coordination by network organization	HH	rubles./ kW	41,38
	CH2		35,76
Development of project documentation by the network organization	HH	rubles./ kW	0
	CH2		
Performing of technical conditions by network organization	HH	rubles./ kW	0
	CH2		
Check by grid organization of implementation of technical conditions by applicant	HH	rubles./ kW	22,29
	CH2		19,26
Participation in inspection by officer attached to RTN power receivers	HH	rubles./ kW	0
	CH2		0
The actual actions on connection and ensure the operation of devices in the electrical network	HH	rubles./ kW	48,86
	CH2		42,22
To supply the applicant by electricity who needs electric power more than 100 kW to 637.5 kW, total	HH	rubles./ kW	<b>22,03</b>
	CH2		<b>19,61</b>
Preparation and issue of technical specifications (TS) and their coordination by network organization	HH	rubles./ kW	7,50
	CH2		6,68
Development of project documentation by the network organization	HH	rubles./ kW	0
	CH2		0
Performing of technical conditions by network organization	HH	rubles./ kW	0
	CH2		0
Check by grid organization of implementation of technical conditions by applicant	HH	rubles./ kW	3,87
	CH2		3,44
Participation in inspection by officer attached to RTN power receivers	HH	rubles./ kW	2,18
	CH2		1,94
The actual actions on connection and ensure the operation of devices in the electrical network	HH	rubles./ kW	8,47
	CH2		7,55



To supply the applicant by electricity who needs electric power more than 637.5 kW, total	HH	rubles./ kW	<b>8,93</b>
	CH2		
Preparation and issue of technical specifications (TS) and their coordination by network organization	HH	rubles./ kW	3,64
	CH2		
Development of project documentation by the network organization	HH	rubles./ kW	0
	CH2		
Performing of technical conditions by network organization	HH	rubles./ kW	0
	CH2		
Check by grid organization of implementation of technical conditions by applicant	HH	rubles./ kW	1,22
	CH2		
Participation in inspection by officer attached to RTN power receivers	HH	rubles./ kW	1,38
	CH2		
The actual actions on connection and ensure the operation of devices in the electrical network	HH	rubles./ kW	2,68
	CH2		
<b>Standardized tariff rate to cover the cost for grid connection of power receivers electricity consumers, transmission facilities owned by network organizations and other persons, excluding the construction and reconstruction of transmission facilities (at basic prices in 2001)</b>			
Standardized flat rate fee for joining the applicants to 15 kW, provided that the distance from the border area of the applicant to transmission facilities necessary to the applicant-voltage network organization, which has applied for more than 300 meters in cities and towns and more than 500 meters in rural areas (C 1)	HH	rubles./MW	<b>112 366</b>
	CH2		
Preparation and issue of technical specifications (TS) and their coordination by network organization	HH	rubles./MW	38 007
Development of project documentation by the network organization	CH2	rubles./MW	0
	HH		
Performing of technical conditions by network organization	CH2	rubles./MW	0
	HH		
Check by grid organization of implementation of technical conditions by applicant	CH2	rubles./MW	23 293
	HH		
Participation in inspection by officer attached to RTN power receivers	CH2	rubles./MW	0
	HH		
The actual actions on connection and ensure the operation of devices in the electrical network	CH2	rubles./MW	51 066
	HH		
Standardized flat rate fee for joining the applicants from 15 kW to 100 kW (C1)	CH2	rubles./MW	<b>20 609</b>
	HH		
Preparation and issue of technical specifications (TS) and their coordination by network organization	CH2	rubles./MW	7 579
	HH		
Development of project documentation by the network organization	CH2	rubles./MW	0
	HH		
Performing of technical conditions by network	HH	rubles./MW	0

organization	CH2		
Check by grid organization of implementation of technical conditions by applicant	HH	rubles./MW	4 082
	CH2		3 527
Participation in inspection by officer attached to RTN power receivers	HH	rubles./MW	0
	CH2		
The actual actions on connection and ensure the operation of devices in the electrical network	HH	rubles./MW	8 948
	CH2		7 733
Standardized flat rate fee for joining the applicants from 100 kW to 637.5 kW (C1)	HH	rubles./MW	<b>4 034</b>
	CH2		<b>3 592</b>
Preparation and issue of technical specifications (TS) and their coordination by network organization	HH	rubles./MW	1 374
	CH2		1 224
Development of project documentation by the network organization	HH	rubles./MW	0
	CH2		
Performing of technical conditions by network organization	HH	rubles./MW	0
	CH2		
Check by grid organization of implementation of technical conditions by applicant	HH	rubles./MW	708
	CH2		630
Participation in inspection by officer attached to RTN power receivers	HH	rubles./MW	399,9
	CH2		356,1
The actual actions on connection and ensure the operation of devices in the electrical network	HH	rubles./MW	1 552
	CH2		1 382
Standardized flat rate fee for joining the applicants more than 637.5 kW (C1)	HH	rubles./MW	<b>1 636</b>
	CH2		
Preparation and issue of technical specifications (TS) and their coordination by network organization	HH	rubles./MW	667
	CH2		
Development of project documentation by the network organization	HH	rubles./MW	0
	CH2		
Performing of technical conditions by network organization	HH	rubles./MW	0
	CH2		
Check by grid organization of implementation of technical conditions by applicant	HH	rubles./MW	224
	CH2		
Participation in inspection by officer attached to RTN power receivers	HH	rubles./MW	253,3
	CH2		
The actual actions on connection and ensure the operation of devices in the electrical network	HH	rubles./MW	491
	CH2		
<b>Standardized tariff rate for the cost of construction and reconstruction of transmission facilities with technological connection of power receivers consumers of electric energy of electric farms belonging to network organizations and other persons of costs of construction and reconstruction of overhead power lines</b>			
Construction of 1 km of overhead power lines to connect	HH	Rubles/km	204 235

applicants to 15 kW, provided that the distance from the area border of the applicant to transmission facilities of necessary to the applicant-voltage network organization, which has applied for more than 300 meters in cities and towns and more than 500 meters in rural areas (C2)	CH2	Rubles/km	281 993
Construction of 1 km of overhead power lines to connect applicants from 15 to 100 kW inclusive (C2)	HH	Rubles/km	228 220
	CH2	Rubles/km	281 993
Construction of 1 km of overhead power lines to connect applicants from 100 to 637.5 kW inclusive (C2)	HH	Rubles/km	231 141*
	CH2	Rubles/km	293 265
Construction of 1 km of overhead power lines to connect applicants more than 637.5 kW (C2)	HH	Rubles/km	231 141*
	CH2	Rubles/km	293 265*
<b>Standardized tariff rate for the cost of construction and reconstruction of transmission facilities with technological connection of power receivers consumers of electric energy of electric farms belonging to network organizations and other persons of costs of construction and reconstruction of cable lines power</b>			
Construction of 1 km of overhead power lines to connect applicants to 15 kW, provided that the distance from the area border of the applicant to transmission facilities of necessary to the applicant-voltage network organization, which has applied for more than 300 meters in cities and towns and more than 500 meters in rural areas (C2)	HH	Rubles/km	183 210
	CH2	Rubles/km	238 916
Construction of 1 km of overhead power lines to connect applicants from 15 to 100 kW inclusive (C3)	HH	Rubles/km	187 971
	CH2	Rubles/km	254 652
Construction of 1 km of overhead power lines to connect applicants from 100 to 637.5 kW inclusive (C3)	HH	Rubles/km	252 471
	CH2	Rubles/km	268 331
Construction of 1 km of overhead power lines to connect applicants more than 637.5 kW (C3)	HH	Rubles/km	311 407**
	CH2	Rubles/km	610 068**
<b>Standardized tariff rate for the cost of construction and reconstruction of transmission facilities with technological connection of power receivers consumers of electric energy of electric farms belonging to network organizations and other persons of costs of construction and reconstruction of substations</b>			
Construction of one substation to connect applicants to 15 kW, provided that the distance from the border area of the applicant to transmission facilities necessary to the applicant-voltage network organization, which has applied for more than 300 meters in cities and towns and more than 500 meters in rural areas (C4)	HH	Rubles/line	53 863
	CH2		
Construction of one substation to connect applicants from 15 to 100 kW (C4)	HH	Rubles/line	79 163
	CH2		
Construction of one substation to connect applicants from 100 to 637.5 kW (C4)	HH	Rubles/line	366 896
	CH2		
Construction of one substation to connect applicants more than 637.5 kW (C4)	HH	Rubles/line	498 115***
	CH2		
Construction of distribution unit to connect applicants from 15 to 100 kW inclusive (C4)	HH	Rubles/line	1 241 044
	CH2		
Construction of one sectionalization unit to connect applicants from 100 to 637.5 kW (C4)	HH	Rubles/unit	229 000
	CH2		

	Construction of one sectionalization unit to connect applicants from 637.5 to 8500 kW (C4)	HH	Rubles/unit	229 000
		CH2		
	The applicant for a grid connection - legal entity - a nonprofit organization for the supply of electricity to citizens - members of the organization, is calculated on public calculator on the input provided by each member joining this organization not more than 15 kW	-	For connection	N*466,1
	Applicant who put in an order for technological connection of power devices, the maximum connected load not exceeding 15 kW, provided that the distance from the border area of the applicant to transmission facilities necessary to the applicant-voltage network organization, in which the application is no more than 300 meters in cities and towns and 500 meters in rural areas	-	For connection	466,1

N\* - number of members (subscribers) of the organization provided joining by every member of the organization up to 15 kW.

\*- Because the maximum cross section produced electrical conductors is limited, laying power lines is performed by several lines, split the total load of the consumer for various power receivers. In this connection, the application of standardized rates as the "basic" cross-section made of one conductor 95 mm<sup>2</sup>, in calculating payment for technological connection, the bet must be multiplied by the required number of power lines cross section 95mm<sup>2</sup>

\*\* - Because the maximum cross section produced electrical conductors is limited, laying power lines is performed by several lines, split the total load of the consumer for various power receivers. In this connection, the application of standardized rates as the "basic" cross-section made of one conductor 240 mm<sup>2</sup>, in calculating payment for technological connection, the bet must be multiplied by the required number of power lines 240 mm<sup>2</sup>

\*\*\* - Because the maximum cross section of produced electrical conductors is limited selection of transformer substations is based on the location of the electrical installations of the applicant (centers of activity). In this connection, the application of standardized rates, as "basic" face value of transformer denomination adopted 1000kVA, which is often used in Astrakhan due to small dimensions, the calculation of the amount of payment for technological connection to the bet multiplied by the required number of transformers 1000 kVA.

### **Total capacity and specification for IDGC of the south assets (data on substations and power lines) as of 30.09.2012**

Item	Unit of measurement	Total	Astrakhanenergo	Volgogradenergo	Kalmenergo	Rostovenergo
<b>Amount and capacity of 35-220 kV substations, total</b>	<b>pieces</b>	<b>1 218</b>	<b>136</b>	<b>396</b>	<b>117</b>	<b>569</b>
	<b>MVA</b>	<b>18 542</b>	<b>2 128</b>	<b>6 557</b>	<b>1 112</b>	<b>8 744</b>
including 220 kV substations	pieces	4	0	2	2	0
	MVA	516	0	126	390	0
110 kV substations	pieces	638	90	260	46	242
	MVA	14 751	1 765	5 636	512	6 838
35 kV substations	pieces	576	46	134	69	327
	MVA	3 275	364	795	210	1 906
<b>Length of overhead lines, всего</b>	<b>km</b>	<b>155 505</b>	<b>18 993</b>	<b>44 937</b>	<b>19 122</b>	<b>72 453</b>

Length of 35-220 kV overhead lines	km	27 632	3 023	8 896	4 156	11 557
including 220 kV overhead lines	km	386	0	141	245	0
110 kV overhead lines	km	15 602	2 354	5 933	1 957	5 358
35 kV overhead lines	km	11 644	669	2 822	1 954	6 199
Length of 0.38-10 kV overhead lines	km	127 876	15 971	36 042	14 967	60 896
including 10 kV overhead lines	km	72 393	9 261	21 174	11 937	30 021
6 kV overhead lines	km	3 795	1 053	900	24	1 818
0,38 kV overhead lines	km	51 687	5 656	13 968	3 006	29 057
<b>Length of cable lines, total</b>	<b>km</b>	<b>1 973</b>	<b>1 037</b>	<b>428</b>	<b>1</b>	<b>507</b>
including 110-35 kV cable lines	km	87	2	0	0	85
10-0.38 kV cable lines	km	1 886	1 035	428	1	422
Amount and capacity of transformer substations, distribution substations 6.10/0.38 kV	pieces	30 430	3 446	9 973	3 142	13 866
	MVA	5 006	877	1 842	306	1 981

### Data on energy transmission in 2011 and the 3<sup>rd</sup> quarter of 2012:

Branch names of "IDGC of the South", JSC	Grid output	Productive supply	General power loss	
	kWh in thousands	kWh in mln	kWh in mln	%
3 <sup>rd</sup> quarter of 2012				
"Astrakhanenergo"	898,714	774,464	124,250	13,825
"Volgogradenergo"	2 660,520	2 570,482	90,038	3,384
"Kalmenergo"	105,938	88,341	17,597	16,610
"Rostovenergo"	3 142,583	2 946,778	195,805	6,231
<b>TOTAL in "IDGC of the South", JSC</b>	<b>6 807,755</b>	<b>6 380,066</b>	<b>427,689</b>	<b>6,282</b>

Note: Grid output – electric power volume delivered to the electric grid of the grid company

delivered from other grids or electric power producers; productive supply - electric power volume consumed by power receivers of the User connected to this grid along with electric power transmitted by other grid companies; power loss – difference between power grid output and productive supply.

By the results of IDGC of the South activity in the 3<sup>rd</sup> quarter of 2012 the grid output was 6 807.755 million kW\*h, where the productive supply was 6 380.066 million kW\*h.

Actual losses in the 3<sup>rd</sup> quarter of 2012 were 427.689 million kW\*h or 6.282 %.

### Services Performed:

	Indicator	Measurement units	plan	actual	Deviations, %
<b>3<sup>rd</sup> quarter of 2012</b>					
<b>1</b>	<b>Services performed, including:</b>	<b>mln kWh</b>	<b>6 304,098</b>	<b>6 339,184</b>	<b>0,56</b>
	“Astrakhanenergo”	mln kWh	820,528	770,835	-6,06
	“Volgogradenergo”	mln kWh	2 512,431	2 578,008	2,61
	“Kalmenergo”	mln kWh	89,873	88,341	-1,70
	“Rostovenergo”	mln kWh	2 881,266	2 902,001	0,72
<b>2</b>	<b>Revenue, including:</b>	<b>mln rbs</b>	<b>5 527,791</b>	<b>5 695,072</b>	<b>3,03</b>
	“Astrakhanenergo”	mln rbs	962,273	878,708	-8,68
	“Volgogradenergo”	mln rbs	1 888,707	1 901,387	0,67
	“Kalmenergo”	mln rbs	143,525	138,181	-3,72
	“Rostovenergo”	mln rbs	2 533,286	2 776,795	9,61

Actual volume of rendered services on transmission of electric energy amounted to 6 339,184 million kW\*h in the 3<sup>rd</sup> quarter of 2012, which is 35.09 million kW\*h or 0.56% more than the planned indicator. The revenue from the rendered services was 5 695.072 million rubles, VAT excluded.

### Data on Technological Connection of Consumers to Electric Grids (Inclusive of Generation)

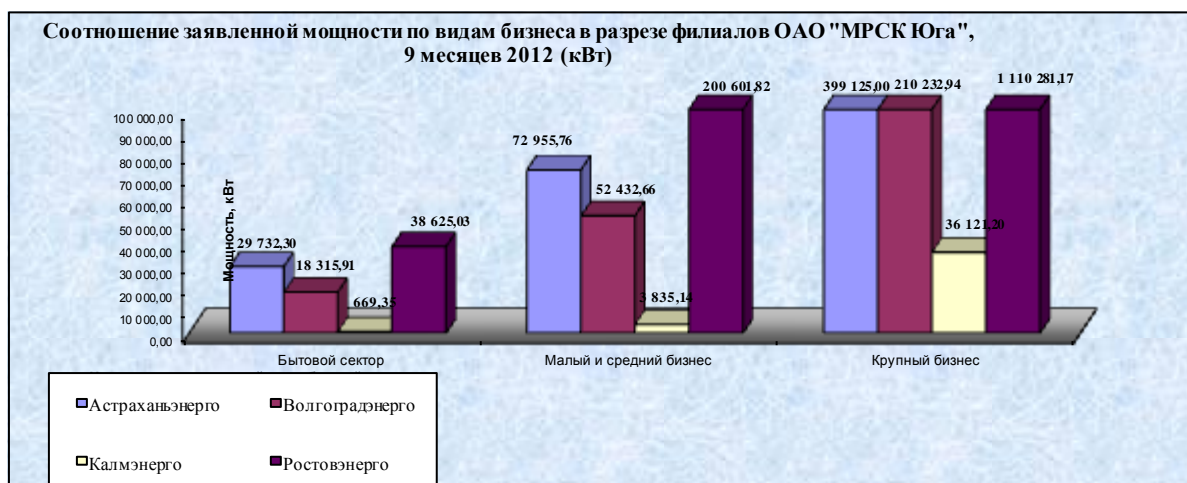
For 9 months of 2012, there were 19 356 applications for technological connection accepted. Consumers applied for technological connection to electric grids of branches of “IDGC of the South”, JSC: “Astrakhanenergo”, “Volgogradenergo”, “Rostovenergo” and “Kalmenergo”; total power applied for amounted to 2 172 928 kW. There were 12 024 contracts for technological connection concluded; total power of the contracts amounted to 602 915 kW.

There were 10 835 connections made; total power of them equaled 242 250 kW.

Branches of IDGC of the South JSC	Applications accepted, pcs.	Total power, kW	Contracts concluded, pcs	Total power, kW	Connections made	Total power, kW
Astrakhanenergo	5 672	501 813,06	4 036	314 337,28	3 360	69 970,64
Volgogradenergo	2 971	280 981,51	2 257	96 202,97	2 394	52 980,22
Kalmenergo	237	40 625,69	179	2 708,32	221	2 979,18
Rostovenergo	10 476	1 349 508,02	5 552	189 665,93	4 860	116 320,05
<b>Total in IDGC of the South JSC</b>	<b>19 356</b>	<b>2 172 928,28</b>	<b>12 024</b>	<b>602 914,50</b>	<b>10 835</b>	<b>242 250,08</b>

### Structure of Applications in Terms of Business Types

Consumer category type	Amount of applications for technological connection (in process)									
	Astrakhanenergo		Volgogradenergo		Kalmenergo		Rostovenergo		IDGC of the South JSC	
	pcs	total power applied for (N), kW	pcs	total power applied for (N), kW	pcs	total power applied for (N), kW	pcs	total power applied for (N), kW	pcs	total power applied for (N), kW
Domestic household	4 310	29 732,30	1 818	18 315,91	124,00	669,35	3 868,00	38 625,03	10 120	87 342,59
Small and medium enterprises	1 308	72 955,76	1 048	52 432,66	111,00	3 835,14	5 984,00	200 601,82	8 451	329 825,37
Large scale business	54	399 125,00	105	210 232,94	2,00	36 121,20	624,00	1 110 281,17	785	1 755 760,31
<b>TOTAL</b>	<b>5 672</b>	<b>501 813,06</b>	<b>2 971</b>	<b>280 981,51</b>	<b>237,00</b>	<b>40 625,69</b>	<b>10 476,00</b>	<b>1 349 508,02</b>	<b>19 356</b>	<b>2 172 928,28</b>



### Quarterly Operation and Financial Results Forecast

Repair-and-maintenance programmes of branches of “IDGC of the South”, JSC shall be implemented according to approved work plans and schedules for the fourth quarter of 2012.

According to business-plan for the fourth quarter of 2012, the following costs are planned for repair activities:

Branches of “IDGC of the South”, JSC	repair of own property, total, thous. rbs	Incl. overhaul, rubles in thousands	Including current repair, thous. rbs
“Astrakhanenergo”	25 740	21 259	4 481
“Volgogradenergo”	18 205	15 731	2 474
“Kalmenergo”	3 560	3 263	297
“Rostovenergo”	15 959	15 002	957
“IDGC of the South”, JSC, total	<b>63 464</b>	<b>55 255</b>	<b>8 209</b>

The expected revenue volume from transmission, the basic activity, shall amount to 6 207 451 thous. rbs in the 4<sup>th</sup> quarter of 2012; expected self-cost is 5 928 736 thous. rbs.

Total amount of revenue expected in the 4<sup>th</sup> quarter is 7 511 614 thous. rbs, expected costs are 6 366 127 thous. rbs.

Seasonal Character of the Issuer’s Principal Economic Activity



Principal economic activity of the Issuer is not regarded as seasonal.

### General Structure of the Issuer's Expenses

Indicator	2012, 9 months.
Store,%	4.3
Purchased components and intermediates, %	0
Works and production, maintenance and delivery services performed by external agencies, %	34.5
Fuel, %	1
Power, %	20
Labour costs, %	18.6
Interest on credits, %	0
Quasi rent, %	0.5
Fringe benefit expenses,%	5.5
Capital consumption,%	11.7
Taxes released to production costs,%	0.5
Miscellaneous expenses (to be accounted for)	
Intangible assets depreciation, %	0
remuneration for rationalization proposal, %	0
Obligatory insurance paymentes, %	0.6
hospitality expenditures, %	0
other, %	2.8
Costs of production and selling (of works, services) (self-cost), %	100
For reference only: product (works, service) proceeding, %	119.95

New Essential Types of Products (Works, Services), Offered by the Issuer on its Principal Activity Market to the Extent Matching Common Information Concerning such Products (Works and Services)

New essential types of products (works, services) are absent.

Standards (Regulations) for the Financial Statements to Comply with and Settlements covered by this item of the quarterly report to be Performed

- Federal Law "On Accounting" No. 129-Φ3 dd. November 21, 1996 ;

- Regulation on Accounting Records and Preparation of Accounting Statements of Russian Federation, approved by Order of Russian Ministry of Finance No. 34H dated 29.07.1998;
- Tax Code of the Russian Federation;
- Chart of Accounts, approved by Order of Russian Ministry of Finance No. 94H dd. 31.10.2000 and Its Application Sheet as amended;
- Order of Russian Ministry of Finance “On Forms of Financial Statements in Organizations” No. 66H dated 02.07.2010;
- Accounting and Taxation Standard.

### 3.2.3 Materials, Goods (Raw Materials) and Suppliers of the Issuer

#### 9 months of 2012

Suppliers of the Issuer sharing not less than 10% of all the materials and goods (raw materials) supplied:

Full company name: **Closed joint stock company “Novelties and business in power industry”**

Location: **1 Zavodskaya str., Yuzhnouralsk, Chelyabinskaya oblast., 457040**

TIN: **7424022191**

PSRN: **1057436009531**

Part in the total volume of supplies, %: **23.02**

Full company name: **Closed joint stock company “Transtekhhkomplekt”**

Location: **11 Krasnokazarmenniy lane, Moscow 111250**

TIN: **7722524310**

PSRN: **1047796662374**

Part in the total volume of supplies, %: **11.36**

Data on Change in Prices for More than 10% of Basic Materials and Goods (Raw Materials) during the Accounting Period as Compared with Corresponding Accounting Period of the Previous Year:

	<b>Goods</b>	<b>Change in price (in %)</b>	<b>notes</b>
1	Cable A 50	24,19%	increase
2	Lineal glass insulators	23,90%	increase
3	Cable A 35	23,37%	increase
4	Self-supporting insulated wire	22,78%	increase
5	Cable AC 120/19	21,68%	increase

6	Current transformers up to 20 kV	18,10%	increase
7	Cable fittings	14,0%	increase
8	Network reinforced concrete	11,7%	increase
9	Circuit breaker	10,47%	increase
10	Support polymer insulator	5,85%	increase
11	Cable AC 70/11	-1,64%	reduce
12	Cable AC 35/6,2	-1,99%	reduce
13	Cable AC 50/8,0	-1,99%	reduce
14	Lineal-binding fitting	-8,19%	reduce
15	Safety device	-17,18%	reduce

Share of import in materials and goods supply, import sources availability forecast and potential alternative sources:

There is no import supply.

### 3.2.4. Commodity Markets of Products (Works, Services) of the Issuer

Basic Markets of the Issuer's Operation:

“IDGC of the South” JSC brings together distribution grid complexes of 4 constituent entities of the Russian Federation: Republic of Kalmykia, Astrakhan region, Volgograd region and Rostov region.

Issuer's ordinary activity is rendering services of electric power transmission and technological connection of power receivers (electric power installations) owned by legal persons and individuals to electric power grids.

The Issuer carries out Its ordinary activity in conditions of natural monopoly, state regulated as to setting tariffs for rendering services of electric power transmission and technological connection of the customers to the electric grid. With regard to growing demand for electric power in the configuration areas, the Issuer pays special attention to development, restructuring and enhancing transmission capacity of the electric grid facilities, expecting increase in electric power transmission service volumes.

Electric power transmission services provided by the branches of “IDGC of the South”, JSC are consumed by participants of wholesale and retail electric power markets. According to accounting data of quarter III of 2012, 8 guarantee suppliers, 29 independent power supply companies, 84 “direct” consumers and 8 associated grid entities were registered.

### Share of market of services of energy transmission to end-users of IDGC of the South grids in the 3<sup>rd</sup> quarter of 2012

Branch of IDGC of the South JSC, total	Share of market, %
--	--------------------

“Astrakhanenergo”	97.1%
“Volgogradenergo”	27.3%
“Kalmenergo”	50.8%
“Rostovenergo”	27.4%
<b>“IDGC of the South”, JSC, total</b>	<b>36.2%</b>

Factors of Possible Negative Impact on the Issuer’s Product (Works, Services)  
Sales and Probable Actions of the Issuer on Mitigation of Such Impact:

As part of the issuer’s services on electricity transmission there might be reduction in the amount of such services by reducing the energy consumption of existing enterprises (manufacturing recession).

A situation in which the appear and grow significant risks of reliability of electricity supply and the threat of a reliable and stable operation of the power system due to overload of transmission lines and transformers in normal and post-accident conditions. The situation is also complicated due to the wear of power equipment.

The most significant factors affecting the issuer and its results, we should note the changes in the legislation of the Russian Federation in the industry, the regulatory activities of the network companies in the process of joining.

This increase in the privileged category of applicants, the application of long-term deferred payment on contracts for technological connection in accordance with the current legislation in sphere of grid connection. To fulfill its obligations to the privileged category of applicants for contracts for technological connection a network organization is forced to raise additional loans, pay interest on borrowed loans.

### 3.2.5. Data on the Issuer’ Licenses

License issuing authority: Subsurface Management Department in Volgograd region

License number: **БЛГ № 01548 БЭ**

Type of activity (activities): Abstraction of underground water for domestic and industrial needs, watering planted land of Voroshilovskiy district

Date of issue: **05.05.1993**

Valid until: **01.01.2032**

License issuing authority: Subsurface Management Department in Volgograd region

License number: **БЛГ № 01550 БЭ**

Type of activity (activities): Abstraction of underground water for domestic and industrial needs, watering planted land of “Danilovka” Substation

Date of issue: **26.05.2008**

Valid until: **01.01.2034**

License issuing authority: Volgograd Area Office for Subsurface Use

License number: **БЛГ № 01540 БЭ**

Type of activity (activities): Extraction of underground water for domestic and industrial needs, irrigation of green spaces at Log worker’s settlement, Ilovlibnskiy district Date of issue: **16.05.2008**

Valid until: **01.01.2033**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

License number: **PCT 01958**

Type of activity (activities): Extraction of groundwater for process water supply of industrial facility from the hole in Novokuznetsov hamlet, Milyutinsky district of Rostov region

Date of issue: **29.12.2008**

Valid until: **30.09.2012**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

License number: **PCT 01952**

Type of activity (activities): Extraction of underground drinking waters for process water supply of the industrial facility from the hole in Volgodonsk, Rostov region

Date of issue: **29.12.2008**

Valid until: **28.12.2013**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

License number: **PCT 01962**

Type of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Kalitvenskaya village, Kamenskiy district of Rostov region

Date of issue: **29.12.2008**

Valid until: **31.10.2012**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

Number: **PCT 01957**

Name of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Staraya Stanitsa hamlet, Kamenskiy district of Rostov region

Date of issue: **29.12.2008**

Valid until: **30.09.2012**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

Number: **PCT 01961**

Name of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Golubinka hamlet, Belokalitvinsky district of Rostov region

Date of issue: **29.12.2008**

Valid until: **31.10.2012**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

Number: **PCT 01960**

Name of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Kolushkino hamlet, Tarasovsky district of Rostov region

Date of issue: **29.12.2008**

Valid until: **30.09.2012**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

Number: **PCT 01959**

Name of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Tatsinskaya village, Tatsinsky district of Rostov region

Date of issue: **29.12.2008**

Valid until: **30.09.2012**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

License number: **PCT 02227 BЭ**

Type of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Zavetnoye village, Zavetinskiy district, Rostov region

Date of issue: **05.10.2010**

Valid until: **04.10.2030**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

License number: **PCT 02228 BЭ**

Type of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Volgodonsk, Rostov region

Date of issue: **05.10.2010**

Valid until: **04.10.2030**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

License number: **PCT 02327 BЭ**

Type of activity (activities) Extraction of technical groundwater for process water supply of the industrial facility from the hole in Bolshaya Martynovka village, Martynovskiy district

Date of issue: **21.01.2011**

Valid until: **20.01.2031**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

License number: **PCT 02414 BЭ**

Type of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Klyuchnikova Balka village, Neklinovskiy district, Rostov region

Date of issue: **21.04.2011**

Valid until: **20.04.2031**

License issuing authority: Federal Agency for Subsoil Use, Department of Mineral Resources of the Southern Federal District

License number: **PCT 02024 BЭ**

Type of activity (activities): Extraction of technical groundwater for process water supply of the industrial facility from the hole in Veshenskaya village, Sholokhovskiy district, Rostov region

Date of issue: **01.07.2009**

Valid until: **30.06.2029**

License issuing authority: Federal Service for Environmental, Technological and Nuclear Supervision

License number: **БП-29-001130**

Type of activity (activities): Operation and maintenance of explosion and fire hazardous facilities

Date of issue: **15.01.2010**

Valid until: **15.01.2015**

License issuing authority: “Energostroy” NPO, Self-Regulatory Organization

License number: **№ 0265.03-2011-6164266561-C-060**

Type of activity (activities): Admission to a particular kind or kinds of works that have (has) an impact on the security of capital construction projects

Date of issue: **21.11.2011**

Valid until:

Perpetual licence

License issuing authority: “Energoproekt” NPO, Self-Regulatory Organization

License number: **П-0251-02-2010-0262**

Type of activity (activities): Admission to a particular kind or kinds of works that have (has) an impact on the security of capital construction projects

Date of issue: **22.07.2011**

Valid until:

Perpetual licence

License issuing authority: Federal Service for Supervision in the Sphere of Communications, Information Technology and Mass Communications

License number: **68956**

Type of activity (activities): Providing services on communication channels lease in Rostov Area

Date of issue: **06.08.2009**

Valid until: **06.08.2014**

License issuing authority: Federal Service for Supervision in the Sphere of Communications, Information Technology and Mass Communications

License number: **68957**

Type of activity (activities): Providing services on communication channels lease in Volgograd Area

Date of issue: **06.08.2009**

Valid until: **06.08.2014**



License issuing authority: Federal Service for Supervision in the Sphere of Communications, Information Technology and Mass Communications

License number: **68958**

Type of activity (activities): Providing services on communication channels lease in Rostov region

Date of issue: **06.08.2009**

Valid until: **06.08.2014**

License issuing authority: **RF Federal Security Service in Krasnodar region**

License number: **№ 911**

Type of activity (activities): **License for activities that include usage of information constituting state secret, classified documents of executive office of IDGC of the South JSC**

Date of issue: **01.07.2010**

Valid until: **01.07.2015**

License issuing authority: **RF Federal Security Service in Krasnodar region**

License number: **№ 911/1**

Type of activity (activities): **License for activities that include usage of information constituting state secret, classified documents of executive office of Rostovenergo**

Date of issue: **01.07.2010**

Valid until: **01.07.2015**

License issuing authority: **RF Federal Security Service in Krasnodar region**

License number: **№ 911/2**

Type of activity (activities): **License for activities that include usage of information constituting state secret, classified documents of executive office of Volgogradenergo**

Date of issue: **01.07.2010**

Valid until: **01.07.2015**

License issuing authority: **RF Federal Security Service in Krasnodar region**

License number: **№ 911/3**

Type of activity (activities): **License for activities that include usage of information constituting state secret, classified documents of executive office of Kalmenergo**

Date of issue: **01.07.2010**

Valid until: **01.07.2015**

License issuing authority: **RF Federal Security Service in Krasnodar region**

License number: № 911/4

Type of activity (activities): **License for activities that include usage of information constituting state secret, classified documents of executive office of Astrakhanenergo**

Date of issue: **01.07.2010**

Valid until: **01.07.2015**

License issuing authority: **RF Federal Security Service in Krasnodar region**

License number: № 911/4/1

Type of activity (activities): **License for activities related to protection of state secret of Astrakhanenergo**

Date of issue: **01.07.2010**

Valid until: **01.07.2015**

License issuing authority: **RF Federal Security Service in Rostov region**

License number: **3022**

Type of activity (activities): **License for activities that include usage of information constituting state secret, classified documents of executive office of IDGC of the South.**

Date of issue: **19.6.2012**

Valid until: **01.07.2015**

The Issuer fulfills license requirements, takes all the necessary actions to obtain, keep in force and renew licenses, as well as minimize the probability of license suspension, change or withdrawal. Consequently, the Issuer does not expect any complications in license renewal related with the Issuer's activities.

### **3.2.6. Additional requirements to issuers being joint stock investment funds, insurance or lending institutions, mortgage agents**

### **3.2.7. Additional requirements to issuers which main activity is the extraction of minerals**

Mining is not the core activities of the issuer

### **3.2.8. Additional requirements to issuers which main activity is the provision of telecommunications services**

Provision of telecommunications services is not the core activities of the issuer

### **3.3. Plans for Future Activity of the Issuer**

In nowadays situation the strategic goals of "IDGC of the South" JSC are:

- increase of reliability and quality of services rendered by the Company, including the reduction of deterioration of Company's transmission facilities;
- increase of efficiency of power grid facilities, buildings and structures and provision of innovation-based development of the Company;

- increase of the availability of grid infrastructure, including:
  - meeting of demand and the creation of a reserve of electrical power to the extent advance economic development for 3-5 years;
  - increase in market share of grid services on the service area;
- increase operational efficiency, including:
  - reduction of transaction costs and the level of energy losses;
  - increasing the profitability of the Company;
- improving the investment attractiveness of the securities of “IDGC of the South” JSC including increase in the level of capitalization of the Company, transition to RAB-regulation;
- development of human capital.

#### Information on plans of organization of rendering the basic services of “IDGC of the South” JSC

Organization of production, development of new products, changes in core activities are not planned by the issuer.

Development of power supply network is performed in accordance with the approved scheme of long-term development of electric networks and the requirements of technical conditions for the organization of technological connection of consumers to the grid of the Company.

Information on the investment projects, including on the expected level of funding for the planned investment projects

The purpose of issuer’s activity on technological connection for the near future is to ensure that the needs of a growing economy generating capacity in the South of Russia.

In the 3rd quarter 2012 held tenders and started delivery of equipment, competitive procedures for choosing a contractor to carry out construction work on the project "Reconstruction of 110 kV distribution network, adjacent to the CCGT in Znamensk" under contract for technological connection to the electric branch office of JSC "IDGC of the South" - "Astrakhanenergo" electric gas turbine CCGT plant in the closed city of Astrakhan region Znamensk generating capacity of 44 MW CJSC "CC-4".

In addition continued construction works on the project "Reconstruction of 110 kV substation 110/35/10 kV Zenzeli" under contract for technological connection to the power supply branch of JSC "IDGC of the South" - "Astrakhanenergo" electrical ground pumping station A-NPC 5A "Caspian Pipeline Consortium-R" required power 19,500 kW in village Basy of Liman district of Astrakhan region, the consumer of I supply reliability category.

Cooperation between “IDGC of the South” JSC and “RZD” JSC in the Rostov region in the field of electrical traction substations is confirmed by signed contracts, one for technological connection to electric networks of

“IDGC of the South” JSC - "Rostovenergo" 110 kV with a Repair Towing planned construction of HVL-110 kV, with a total length of 30 km. Connection output of the object will amount 17,800 kW.

For purposes of grid connection of power receivers intakes No. 1 in village Dugino, in the third quarter of 2012 branch of "IDGC of the South" JSC - "Rostovenergo" signed contract agreement with "DEM" LLC for construction and installation work on the construction of a new 35/6 kV Dugino-1. Contractor began construction. The approximate term of completion and commissioning of substation - November 2012.

Also in the 3rd quarter of 2012 organized trade and procurement procedures to select contractors for construction and installation work for the newly built sewage stations in Rostov-on-Don, No. 6, No. 7.

The contracts for the construction and installation work on the construction of power grids near the city of Rostov-on-Don for the grid connection of cottage villages and homes: village Schepkino, village Temernitsky , village Mishkino, village B.Log etc were signed. time of completion of work is scheduled for mid-November 2012.

The construction of the supply of 110 kV to the factory LLC "Guardian Glass Rostov" was completed. Acceptance Committee of the branch made acceptance of 110 kV with the signing of the Act on the implementation of technical specifications by the applicant. 110 kV and 110 kV put under the voltage.

Trade and procurement procedures to select contractors for construction and installation work before the end of the year for the following "important" objects were organized:

- the connection of the new terminal of Taganrog customs in village Kujbyshevo with implementation of complete reconstruction of substation Kujbyshevo 1 and the construction of two 10 kV, length of 12 km each;
- the connection of water and utility infrastructure in Rostov-on-Don - two powerful water station with suction and treatment facilities near village Dugino.

"IDGC of the South" JSC performs (plan to) activities for technological connection of consumers, including not only large, but socially important:

Branch of "IDGC of the South" JSC - "Astrakhanenergo" in 3<sup>rd</sup> quarter of 2012 signed a contract with the Department of Urban Development, Public Roads Administration and the municipality "Krasnoyarsk region" on technological connection of object "Comprehensive development in village Mayachnoe of Krasnoyarsk district, Astrakhan region ", with a maximum requested power of 500 kW.

Also in the Rostov region the contracts for technological connection of objects were signed:

- combined feed section with elevator; poultry packing house (applicant “Donstar” LLC), the power of power device will amount 6 MW;
- Rolling complex of applicant “EVRAZ Yuzhniy stan” (applicant “EVRAZ Yuzhniy stan” LLC) with max power 18 MW.

Branch of "IDGC of the South" JSC - "Volgogradenergo" in 3<sup>rd</sup> quarter 2012 fulfilled its commitments to connect foster home building to the electricity network and also building of fire station, located in village Nizhnegnutov, Chernyshkovskiy district, Volgograd region.

Large-scale project of "IDGC of the South" JSC and "KTK-R" CJSC is the construction of new substations in the Republic of Kalmykia:

- Substation 110 kV NPS 2;
- Substation 110 kV NPS 3.

Input capacity for these objects is planned for 2013.

For each branch of "IDGC of the South" JSC in the investment program of "IDGC of the South" JSC, the planned volume of capital investments for work on the construction of substations, the reconstruction and expansion of the existing substation with replacement of power transformers, construction and reconstruction of high-voltage power lines

Scheduled investment volume of “IDGC of the South”, JSC for 2012 - 2017 is estimated follows:

branch of “IDGC of the South”, JSC	Investments, mln rbs						
	2012	2013	2014	2015	2016	2017	2012-2017
Executive office	50,068	50,068	52,571	55,199	57,966	60,872	<b>326,744</b>
“Astrakhanenergo”	622,681	807,669	900,000	950,000	1 000,000	1 100,000	<b>5 380,350</b>
“Volgogradenergo”	688,655	840,342	653,045	995,000	1 580,000	2 055,000	<b>6 812,042</b>
“Kalmenergo”	1 311,297	586,318	72,640	153,304	180,000	190,000	<b>2 493,559</b>
“Rostovenergo”	2 300,000	3 020,000	3 295,000	3 393,000	3 497,000	3 546,000	<b>19 051,000</b>
“IDGC of the South”, JSC, total	<b>5 497.400</b>	<b>5 428.628</b>	<b>4 973.256</b>	<b>5 546.503</b>	<b>6 314.966</b>	<b>6 951.872</b>	<b>34 712.625</b>

The programmes should be carried out according to the technical policy adopted by “IDGC Holding”, JSC. Relating to power grids the policy is determined by key strategic development goals of the Unified National Energy System which are as follows:

- creating grid and technological infrastructures to enable efficient functioning of the competitive electric power market within the Russian Federation and ensuring international power market integration;

- overcoming deterioration of fixed assets and electric grids and grid facilities through scaling-up their overhaul and retrofitting (re-equipment of substations, retrofitting of high-voltage power transmission lines, upgrade and development of information infrastructure).

#### Data on Investment Projects

Primary implementation areas of investment programme of “IDGC of the South” JSC (scheduled and actual indicators of 2012), plan and actual for 9 months of 2012 are represented in the following table

branch of IDGC of the South JSC	Plan for 9 months of 2012				Actual for 9 months of 2012							
	Assimilation	Introduction into service			Assimilation of CAPEX		Introduction into service					
	mln rbs	mln rbs	MV A	km	mln rbs	%	mln rbs	%	MV A	%	km	%
Executive office	9,548	6,808	-	-	10,522	110 %	8,331	122 %	-	100%	-	100 %
Astrakhanenergo	253,110	321,865	48	69	298,223	118 %	319,480	99 %	49	102%	66	97%
Volgogradenergo	220,414	67,277	4	34	187,253	85 %	72,066	107 %	4	100%	32	96%
Kalmenergo	765,672	26,234	-	7	877,233	115 %	28,496	109 %	-	100%	8	106 %
Rostovenergo	668,242	585,770	16	321	847,146	127 %	727,331	124 %	19	125%	371	116 %
IDGC of the South JSC, total	1 916,986	1 007,954	68	430	2 220,377	116 %	155,704	115 %	73	108%	477	111 %

In order to increase quality of services and satisfaction of consumers the Company opens clients service centres, as of June 30, 2012 there are 119 subdivisions responsible for interaction with consumers, among the subdivisions there are: 10 Central Offices for Customer Service and 109 Offices for Customer Service

#### **In “Astrakhanenergo” there is 1 Central Office for Customer Service and 15 Offices for Customer Service:**

- 1) Central Office for Customer Service Astrakhan;
- 2) Office for Customer Service Akhtubinsky distribution zone, Akhtubinsk village;
- 3) Office for Customer Service Volodarsky distribution zone, Volodarsky village;
- 4) Office for Customer Service Enotaevsky distribution zone, Enotaevka village;
- 5) Office for Customer Service Kamyzyaksky distribution zone, Kamyzyak village;
- 6) Office for Customer Service Ikryaninsky distribution zone, Ikryanoye village;

- 7) Office for Customer Service Krasnoyarsk distribution zone, Krasny Yar village;
- 8) Office for Customer Service Limansky, distribution zones, Lyman village;
- 9) Office for Customer Service Right Bank distribution zone, Solyanka village;
- 10) Office for Customer Service Privolzhskiy distribution zone, Nachalovo village;
- 11) North KLO RES, Znamensk;
- 12) Office for Customer Service Harabalinskiy distribution zone, Kharabali village;
- 13) Central Office for Customer Service distribution zone, Astrakhan;
- 14) Office for Customer Service Zaboldinsky distribution zone, Astrakhan;
- 15) Office for Customer Service Trusovsky, distribution zone, Astrakhan;
- 16) Office for Customer Service Chernoyarsky distribution zone, Cherniy Yar village;

**In branch of “IDGC of the South” JSC – “Volgogradenergo” – there are 6 customer service centres and 36 quality assurance departments of distribution zones:**

- 17) Customer service centre of “Levoberezhnye electric grids”, Volzhskiy;
- 18) Quality assurance departments of Volzhskiy distribution zone, Volzhskiy;
- 19) Quality assurance departments of Sredneakhtubinskiy distribution zone, worker’s settlement Srednyaya Akhtuba;
- 20) Quality assurance departments of Leninskiy distribution zone, Leninsk;
- 21) Quality assurance departments of Bykovskiy distribution zone, worker’s settlement Bykovo;
- 22) Quality assurance departments of Nikolaevskiy distribution zone, Nikolaevsk;
- 23) Quality assurance departments of Pallasovskiy distribution zone, Pallasovka;
- 24) Quality assurance departments of Staropoltavskiy distribution zone, worker’s settlement Staraya Poltavka;
- 25) Customer service centre of “Pravoberezhnye electric grids”, Volgograd;
- 26) Quality assurance departments of Kotelnikovskiy distribution zone, Kotelnikovo;
- 27) Quality assurance departments of Oktyabrskiy distribution zone, worker’s settlement Oktyabrskiy;
- 28) Quality assurance departments of Surovinskiy distribution zone, Surovikino;
- 29) Quality assurance departments of Chernyshovskiy distribution zone, worker’s settlement Chernyshovskiy;
- 30) Customer service centre of “Volgograd electric grids”, Volgograd;
- 31) Quality assurance departments of Dubovskiy distribution zone, Dubovka;
- 32) Quality assurance departments of Gorodishenskiy distribution zone, worker’s settlement Gorodishe;

- 33) Quality assurance departments of Gorodskoy distribution zone, Volgograd;
- 34) Quality assurance departments of Kalachaevskiy distribution zone, Kalach-on-Don;
- 35) Quality assurance departments of Krasnoarmeyskiy distribution zone, Volgograd;
- 36) Quality assurance departments of Parkhomenskiy distribution zone, village Parkhomenko;
- 37) Customer service centre of “Kamyshinskiy electric grids”, Kamyshin;
- 38) Quality assurance departments of Petrovvalskiy distribution zone, Petrov Val;
- 39) Quality assurance departments of Olkhovskiy distribution zone, village Olkhovka;
- 40) Quality assurance departments of Krasnoyarskiy distribution zone, worker’s settlement Krasniy Yar;
- 41) Quality assurance departments of Kotovskiy distribution zone, Kotovo;
- 42) Quality assurance departments of Danilovskiy distribution zone, worker’s settlement Danilovka;
- 43) Quality assurance departments of Rudnyavskiy distribution zone, worker’s settlement Rudnya;
- 44) Quality assurance departments of Elanskiy distribution zone, worker’s settlement Elan;
- 45) Customer service centre of “Mikhailovskie electric grids”, Mikhailovka;
- 46) Quality assurance departments of Mikhailovskiy distribution zone, Mikhailovka;
- 47) Quality assurance departments of Kumylzhenskiy distribution zone, village Kumylzhenskaya;
- 48) Quality assurance departments of Logovskiy distribution zone, village Log;
- 49) Quality assurance departments of Serafimovichskiy distribution zone, Serafimovich;
- 50) Quality assurance departments of Kletskiy distribution zone, village Kletskaya;
- 51) Quality assurance departments of Frolovskiy distribution zone, Frolovo;
- 52) Customer service centre of “Uryupinskiy electric grids”, Uryupinsk;
- 53) Quality assurance departments of Uryupinskiy distribution zone, Uryupinsk;
- 54) Quality assurance departments of Novoanninskiy distribution zone, Novoanninskiy;
- 55) Quality assurance departments of Nekhaevskiy distribution zone, village Nekhaevskaya;
- 56) Quality assurance departments of Alxeevskiy distribution zone, village Alexeevskaya;



- 57) Quality assurance departments of Novonikolaevskiy distribution zone, worker's settlement Novonikolaevskiy;
- 58) Quality assurance departments of Kikvidzenskiy distribution zone, village Preobrazhenskaya;

**In branch of "IDGC of the South" JSC – "Rostovenergo" – there are 2 customer service centres and 45 quality assurance departments of distribution zones:**

- 59) Customer service centre of Rostov-on-Don;
- 60) Customer service centre of Taganrog;
- 61) Quality assurance departments of Aksaiskiy distribution zone, Aksay;
- 62) Quality assurance departments of Bagaevskiy distribution zone, village Bagaevskaya;
- 63) Quality assurance departments of Veselovskiy distribution zone, village Veseliy;
- 64) Quality assurance departments of Semikarakorskiy distribution zone, Semikarakorsk;
- 65) Quality assurance departments of Krasno-Sulinskiy distribution zone, Krasniy Sulin;
- 66) Quality assurance departments of Oktyabrskiy distribution zone, Kamenolomni;
- 67) Quality assurance departments of Rodionovo-Nesvetaiskiy distribution zone, settlement Rodionovo-Nesvetaiskaya;
- 68) Quality assurance departments of Ust-Donetskiy distribution zone, village Aparinskiy;
- 69) Quality assurance departments of Volgodonskiy distribution zone, village Romanovskaya;
- 70) Quality assurance departments of Dubovkiy distribution zone, village Dubovskoe;
- 71) Quality assurance departments of Konstantinovskiy distribution zone, Konstantinovsk;
- 72) Quality assurance departments of Martynovskiy distribution zone, settlement B. Martynovka;
- 73) Quality assurance departments of Zimovnikovskiy distribution zone, village Zimovnikovskiy;
- 74) Quality assurance departments of Zavetinskiy distribution zone, village Zavetnoe;
- 75) Quality assurance departments of Tsymlyanskiy distribution zone, Tsymlyansk;
- 76) Quality assurance departments of Remontnenskiy distribution zone, village Remontnoe;
- 77) Quality assurance departments of Azovskiy distribution zone, Azov;
- 78) Quality assurance departments of Zernogradskiy distribution zone, Zernograd;

- 79) Quality assurance departments of Kagalnitskiy distribution zone, village Kagalnitskaya;
- 80) Quality assurance departments of Egorlytskiy distribution zone, village Egorlytskaya;
- 81) Quality assurance departments of Taganrogskiy distribution zone, Taganrog;
- 82) Quality assurance departments of Matveevo-Kurganinskiy distribution zone, village Matveevo-Kurgan;
- 83) Quality assurance departments of Kuibyshevskiy distribution zone, village Kuibyshevo;
- 84) Quality assurance departments of Neklinovskiy distribution zone, village Troitskoe;
- 85) Quality assurance departments of Miuskiy distribution zone, village Russkiy Kolodets;
- 86) Quality assurance departments of Chaltyrskiy distribution zone, village Chaltyr;
- 87) Quality assurance departments of Tarasovskiy distribution zone, village Tarasovskiy;
- 88) Quality assurance departments of Kamenskiy distribution zone, village Stanitsa;
- 89) Quality assurance departments of Belokalitvenskiy distribution zone, Belaya Kalitva;
- 90) Quality assurance departments of Tatsynskiy distribution zone, village Tatsynskaya;
- 91) Quality assurance departments of Morozovskiy distribution zone, Morozovsk;
- 92) Quality assurance departments of Milyutinskiy distribution zone, village N. Kuznetsov;
- 93) Quality assurance departments of Oblivskiy distribution zone, village Oblivskaya;
- 94) Quality assurance departments of Sovetskiy distribution zone, village Sovetskaya;
- 95) Quality assurance departments of Orlovskiy distribution zone, village Orlovskiy;
- 96) Quality assurance departments of Peschanokopskiy distribution zone, village Peschanokopskoe;
- 97) Quality assurance departments of Proletarskiy distribution zone, Proletarsk;
- 98) Quality assurance departments of Salskiy distribution zone, Salsk;
- 99) Quality assurance departments of Tselinskiy distribution zone, village Tselina;
- 100) Quality assurance departments of Millerovskiy distribution zone, Millerovo;

- 101) Quality assurance departments of Kasharskiy distribution zone, village Kashary;
- 102) Quality assurance departments of Chertkovskiy distribution zone, village Chertkovo;
- 103) Quality assurance departments of Bokovskiy distribution zone, village Bokovskaya;
- 104) Quality assurance departments of Verkhnedonskiy distribution zone, village Kazanskaya;
- 105) Quality assurance departments of Sholokhovkiy distribution zone, village Veshenskaya;

**In branch of “IDGC of the South” JSC – “Kalmenergo” - 1 customer service centre and 13 quality assurance departments of distribution zone:**

- 106) Customer service centre of Elista;
- 107) Quality assurance departments of Laginskiy distribution zone – Lagan;
- 108) Quality assurance departments of Chernozemelskiy distribution zone – village Komsomolskiy;
- 109) Quality assurance departments of Sarpinskiy distribution zone – village Sadovoe;
- 110) Quality assurance departments of Ketchenerovskiy distribution zone – village Ketchenery;
- 111) Quality assurance departments of Yustinskiy distribution zone – village Tsygan-Aman;
- 112) Quality assurance departments of Oktyabrskiy distribution zone – village Bolshoy Tsaryn;
- 113) Quality assurance departments of Maloderbetovskiy distribution zone – village Malye Derbety;
- 114) Quality assurance departments of Gorodovikovskiy distribution zone – Gorodovikovsk;
- 115) Quality assurance departments of Yashaltinskiy distribution zone – village Yashalta;
- 116) Quality assurance departments of Yashkulskiy distribution zone – village Yashkul;
- 117) Quality assurance departments of Priyutnenskiy distribution zone – village Priyutnoe;
- 118) Quality assurance departments of Troitskiy distribution zone – village Troitskoe;
- 119) Quality assurance departments of Iki-Burulskiy distribution zone – village Iki-Burul

In accordance with Order of “IDGC of the South” JSC No. 362 dd 28.06.2012 "On the optimization of staff numbers" in 3<sup>rd</sup> quarter of 2012 the number of customer service centre in the branch "Rostovenergo" was reduced

resulting from 9 customer service centre (to date), there are 2 CSC are exist today.

In the reporting period, the topic "To clients" of corporate website in was upgraded in accordance with company standard 80380011-ИА-ИСМ 028-2011 Centralized Services of consumers of "IDGC of the South" JSC.

In this section, interactive services: "Personal Account", "Internet reception", "Customer's Questionnaire", "FAQ" are on final stage of realization.

The introduction of these services will simplify the procedure of reception and consideration of appeals and consumer applications, reducing the time to respond to consumers' problems with the company.

### **3.4. Participation of the Issuer in Industrial, Bank and Financial Groups, Holdings, Concerns and Associations**

There were no changes in the accounting period.

### **3.5. Organizations of significant importance controlled by Issuer.**

There were no changes in the accounting period.

### **3.6. Composition, Structure and Value of the Issuer's Fixed Assets, Data on Plans for Acquisition, Replacement, Retirement of Fixed Assets, as well as all the Facts of Encumbrance of the Issuer's Fixed Assets.**

#### **3.6.1. Fixed Assets**

As of the end of reporting quarter

In items of rbs

fixed assets	Baste (Replacement) cost	Depreciation Charge
Land plots	8 291 598	0
Buildings	3 798 875 900	500 309 202
Construction and transmission devices	18 429 840 854	4 713 463 369
Machinery and equipment	11 799 111 318	4 255 395 270
Transportation equipment	572 335 559	354 470 349
Other fixed assets	90 598 827	64 628 219
Total	34 699 054 056	9 888 266 409

Data on Methods of Depreciation Charges Accounting for Fixed Assets Item Group:

Depreciation for fixed assets items is accounted by straight-line method, issuing from terms of benefit period of the items. Accounting of depreciation for the

facilities acquired by the Company on lease agreement and booked on its balance is carried out by method, stipulated by the agreement.

Accounting date: **30.09.2012**

The results of the last revaluation of fixed assets and long-term leased fixed assets made during the last completed fiscal year, with the date of the revaluation, complete and permanent (net of depreciation) of the book value of fixed assets before revaluation and complete and the residual (net of depreciation) replacement cost fixed assets to reflect this reassessment. The above information is provided for groups of assets. Include information on how to charge depreciation for groups of fixed assets.

For the period pointed out the fixed assets revaluation was not carried out.

Data is pointed out referring to project on acquisition, replacement, and retirement of fixed asset, value of which amounts 10% and more of the Issuer's fixed assets value and other fixed assets at the Issuer's option. Data on all facts of fixed assets of the Issuer encumbrance (with indication of encumbrance character, moment of encumbrance its validity term and other conditions at the Issuer's opinion), which exist for the date of the last completed accounting period is indicated as well: such projects do not exist.

**Data on Encumber Assets of "IDGC of the South", JSC as of a 30.09.2012**

Fixed Assets Leased						
	Short characteristics of property		Encumbrance grounds (number and date of lease agreement)	Lessee	Starting and termination date of encumbrance	
	Name, address	Area, square m.			Original term of lease according to the agreement	Renewal of agreement
1	2	3	4	5	6	7
<b>"Astrakhanenergo" branch of "IDGC of the South", JSC</b>						
1.	Non-residential Premises (Akhtubinsk Electric Grid District)	11	No.49-12-239 dd 30.12.11	"Astrakhan GSM" CJSC	from 31.12.11 to 30.12.12	absent
2.	Non-residential Premises ("Astrakhanenergo", JSC 19, 32 Sov Militzii Kr. Naberezhnaya st.)	3	No. 49-12-248 dd 30.12.11	"Astrakhan GSM" CJSC	from 31.12.11 to 30.12.12	absent
3.	Non-residential Premises ("Astrakhanenergo", JSC 1 Energetikov high road	6,1	No 49-12-238 dd 30.12.11	"Astrakhan GSM" CJSC	from 31.12.11 to 30.12.12	absent
4.	Container Installation Place and Lamp Pole Place for Sky Hooks Setup ("Tsarevskaya" Substasion 2 B.Khmelnitskiy st.)	15,85	No. 49-12-247 dd 30.12.11	"Astrakhan GSM" CJSC	from 31.12.11 to 30.12.12	absent
5.	Non-residential Premises (Ikryaninsk Distribution Zone)	6	No. 49-12-236 dd 30.12.11	"MegaFon", JSC	from 31.12.11 to 30.12.12	absent

6.	Non-residential Premises (Ikryaninsky Distribution Zone)	6	No. 49-12-246 dd 30.12.11	“MegaFon”, JSC	from 31.12.11 to 30.12.12	absent
7.	Non-residential Premises (1 Energetikov high road Astrakhan)	6,5	No. 49-12-235 dd 30.12.11	“MegaFon”, JSC	from 31.12.11 to 30.12.12	absent
8.	Container Installation Pace and Place in Metal Lighting Tower for Antenna-feeder Arrangement (Volgograd Electric Grid District)	10,81	No. 49-12-233 dd 30.12.11	“MegaFon”, JSC	from 31.12.11 to 30.12.12	absent
9.	Non-residential Premises (Chernoyarsky Distribution Zone)	7,6	No. 49-12-245 dd 30.12.11	“MegaFon”, JSC	from 31.12.11 to 30.12.12	absent
10.	Container Installation Pace and Place on Concrete Pole for Antenna-feeder Arrangement (Ikryaninsky distribution zone)	2,3x3,5	No. 49-12-232 dd 30.12.11	“MegaFon”, JSC	from 31.12.11 to 30.12.12	absent
11.	Non-residential Premises (“Tsarevskaya” Substation 1 B.Khmelnitskiy st. Astrakhan)	15,85	No. 49-12-234 dd 30.12.11	“MegaFon”, JSC	from 31.12.11 to 30.12.12	absent
12.	Non-residential Premises (Enotaevsk Distribution Zone)	3,2	No. 49-12-228 dd 30.12.11	“VypelCom” JSC	from 31.12.11 to 30.12.12	absent
13.	Non-residential Premises (Akhtubinsk Distribution Zone)	26,1	No. 49-12-230 dd 30.12.11	“VypelCom” JSC	from 31.12.11 to 30.12.12	absent
14.	Container Installation Pace and Place on Concrete Tower for Antenna-feeder Arrangement (Ikryaninsk Electric Grid District)	7	No.49-12-229 dd 30.12.11	“VypelCom” JSC	from 31.12.11 to 30.12.12	absent
15.	Antenna-feeder Arrangement Place (“Oktyabrskaya” Substation Trusov District)	6	No. 49-12-227 dd 30.12.11	“VypelCom” JSC	from 31.12.11 to 30.12.12	absent
16.	Non-residential Premises (1 Energetikov high road Astrakhan)	6	No. 49-12-237 dd 30.12.11	“VypelCom” JSC	from 31.12.11 to 30.12.12	absent
17.	Non-residential Premises “Neftebasa” Substation, Ilyinka village	15	No. 49-12-244 dd 23.11.10	“VypelCom” JSC	from 31.12.11 to 30.12.12	absent
18.	Non-residential Premises (Akhtubinsk Electric Grid District)	10,1	No. 49-12-240 dd 30.12.11	“Mobile TeleSystems” JSC	from 31.12.11 to 30.12.12	absent
19.	Non-residential Premises (1 Energetikov high road Astrakhan)	6	No. 49-12-241 dd 30.12.11	“Mobile TeleSystems” JSC	from 31.12.11 to 30.12.12	absent
20.	Non-residential Premises (1 Energetikov high road Astrakhan)	189,1	No. 49-12-231 dd 30.12.11r.	Mikhailova Aleksandra Vladimirovna (interpreneur)	from 31.12.11 to 30.12.12	absent
21.	Non-residential Premises (75/69 Sun-yat-Sen/Kulikov st.)	11,9	No. 49-12-249 dd 30.12.11	“Real Medical Service”, LLC	from 31.12.11 to 30.12.12	absent
22.	171, Dzerzhinskiy street, Astrakhan	94,9	No. 49-12-218 dd 20.09.11	“Astrakhangazservice”, JSC	from 20.09.11 to 19.08.12	absent
23.	1, D. Rid Square, Astrakhan	50,7	No. 49-12-214 dd 03.06.11r.	Zhidkov I.V. (businessman)	from 03.06.11 to 01.06.12	absent
24.	12, Botvin str., Astrakhan	300	No. 49-12-220 dd 01.11.11r.	Shilov S.V. (businessman)	from 01.01.11 to 29.10.12	absent
25.	Non-residential Premises (substation Sovetskaya, Akhtubinsk)	20	No. 49-12-256 dd 01.08.12	“VypelCom” JSC	from 01.08.12 to 31.12.12	absent

**“Volgogradenergo” Branch of “IDGC of the South” JSC**

26.	Administration Building (rooms), (15 Lenin pr. Volgograd)	135,2	No. 3470112310 dd 30.12.2011	"Ricetta" LLC	from 16.01.2012 to 15.12.2012	Is in actual use
27.	Administration Building (room), (15 Lenin pr. Volgograd)	6,4	No. 347011059 dd 02.06.11 г.	"Airport-Service", LLC Air Communication Agency	from 02.06.11	absent
28.	Administration Building (room No. 201), (15 Lenin pr. Volgograd)	25,8	No. 3470110143 dd 24.02.11, No.1 dd 10.06.2011, No.2 dd 30.12.2011	ООО Частное охранное предприятие "Кобальт -С"	from 02.01.11	Is in actual use
29.	Part of non-residential premises in administrative building (liter B). 2A, Volzhskiy prospect, Volgograd	79,5	No. 3470111184 dd 12.07.2011	ООО "ТД "Проплекс"	from 01.04.2011	absent
30.	Part of non-residential premises in administrative building (liter G). 2A, Volzhskiy prospect, Volgograd	291,98	No. 3470111184 dd 12.07.2011	ООО "ТД "Проплекс"	from 01.04.2011	absent
31.	Part of non-residential premises in administrative building inventory number 3455014662 (2A Volzhskiy prospect, Volgograd)	125,8	No. 644 dated 01.08.11	"Volgogradsetremont" JSC	from 01.06.11	absent
32.	Industrial building liter D (2A, Volzhskiy prospect, Volgograd)	164,0	No. 644 dated 01.08.11	"Volgogradsetremont" JSC	from 01.06.11	absent
33.	Garage, liter G1 (2A, Volzhskiy pr., Volgograd)	74,8	No. 644 dated 01.08.11	"Volgogradsetremont" JSC	from 01.06.11	absent
34.	Administrative building (hall), 15 Lenina lane, Volgograd	1	No. 3470111606 dd 03.10.2011	"Home Credit and Finance Bank" LLC	from 03.10.2011	Is in actual use
35.	Administrative building (hall), 66 Elektrolesovskaya, Volgograd	1	No. 3470111606 dd 03.10.2011	"Home Credit and Finance Bank" LLC	from 03.10.2011	Is in actual use
36.	Administrative building (hall), 15 Shosseinaya str., village Parkhomenko, Kalachaevsk district, Volgograd region	1	No. 3470111606 dd 03.10.2011	"Home Credit and Finance Bank" LLC	from 03.10.2011	Is in actual use
37.	Administrative building (hall), building 10, 6 road, Volzhskiy	1	No. 3470111606 dd 03.10.2011	"Home Credit and Finance Bank" LLC	from 03.10.2011	Is in actual use
38.	Administrative building (hall), 39, Sovetskaya str., Kamyshin	1	No. 3470111606 dd 03.10.2011	"Home Credit and Finance Bank" LLC	from 03.10.2011	Is in actual use
39.	Administrative building (hall), 205, Lenin str., Mikhailovskaya	1	No. 3470111606 dd 03.10.2011	"Home Credit and Finance Bank" LLC	from 03.10.2011	Is in actual use
40.	Administrative building (hall), 139, Lenin str., Uryupinsk	1	No. 3470111606 dd 03.10.2011	"Home Credit and Finance Bank" LLC	from 03.10.2011	Is in actual use
41.	Administrative building (attic), 15, Lenin lane, Volgograd	9	No. 957 dd 01.10.2006, additional agreement No. 9 dd 09.11.2008	"Modern Communication Technologies" CJSC	from 01.10.2006	Is in actual use
42.	Radiotechnical tower, 28 Ogaryov str., Volgograd	12	No. 957 dd 01.10.2006, additional agreement No. 9 dd 09.11.2008	"Modern Communication Technologies" CJSC	from 01.10.2006	Is in actual use
43.	Radiotechnical tower, substation "Kachalin", village Kachalinom Volgograd region	12	No. 957 dd 01.10.2006, additional agreement No. 9 dd 09.11.2008	"Modern Communication Technologies" CJSC	from 01.10.2006	Is in actual use
44.	Radiotechnical tower, 55 Shlyuzovaya str., village Parkhomenskiy, Volgograd region	12	No. 957 dd 01.10.2006, additional	"Modern Communication Technologies" CJSC	from 01.10.2006	Is in actual use

			agreement No. 9 dd 09.11.2008			
45.	Administrative building (attic), 15 Lenin lane, Volgograd	5,2	No. 877 dd 16.10.2006	“Volgograd-GSM” CJSC	from 01.10.2006	Is in actual use
46.	Radiotechnical tower, 139 Lenin lane, Uryupinsk, Volgograd region	11	No. 877 dd 16.10.2006	“Volgograd-GSM” CJSC	from 01.10.2006	Is in actual use
47.	Radiotechnical tower, substation “Archedinskaya”, Mikhailovka, Volgograd region	18,5	No. 877 dd 16.10.2006	“Volgograd-GSM” CJSC	from 01.10.2006	Is in actual use
48.	Radiotechnical tower, substation “Kotluban”, village Samofalovka, Volgograd region	18,5	No. 877 dd 16.10.2006	“Volgograd-GSM” CJSC	from 01.10.2006	Is in actual use
49.	Radiotechnical tower, substation “Zolotari”, Pallasovskiy district, Volgograd region	18	No. 877 dd 16.10.2006	“Volgograd-GSM” CJSC	from 01.10.2006	Is in actual use
50.	Radiotechnical tower, substation “named after Maksim Gorkiy”, village Gorkovskiy, Volgograd	18	No. 877 dd 16.10.2006	“Volgograd-GSM” CJSC	from 01.10.2006	Is in actual use
51.	Non-residential premises (205 B, Lenina street, Mikhailovka, Volgograd region)	222,2	No. 34000000004576 dd 10.07.2012	Sekachyov Aleksandr Nikolaevich, businessman	from 02.07.2012 for 11 months	absent

**“Kalmenergo” Branch of “IDGC of the South” JSC**

52.	Non-residential Premises of Administrative Building in “Kalmenergo” branch, 5th floor	9	No. 37 dated 01.12.10	“Transmission System Operator of Unified Energy System represented by Rostov Regional Dispatching Office	from 01.12.10 to 30.10.11	present
53.	<b>Non-residential Premises</b> Type (group)of Capital Asset: buildings: 1)Ketchenerovsk Electric Grid District; 2)Iki-burulsk Electric Grid District; 3)Yashkulsk Electric Grid District; 4)Preyutnensk Electric Grid District; 5)Gorodovikovsk Electric Grids; 6)Kaspiysk Electric Grids; 7)Chernosemelsk Electric Grids; 8)Sarpin Tidal Electric Station; 9)Elista (car park boxes, Garages); <b>Movable Assets:</b> 1)Type (group)of Capital Asset: machinery and equipment: refrigerator, fax machine, switchboard etc. (18 items in all) 2) Type (group)of Capital Asset: industrial and household equipment: safe, storage wall etc (13 items in all)	72.26 88.6 57.3 66.5 79.9 56.0 76.0 157.4 172.0	Leases are continuing. Currently preparing to sign a contract.	“Kalmenergosbyt” JSC	from 01.12.07 to 31.10.08	present
54.	Built-in administrative and production facilities on the 1 <sup>st</sup> floor, 271, Lenin str., Elista, Republic of Kalmykia	48,16	No. 8 dd 01.02.2012.	“Southern calculating billing centre” LLC	From 01.02.2012 to 01.01.2013	present

**“Rostovenergo” Branch of “IDGC of the South” JSC**



55.	Non-residential premises located at the territory of Rostovenergo (Central Power Plant, Wind Power Plant, SVES, YuZES). Перечень помещений указан в приложении 1 к договору.	773,16	194/01/12/155505/2 5/12 dd 01.03.2012	“Energosbyt Rostovenergo” JSC	From 01.03.2012 to 01.02.2013	Without prolongation
56.	Part of non-residential Premises No. 10-11 located on the ground floor of Culture Centre “Energetic” at the address: 48 Semashko lane, Rostov-on-Don	25,0	01/10/138235/25/11 dd 03.10.2011	“NIKOL” LLC	from 03.10.2011 to 03.09.2012	Without prolongation
57.	Non-residential Premises No 55x, located in basement of Culture Centre “Energetic” at the address: 48, Semashko lane, Rostov-on-Don.	11,9	111562 dated 09.02.11	“Agameda” LLC	from 09.02.11 to 09.01.12	Without prolongation
58.	Parts of non-residential premises No. 19, No. 21-22-23-24-25, No. 10-13-14, No. 10, No.45 located on the ground and first floors of the Culture Center “Energetic” at the address: 48, Semashko lane, Rostov-on-Don. Parts of premises for dance training according to schedule.	238,6	111380/11 dated 04.02.11	V.M. Radchenko	from 01.11.10 to 30.09.11	Without prolongation
59.	Parts of non-residential premises No. 10-13-14 located on the first floor of the Culture Centre “Energetic” at the address: 48, Semashko lane, Rostov-on-Don. Parts of premises for dance training according to schedule.	54,3	138060/25/11 dd 26.01.2011	O.A. Voznykh	from 26.10.2011 to 26.09.2012	Without prolongation
60.	Non-residential premises No. 10-13-14 located on the second floor of the Culture Centre “Energetic” at the address: 48, Semashko lane, Rostov-on-Don. Parts of premises for dance training according to schedule.	54,3	136255/25/11 dd 05.10.2011	Pustovoitova S.Yu.	From 05.10.2011 to 05.09.2012	Without prolongation
61.	Parts of non-residential premises No. 19, No. 29, No. 29A, No. 29C, No. 17 located in the basement of Culture Centre “Energetic” at the address: 48, Semashko lane, Rostov-on-Don. Parts of premises for dance training according to schedule.	92.13	145215/25/12 dd 27.12.2011	K.B. Kovalev	From 27.12.2011 to 27.11.2012	Without prolongation
62.	Non-residential premises No. 19, located in the basement of Culture Centre “Energetic” at the address: 48, Semashko lane, Rostov-on-Don. Parts of premises for dance training according to schedule.	78,7	141058/25/11 dd 01.11.2011	Business owner M.S. Krivosheina	From 27.12.2011 to 27.11.2012	Without prolongation
63.	Part of non-residential premises No. 10-11, located on the ground floor of Culture Centre “Energetic” at the address: 48, Semashko lane, Rostov-on-Don. Parts of premises for English classes according to schedule.	34.1	111260/11 dd 03.02.2011	N.V. Ankudinova	from 01.01.11 to 30.11.11	Without prolongation

64.	Non-residential premises to install bank machine on the ground floor at the address: 49, B. Sadovaya street, Rostov-on-Don.	13,62	68895/08 dated 12.12.08	Bank "Center-Invest" JSC	from 01.01.09 to 30.11.09	Unlimited prolongation
65.	One-roomed flat. Area: 21.3 sq.m. Including residential area – 12.4 sq. m. Located 69, 85/5 Eremenko street, Rostov-on-Don.	21,3	9474/07 dated 29.12.06	G.A. Apanasova	from 29.12.06 to 29.12.46.	-
66.	Flat. Area: total 83 sq..m. Second floor. Liter A. 1, 35 Krepostnoy lane, Rostov-on-Don.	83,0	No. 295 dated 05.01.04 No. 298 dated 05.01.04	A.V. Lapteva A.A. Nichaev		If residents refuse to sign the new rental agreement a declaration had been applied on 26.05.10 No. RE/1300/802 to sign the rental agreement.
67.	Flat. Area: total 68.5 sq.m. Second floor. Liter A. 2, 35 Krepostnoy lane, Rostov-on-Don Rostov region, Russia.	68,5	No. 296 dated 05.01.04 No. 297 dated 05.01.04	N.U. Starchenko A.A. Leiko	Is not fixed	
68.	Flat. Area: total 32.2 sq. m. Fourth floor. Liter A. 23, 23/5 Kommunisticheskiy pr., Rostov-on-Don.	32.2	82589/10 dated 16.03.10	V.U. Raikova	16.02.11	Unlimited prolongation
69.	Residential house. Area: total 71.6 sq. m. Inventory number: 10471. Liter A. Number of floors – 1. Kolodezny lane, Krasny Sulin, Krasnosulinsky district, Rostov-on-Don region.	71.6	Commorancy of Pugachev S.A. family (5 persons in all) domiciled by authority of Nesvetay SDPP director in 1991 (previously – an item of Nesvetay SDPP balance; presently – "Experimental TPP		Corporate activities for the sale of the object are implemented in accordance with register of non-core assets proved by Board of Directors 29.10.2010	
<b>Central Power Plant</b>						
70.	Part of non-residential Premises 303 Office and Amenity Building Central Power Station located at the address: 9, Futbolnaya street, Rostov-on-Don, 344039.	2.0	96757/09/10 dated 13.08.10	"Rostovenergos ervice" LLC	from 13.08.10 to 13.07.11	Without prolongation
71.	Non-residential Premises of 15 sq.m. total area and tower area on 50 m above grade high, located: 54 Narodnaya st. Novocherkassk	15.0	63635/9/08/AP-12-H/97 dated 28.10.1997	"Rostov Cellular Communications" CJSC	from 28.10.1997 to 31.12.2012	Terms are not defined if there is no failure of the parties
72.	Flat. Area: total 53.4 sq. m. Floor: 9. Liter: A (79, 66/9 Eremenko st., Rostov-on-Don)	53.4	61538/08 dated 30.03.2008.	I.N. Pogorely	from 30.03.08 to 30.03.18	Without prolongation
<b>Northeast Electric Grids</b>						
73.	Non-residential Premises workers of Rostovenergo SVES canteen, area 46.9 sq. m. Address: 26, Geroev Pionerov Street, Kanesk-Shakhtinskiy, Rostov region.	46.9	135392/25/11 dated 27.09.11	Business owner G.K. Galaktionov	from 27.09.11 to 27.07.12	Unlimited prolongation
74.	Part of a Premise of 39.1 sq.m. total area within the facility: Service Men Post. Area: total area of 100.7 sq.m. Inventory number: 5722. Letter: A. (3, Centralnaya street, khutor Chebotovka, Tarasovskiy district,	39.1	-	Since 1978 - domicile of Baidakova N.I., a pensioner	"Gratuitous Transfer" strategy is applied to the indicated part of the object with total area of 39.1 sq. m. in accord with roster of non-core assets proved by Board of Directors 09.04.2009.	

	Rostov region)				
75.	Part of a Premise of 50.9 sq. m. total area within the facility: Service Men Post. Area: total area of 102.3 sq. m. Inventory number: 6721. Letter: A. Number of storeys: 1. 57, Sadovaya st. Voikovo settlement, Tarasovskiy dc, Rostov Region	50.9	-	Domicile of Shurov M.P. family, 2 persons in all	“Gratuitous Transfer” strategy is applied to the indicated part of the object with total area of 50.9 sq.m. in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
76.	Apartment house. Area: total area of 307.4 sq. m. Inventory number: 5229. Letter: Aaa1a2a3a4a5. Number of storeys: 2 79 a Pobedy st., Tarasovskiy settlement, Tarasovskiy dc, Rostov region	307.4	-	Domicile of 4 families: of Zababurin Y.A. – 3 persons, Ponomarev N.M. – 2 persons, Chebotov V.A. – 5 persons, Pekarikhina T.E. – 3 persons	“Gratuitous Transfer” strategy is applied to the entire object in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
77.	Building of Electric Grid Item at “Tatsinskaya Agrarian Partnership” Substation, function: non-residential. Area: 150 sq.m. total Inventory number: 1/1819. Letter: A,A1,A2,A4,A3,a,a1. Number of storeys: 1 (61 Mayakovskiy st., Cossack village Tatsinskaya, Tatsinskaya dc, Rostov region).	150	-	Domicile of families: Tkachev N.F. – 3 persons in area of 62.7 sq.m. since 2001, Dorofeev V.V. – 3 persons in area of 73.6 sq.m. since 2003	“Gratuitous Transfer” strategy is applied to the entire object in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
78.	Building of Electric Grid Item at “Б – 12 Ulegorskaya” Substation. Area: 172.7 sq.m. total Inventory number: 9/237. Letter: A,A1,A2,a. Number of storeys: 1 31 Gagarin st., Ulegorskii settlement, Tatsinskaya dc, Rostov Region.	172.7	-	Domicile of families: Tsvikalova N.A. – 3 persons since 1988 and Shepelev V.L. – 3 persons	“Gratuitous Transfer” strategy is applied to the entire object in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
79.	Building of Electric Grid Item at Tatsinskaya Distribution Zone. Area: 171.7 sq.m. total Inventory number: 1/3426. Letter: A. Number of storeys: 1 20-a Sosnovaya st., Cossack village Tatsinskaya, Rostov region.	171.7	-	Domicile of families: Abramov V.A. – 3 persons, Zakharov A.V. – 3 persons	“Gratuitous Transfer” strategy is applied to the indicated part of the object with total area of 171.7 sq.m. in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
80.	Premises with total area of 42.5 sq. m. within the facility: Service Men Post Building at “Verkhnekoltsov” Substation. Area: 89.3 sq. m. total Inventory number: 5/629. Letter: A, a, a1. Number of storeys: 1. 23 Zarechnaya st., Khutor Verkhnekoltsov, Tatsinskaya dc, Rostov Region	42.5	-	Domicile of Zadavin R.V., the pensioner, family since 1986	“Gratuitous Transfer” strategy is applied to the indicated part of the object with total area of 42.5 sq.m. in accord with roster of non-core assets proved by Board of Directors 09.04.2009.

81.	Premises with area of 48.7 sq. m. within the facility: Motor housing. Area: 95.9 sq. m. total Inventory number: 8/580. Letter: A, a, a1. Number of storeys: 1. 12, Lenin st., Khutor Aliphanov, Tatsinskaya district, Rostov Region.	48.7	-	Domicile of Bezrodnaya N.M., the pensioner, family since 1980	“Gratuitous Transfer” strategy is applied to the indicated part of the object with total area of 48.7 sq.m. in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
82.	Premise with total area of 38.1 sq. m. within the facility: Motor housing. Area: 95.9 sq. m. total Inventory number: 199. Letter: A, a, a1. Number of storeys: 1. (13, Stepnaya st., Khutor Novonikolaevskiy, Tatsinskaya dc, Rostov Region)	38.1	-	Domicile of family of Tupeko N.I., Electric Grid Item foreman	“Gratuitous Transfer” strategy is applied to the indicated part of the object with total area of 38.1 sq.m. in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
83.	Service Men Post at Oblievskaya-1 Substation. Area: 129.3 sq.m. total Inventory number: 5202. Letter: A2, A3. Number of storeys: 1. (Ростовская обл., Обливский район, ст-ца Обливская, ул. Гагарина, 162 Gagarin st., Oblievskaya Cossack village, Oblievskaya dc, Rostov Region).	129,3	-	Domicile of families of: Ivanov F.I. – 52.45 sq.m. (since 1987); Malyshkin A.T.(since 1977), area – 42.2 sq.m.; Chuchalin V.A.(since 1979) area – 34.6 sq.m.	“Gratuitous Transfer” strategy is applied to the entire object in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
84.	Service Men Post. Area: 105.3 sq. m. total. Inventory number: 5102. Letter: A, a, a1. Number of storeys: 1. (13 Vostochnaya st. Kashtanovskiy settlement, Oblievskaya district, Rostov Region).	105.3	-	Domicile of Tkachenko N.V., an electrician, family, 4 persons since 1990	“Gratuitous Transfer” strategy is applied to the entire object in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
85.	Premise with total area of 122 sq. m. within the facility: Service Men Post. Area: 144 sq. m. total inventory number: 5102. Letter: A, a, a1. Number of storeys: 1. (6, Dachnaya st., Sosnovy settlement, Olievskaya district, Rostov Region).	122	-	Domicile of Motorkin F.A., an electrician, family, since 1981	“Gratuitous Transfer” strategy is applied to the entire object (144 sq. m.) in accord with roster of non-core assets proved by Board of Directors 09.04.2009.
86.	Premises for managing of dining room for stuff of Production department of Southern Electric Grids located at: 5 Liteiniy lane, Azov, Rostov region	38,5	146256/12/12 dd 24.01.2012	Businessman Abankova N.S.	from 24.01.2012 to 24.12.2012
87.	Residential building, 24a Kooperativnaya str., Azov	54,1	69153/08 dd 29.11.2008	Peshkov A.I., employee of “Southern electric grids Rostovenergo”	To 29.11.2013
88.	Residential building, 24a Kooperativnaya str., Azov	27,17	69152/08 dd 04.10.2008	Anferov A.V., employee of “Southern electric grids	To 04.10.2013

				Rostovenergo”		
89.	Residential building, 24b Kooperativnaya str., Azov	29,9	69154/08 dd 04.10.2008	Mokryakov A.V., employee of “Southern electric grids Rostovenergo”	To 04.10.2013	
90.	Residential building, 24a Kooperativnaya str., Azov	33,3	8781/06 dd 13.09.2006	Skripnichenko V.N.	To 13.09.2026	
91.	Residential building, 24a Kooperativnaya str., Azov	44.7	The agreement on space assignment total square 44.7 sq. m between Mokryakov A.V.. and Skripchenko V.N. is being discussed.			
<b>Eastern Electric Grids</b>						
92.	Part of non-residential premise. Area 3 sq. m. Address: 22, Grishina street, Tsymlyansk.	3	2-C/55079/07 dated 29.12.06.	Bank Center-Invest JSC	from 29.12.06 to 31.10.07	Not limited
93.	Non-residential Premise No. 9 with area of 11.4 sq. m., on the 4 <sup>th</sup> floor of SBK; located: 22, Grishin street, Tsimlyansk, Rostov region.	11.4	111109/11/11 dated 01.04.11	Technical inspection of UES, CJSC	dated 01.04.11 to 29.02.12	Without prolongation
94.	Non-residential Premise, located: 39 Sovetskaya st., Progress settlement, Volgodonsk region	68.7	389/08/64660/08 dated 01.01.2008.	“Southern Telecommunications Company” JSC	dated 01.01.08 to 30.11.08	Not limited
95.	Premise with total area of 147.2 sq. m., located: 10 Tsimlyansk high road, Volgodonsk, Rostov Region. Premise with total area of 32.2 sq.m., located: 22 Grishin st., Tsimlyansk, Rostov Region	32,3	109440/11/10 dd 01.12.2010	Business owner Cherednyakova S.L.	from 01.12.2010 to 31.10.2011	absent
96.	Premise with total area of 31.9 sq. m. located: 22 Grishin st. Tsimlyansk	31.9	0-11/73619 dated 01.04.2006.	Mengel V.T.	from 01.04.06 to 30.04.07	In actual use. The new agreement is being prepared.
97.	Premise with total area of 22.9 sq. m. located: 22 Grishin st. Tsymlyansk	22.9	0-10/73618 dated 01.04.2006.	Turichenko A.A.	from 01.04.06 to 30.04.07	In actual use. The new agreement is being prepared.
98.	Premise with total area of 30.3 sq. m. located: 22 Grishin st. Tsimlyansk	30.3	0-6/73613 dated 01.04.2006.	Shlyakhtin O.N.	from 01.04. 06 to 30.04.07	In actual use. The new agreement is being prepared.
99.	Premise with total area of 21.8 sq. m. located: 22 Grishin st. Tsimlyansk	21.8	0-4/73612 dated 01.12.2008	Losev A.I.	from 01.12. 08 to 31.12.09	In actual use. The new agreement is being prepared.
100.	Premise with total area of 30.5 sq. m. located: 22 Grishin st. Tsimlyansk	30.5	0-3/73611 dated 01.04.2006.	Bezverkhova M.A.	from 01.04.06 to 30.04.07	In actual use. The new

						agreement is being prepared.
101.	Premise with total area of 31.5 sq. m. located: 22 Grishin st. Tsimlyansk	31.5	0-2/73610 dated 01.04.2006	Kalmykov S.I.	from 01.04.06 to 30.04.07	In actual use. The new agreement is being prepared.
102.	Premise with total area of 37 sq. m. located: 22, Grishin st. Tsimlyansk	37	0-9/73616 dated 05.05.2006	Ladygin S.V.	from 05.05.06 to 31.05.07	In actual use. The new agreement is being prepared.
103.	Premise with total area of 23 sq. m. located: 22, Grishin st. Tsimlyansk	23	0-1/73576 dated 01.04.2006	Veresova E.G.	from 01.04.06 to 30.04.07	In actual use. The new agreement is being prepared.
<b>Sotheastern Electric Grids</b>						
104.	Main building of Tselinskaya RES (liter A), 3 Prodlnaya str., village Tselina	0,5	67794 dd 23.09.2008	"Soglasie" LLC	From 23.09.2008 to 01.07.2009.	Not limited
<b>Nothern Electric Grids</b>						
105.	Premise (34, Artilleriyskaya st., Millerovo)	49.67	104008/98 dated 01.11.2010	Business owner "Berezhnova"	from 01.11.10 to 30.09.11	
106.	Premise (Floor No. 1 room 2, 34 Artilleriyskaya st. Millerovo, Rostov Region)	11.8	49/102011/93 dated 01.10.2010	Insutance Company "Russia", JSC	from 01.10.10 to 31.08.11	-
<b>Southwest Electric Grids</b>						
107.	Canteen building. Address: 144, Dzerzhiskiy street, Taganrog.	179.6	No. 95773 dated 02.08.2010	"Salen" LLC	from 02.08.10 to 02.07.11	Still used
108.	Administrative Building of Repair and Production Base-3, type of Southwest Electric Grids Production Association, Letter A, ATM, 144 Dzerzhinskiy st. Taganrog	8	No. 95779 dated 02.08.2010	"Centre-Invest" Commercial Bank, JSC	from 02.08.10 to 02.07.11	Prolonged for the same period
109.	Checkpoint Building, 144 Dzerzhinskiy st. Taganrog	24.8	No. 95779 dated 02.08.2010	"Centre-Invest" Commercial Bank, JSC	from 02.08.10 to 02.07.11	Prolonged for the same period

Fixed Assets under Arrest			
	Brief Description of the Property	Basis of Encumbrances	Start Date and End Encumbrances
	Name		
1	1) Monitor-4 pc, 2) System unit-4 pc, 3) Key board-4 pc, 4) Computer Mouse-4 pc, 5) Printer-1 pc.	Order of Seizure dated 27.12.2007 in accord with consolidated enforcement proceeding Execution No. 47/07 dated 11.01.2007	Seized since 27.12.2007

2	1) 10 kv HV Branch line from 5/250 Package Transformer Substation with length of 0.8 km laid by Service Team-1, 12 electricity pylons of wood on ferro-concrete, 2.4 km of AC-35 wire 10/0.4-250 kVA PTS; 2) 10 kv HV Branch line from 1/250 kVA "Zernotok" PTS with length of 0.75 km laid by Service Team-1, 4 electricity pylons of wood on ferro-concrete; 3) ) 10 kv HV Branch line from 1/250 kVA PTS with length of 3/6 km laid by Service Team-1, 4 electricity pylons of wood on ferro-concrete;	Order of Seizure dated 06.12.2007 in accord with consolidated enforcement proceeding Execution No. 47/07 dated 11.01.2007	Seized since 06.12.02007
3	1) 35/10 kv Pump Electric Grid Company; 2) 35 kv HV Tavn-Gashunskaya Pump Line; 3) 35/10 kv HV Chernozemelskaya-Zulturganskaya Line; 4) 35/10 kv Kirovskaya Electric Grid Company; 5) 35/10 kv "Improver" Electric Grid Company;	Order of Seizure dated 21.10.2007 in accord with enforcement proceeding Execution No. 934/74 dated 06.02.2007	Seized since 27.09.2007

Fixed Assets Transferred to the Operational Management				
	Brief Description of the Property		Basis of Encumbrances (Rulings had been made by management body before the moment "Rostovenergo" JSC was affiliated to "IDGC of the South" JSC)	Start Date and End Encumbrances
	Name	Area, sq.m.		
1	Building, Letter A, located: 147 2-aya Krasnodarskaya st., Svetskiy dc, Rostov on Don, Rostov region	1673.3	Basis: Ruling of Board of Directors of "IDGC of the South" JSC dated 30.12.2011, Minutes No. 61 (as to the agenda "On seizure from operational management of "Energetik" item of immovable property – Building Liter A , 7166 sq.m and session part of premises to operational management of Non-state educational establishment "Educational centre "Energetik")	Since 30.12.2011
2	Building, Letter A, location: 147/2 2-aya Krasnodarskaya st., Sovetskiy dc, Rostov on Don, Rostov Region	4789.1	Basis: Ruling of Board of Directors of "Rostovenergo" JSC dated 26.04.2004, Minutes No. 22 (as to the agenda item No. 14 "Regarding Property Settled on "Training Centre "Energetik", Non-state Non-commercial Educational Institution on the basis of operational management) (Certificate of State Registration of Rights 61 АГ No. 981623 dated 26.08.2008)	Since 26.08.2008 – without time restrictions
3	Movable Assets to the number of 9531 ea amounting to 2133 048.67 rub	-	Basis: Ruling of Board of Directors of "Rostovenergo" JSC dated 26.04.2004, Minutes No. 22 (as to the agenda item No. 14 "Regarding Property Settled on "Training Centre "Energetik", Non-state Non-commercial Educational Institution on the basis of operational management)	Since 01.07.2004 – without time restrictions

4	Production Base Building of Training Centre totaling to 12052190.08 rub, Letter of Building No. 65, location: Industrial hub at Thermoelectric Plant-2, Privolzhskiy dc, Astrakhan Region	1158. 5	Basis: Ruling of Board of Directors of "Astrakhanenergo" JSC dated 29.04.2003, Minutes No. 100 (as to the agenda item "Regarding Participation of "Astrakhanenergo" JSC in "Astrakhan Training Complex" Non-state Non-commercial Educational Institution by means of property transferred under the operational management), Treaty on the Right of Operational Asset Management No. 01-25-24/37 dated 05.01.2004, Additional Agreement No. 1 dated 24.03.2008 to treaty No. 01-25-24/37 dated 05.01.2004, Certificate of State Registration of Rights 30 CP No. 009108 dated 12.05.2004.	Since 12.05.2004 - without time restrictions
5	Movable Assets to the number of 100 ea amounting to 36500.47 rub.	-----	Basis: Ruling of Board of Directors of "Astrakhanenergo" JSC dated 29.04.2003, Minutes No. 100 (as to the agenda item "Regarding Participation of "Astrakhanenergo" JSC in "Astrakhan Training Complex" Non-state Non-commercial Educational Institution by means of property transferred under the operational management), Treaty on the Right of Operational Asset Management No. 01-25-24/35 dated 05.01.2004, Additional Agreement dated 20.12.2006 to treaty No. 01-25-24/35 dated 05.01.2004, Additional Agreement No. 2 dated 24.03.2008 to treaty No. 01-25-24/35 dated 05.01.2004.	Since 05.01.2004 - without time restrictions
6	Movable Assets to the number of 4 ea amounting to 12988.10 rub.	----- --	Basis: Ruling of Board of Directors of "Astrakhanenergo" JSC dated 29.04.2003, Minutes No. 100 (as to the agenda item "Regarding Participation of "Astrakhanenergo" JSC in "Astrakhan Training Complex" Non-state Non-commercial Educational Institution by means of property transferred under the operational management), Treaty on the Right of Operational Asset Management No. 01-11/03-Д117-1P dated 29.06.2004, Additional Agreement No. 3 dated 24.03.2008 to treaty No. 01-11/03-Д117-1P dated 29.06.2004.	SinceC 29.06.2004 - without time restrictions
7	Movable Assets to the number of 2 ea amounting to 21310.43 rub.	-----	Basis: Ruling of Board of Directors of "Astrakhanenergo" JSC dated 29.04.2003, Minutes No. 100 (as to the agenda item "Regarding Participation of "Astrakhanenergo" JSC in "Astrakhan Training Complex" Non-state Non-commercial Educational Institution by means of property transferred under the operational management), Treaty on the Right of Operational Asset Management No. 01-11/03-Д117-1P dated	Since 13.08.2004 - without time restrictions



		13.08.2004, Additional Agreement No. 4 dated 24.03.2008 to treaty No. 01-11/O3-Д117-1P dated 13.08.2004.	
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#### IV. Data on Financial and Economic Activity of the Issuer

##### 4.1. Results of Financial and Economic Activity of the Issuer

Business activity dynamics, including company's (un)profitability complied on the basis of accounting report

Standard (rules) applied for accounting (financial report): **RAS (Russian Accounting Standards)**

In items of rubles

Indicator	2011, 9 months	2012, 9 months
Net profit, %	-0.1	-0.5
Return on equity, %	0.4	0.4
Return on assets, %	0	-0.2
Ratio of net profit, %	-0.1	-0.5
Uncovered loss amount as of the reported date	3 544 934	3 408 195
Ratio of uncovered loss rate as of the reported date to balance sheet	8.7	7.4

Ratio of net profit shows share of net profits, remaining at the disposal of the Company, percentage of total sales revenue. In comparison with 9 months of 2011 the net profit has decreased from -0.1% to -0.5% due to the presence of net profit.

Asset turnover ratio characterizes the efficiency of the Company's usage of all available resources, regardless where they originated from, that is, shows how many times during the period under review makes a complete cycle of production and circulation.

Return on equity shows ratio of Company's net profits to net worth and characterize the efficiency of usage of net worth invested in Organization. In comparison with 9 months of last year indicator values decreased from 0.0% to minus 0.2%.

Return of assets characterizes the efficiency of Company's funds application, i.e. the efficiency of Issuer's funds managing and returning through the every ruble invested in assets, and shows the generating of Company's profit. In comparison with 9 months of 2011 indicator values decreased from minus 0.1%

to minus 0.5%.

All indicators are based on recommended methods of calculations

Economic analysis of profitability/unprofitability of Issuer, based on the dynamics of these indicators, and also reasons that caused the unprofitability/profitability of Issuer showed in accounting (financial) report:

Additional indicators describing the results of financial and economic activities, thousand rubles.

Indicator name	2011, 9 months	2012, 9 months
Profit	17 456 381	18 105 895
Self-cost, thousand rubles	14 852 320	15 094 546
Total profit	2 604 061	3 011 349
Net profit (undistributed profits (unrecovered loss))	-11 257	-88 402
Product profitability (sale), %	-0,1	-0,5
Capital turnover, times	0,5	0,5

Profit for 9 months of 2012 amounted 18 105 895 thousand rubles, in comparison with indicator for 9 months of 2011 it is more by 3.7%. The main reason of growth of income is early fulfillment of activities on technological connection of consumers to grids of the issuer.

Total profit in accounting period in comparison with similar period of last year increased by 407 288 thousand rubles or 15.6%.

Net profit for 9 months of 2012 amounted minus 88 402 thousand rubles, which 77 145 thousand rubles less that in 9 months of 2011. The negative dynamics of the financial performance of the issuer is due mainly to the creation of the reporting period allowance for doubtful accounts in the amount of 1,054 222.7 thousand rubles. which is partially compensated by cost savings at production costs, administrative expenses, interest expense, lower other expenses and increasing of other income.

Net profit sale ratio characterizes the efficiency of industrial and business activities, estimates the proportion of the cost of sales, and shows the amount of operating profit to sales of the Company. The main and most commonly referred rate of return. This coefficient shows how much profit remains for Company after covering the production cost. For the 9 months of 2012 it was 13%, it is 1.3% more than similar indicator for last year.

Total assets turnover ratio shows the speed of ratio turnover of Issuer, and it amounts 0.5 on accounting date, there are no changes in comparison with similar period of last year.

Factors that Had Impact on Change of the Issuer' Sales, Product, Work and Service Proceeding and on Change of the Issuer's Income (Loss) from Operations, in thousand rubles

**Structure of the Issuer's revenue in the accounting period has developed as follows:**

- revenue from the transfer and distribution of electricity – 17 391 760 thousand rbs or 96,1%;
- revenue from technological connection of consumers - 604 310 thousand rbs or 3.3%;
- revenue from other activities – 109 825 thousand rbs or 0,6%.

In comparison with 9 months of 2011 revenue volume has increased by 3.7% or by 649 514 thousand rubles, including revenue from transfer and transit of electricity – by 522 960 thousand rubles. Revenue from technological connection of consumers has increased by 182 038 thousand rubles. The main reason of growth of income from this activity is early fulfillment of activities on technological connection of consumers to grids of the issuer Revenue from other activities has reduced by 55 484 thousand rubles.

Increase in the cost amounted 242 226 thousand rubles or 1.6% in comparison with the corresponding period of the previous year.

Views of Issuer's management on the abovementioned reasons and/or on the degree of their influence on the indicators of financial and economic activities of the Issuer coincide.

None of the members of Board of Directors has dissenting opinion as to the abovementioned reasons and/or to the degree of their influence on the indicators of financial and economic activities of the Issuer.

**4.2. Issuer's Liquidity, Capital and Current Assets Adequacy**

The dynamics of indicators of Issuer's liquidity, calculated on the basis of accounting (financial) report.

Standard (rules) applied for making the accounting (financial) report: RAS

In items of thousand rubles

Indicator	9 months of 2011	9 months of 2012
Net fixed assets index	4 737 974	4 506 987
Current ratio	1.5	1.4
Quick ratio	1.3	1.2

At the Issuer's discretion it shows the additional dynamic of indicators, characterizing Issuer's liquidity, calculated on the basis of consolidated accounting (consolidated financial) report of Issuer, which is included in year report: **No**.

All figures are based on the recommended methods of calculations: **Yes**

An economic analysis of Issuer's liquidity and solvency, the Issuer's capital

adequacy ratio for the performance of short-term obligations and meet current operating expenses, based on economic analysis of the dynamics of these indicators with a description of factors that, in the opinion of the Issuer, had the most significant impact on the liquidity and solvency of the Issuer:

**Net working capital is the difference between value of working capital and current liabilities.**

**This indicator characterizes the value of floating capital, devoid of short-terms (current) liabilities, i.e. the share of Company's floating assets, which has been financed from long-term sources and it cannot be used for extinction of current debt.**

**The value of net working capital of the issuer as of 30.09.2012 amounted 4 506 987 rubles.**

**Decrease in net working capital relative to 9 months of 2011 indicates about decreasing of Company's liquidity.**

**Current ratio indicates the extent to which current assets cover current liabilities of organization, and allows estimating how much current assets accounted for one ruble of current liabilities. As of 30.09.2012 this coefficient amounts 1.4. The recommended value of current liquidity coefficient is not less than 0.6.**

**Quick ratio shows how the most liquid assets cover current liabilities of the organization.**

**As of 30.09.2012 the coefficient was 1.2. Recommended value of quick ratio is not less than 0.5.**

The opinions of the Issuer's administration with respect to the causes or extent of their influence on the results of the Issuer's financial activities does not match: **No**.

A member of the Issuer's Board of the directors (supervisory council) or a member of the Issuer's collegial executive body has a special opinion on the reasons mentioned and / or the degree of their influence on the results of the Issuer's financial activities, as reflected in the minutes of the meeting (conference) Issuer's Board of directors (supervisory council) or the collective executive body, which considered the issues involved, and insists on reflecting this view in the quarterly report: **No**.

#### **4.3. Financial Investments of the Issuer**

No changes occurred in this article during the reporting period.

#### **4.4. Intangible Assets of the Issuer**

As of the end of the reporting period

In items of rbs

	Undepreciated (replacement) value	Amortization charge
intangible assets group		

Trademark	24 100	8 708
Total	24 100	8 708

Accounting Standards (regulations) in accordance with which the Issuer exposes data on its intangible assets are as follows:

Accounting Regulation “Intangible Assets Accounting” (ПБҮ 14/2007), approved by Order of Ministry of Finance of the Russian Federation No. 153Н dated 27.12.2007. Intangible Assets are not reassessed. Amortization expenses for all types of Intangible Assets are charged by straight-line method.

Reporting date: **30.09.2012**

#### **4.5. Data on Policy and Expenditures of the Issuer in the Field of Scientific and Technical Development, Concerning Licenses and Patents, New Development and Research**

##### **Information about the policy in the area of scientific and technological development.**

The following licensed softwares were purchased in 3<sup>rd</sup> quarter of 2012:

- Licensed software “Piramida 2000” – 4 items;
- Licensed software “Grand-Smeta” prof version with update on 22 people;
- Licensed software “Kontur-Ekstern” as part of license on CIPF “CryptoPro CSP 3.6” and ARM in mode “Accounting”;
- Licensed software CIPF “CryptoPro CSP 3.6”;
- Licensed software “1C: Accounting” for 100 people;
- Licensed software “1C: salary and staff mangement” for 50 people.

The cost of all licensed soft purchased in 3<sup>rd</sup> quarter of 2012 is amount 1 037 260,00 rubles (VAT free in accordance with paragraph 2 article 149 of the Tax Code of RF).

In 2011 on the meeting of the Board of the directors of “IDGC of the South” JSC 29.07.2011 approved the Program of innovate development of Company for 2011-2016 (minutes of meeting dated 01.08.2011 No. 69/2011).

The updating of Programm was approved in the 2<sup>nd</sup> quarter of 2012 on meeting of Company’s BoD dd 15.06.2012 (Minutes No. 91/2012 dd 18.06.2012).

The main directions of innovate development of Company:

- development of methodological (regular) support;
- development of human capital (staff training);
- planning and implementation of scientific and research and development projects (R&D);
- introduction of “finished” effective innovate development;
- improvement of basic business processes of Company;

- development of information technology and IT infrastructure;
- energy efficiency.

R&D in “IDGC of the South”, JSC includes:

- increase of safety and reliability energy supply to the consumers;
- optimization of management system, increase of financial and economic efficiency, operational and repair activity (elaboration of perspective solutions and events for advancing the maintenance systems at grids facilities);
- increase of energy efficiency (energy conservation equipment, systems of light and heat control, decrease of energy losses, cost optimization)
- sophistication of procedural framework and technical basis;
- sophistication of procedural framework and technical basis;
- trial operation of modern types of electric equipment;
- development and introduction of new methods for making the diagnostics of facilities at electric grid complex;
- corporate and technical events aimed to increase stability of company’s activity in cases of emergency situations;
- increase of environmental and informational safety

As part of adjustment of programme the Company approved a plan for R&D for 2012. The R&D plan for 2012 provides for implementation of R & D projects 13 (9 research and development started in 2011, and 4 R & D projects of 2012).

As of 30.09.2012 the Company signed nine contracts for the performance of R & D works (total cost of 95.724 million rubles.). One project was fulfilled:

"Operational testing device short-circuit the neutral network of 10 kV on the base of automatic distribution station for the needs of IDGC of the South - Volgogradenergo between JSC" IDGC of the South "and ZAO" GC "Tavrida Electric" made and paid in full (total contract cost – 3,142 million rubles.).

All stages of the R & D carried out in full volume.

Actual payment from the Company for the execution of all phases of R & D is also made in full and amounts to 3.142 million rubles.

Contract to carry out R & D, concluded with JSC "Interregional Industrial Association of technical recruitment" Tehnokomplekt" from September 16, 2011 No. 706 on: “Development of technical requirements and characteristics of DC operating current, installed in RP 6-10 kV, 35-110 kV made on modern components, with project development of repeated application”.

Contract provides for implementation of 5 stages of R&D, total cost 3.15 million rubles (VAT included).

As of September 30, 2012, 1-4 stages of R & D are carried out in full volume.

The actual payment by the Company for the implementation of R&D stage 1 made in full volume and amounts 0.602 mln. rubles, with the actual debt on payment for the implementation of R&D 2-4 stages amounts 1.783 mln rubles.

3. Contract for performance of R & D concluded with "Research and development centre Instrument Micro" dd September 19, 2011 No. 745 on the topic "The introduction of a modern system of early detection of icing at 35-110 kV overhead line (the branches of "IDGC of the South" JSC - "Volgogradenergo", "Rostovenergo")".

Contract provides for implementation of R&D 5 stages with total value 18.78 million rubles (including VAT).

As of September 30, 2012, 1, 3 and 4 stages of R&D are carried out in full volume.

Actual payment from the Company's performance 1, 3 and 4 stages of R&D is also made in full volume and amounts to 3.756 million rubles.

4. Contract for performance of of R&D, signed with FSBEI HPO "Kuban State Technological University" dd September 19, 2011 No. 8.64.01.07-11/714 on "Development of information system for monitoring and forecasting parameters of electricity distribution networks 6-10 kV".

Contract provides for implementation of R&D 4 stages with a total value 1.695 million rubles (VAT not included).

As of September 30, 2012, 1 and 2 stages of of R&D carried out in full volume.

The actual payment by the Company for the implementation of R&D stage 1 made in full and amounts to 0.424 million rubles, with the actual debt on payment for the implementation 2 stage of R&D amounts to 0.424 mln. Rubles.

5. Contract for performance of of R&D, signed with FSBEI HPO "Tomsk Polytechnic University" on September 19, 2011 No. 2-475/11u/741 on "Examination of influence of traction and other nonlinear loads of power grids of 110 kV branches of "IDGC of the South" JSC on the quality and level of electric power losses".

The agreement stipulates three stages of the implementation of R&D with a total value 12.0 million rubles (VAT included).

As of September 30, 2012, 1 and 2 stages of of R&D carried out in full volume.

The actual payment by the Company for the implementation of R&D stage 1 made in full and is 4.0 million rubles, with the actual debt on payment for the implementation 2 stage of R&D is amount 4.0 million rubles.

6. Contract for performance of of R&D, signed with FSBEI HPO "Tomsk Polytechnic University" dd September 19, 2011 No. 2-476/11u/742 on "Research and development of methods of determining efficiency indicators of transport of electricity in connection with cross-flows of reactive power and power quality in networks of 110 kV".

The agreement stipulates three stages of the implementation of R&D with a total value 9.0 million rubles (including VAT).

As of September 30, 2012, 1 and 2 stages of of R&D are carried out in full volume.

The actual payment by the Company for the implementation of R&D stage 1 made in full and is 3.0 million rubles, with the actual debt on payment for the implementation 2<sup>nd</sup> stage of R&D is 3.0 million rubles.

7. Contract for performance of of R&D, signed with JSC "Siberian Center of pricing in construction, Industry and Energy" dd September 19, 2011 No. 726 on "Development of estimate and normative base for the determination of the cost of repair and maintenance of electrical installations on the level of prices as of January 1, 2012 (the branch of "IDGC of the South" JSC - "Rostovenergo")".

Contract provides for implementation of R&D 4 stages with a total value 12.057 million rubles (including VAT).

As of September 30, 2012, 1 and 2 stages of of R&D are carried out in full volume.

Actual payment from the Company for the execution phases 1 and 2 of of R&D is also made in full volume and amounts to 12.057 rubles.

8. Contract for performance of of R&D concluded with "Scientific Research Institute of Energy Technology" LLC dd September 27, 2011 No. 727 on the topic "The introduction of microprocessor block 110 kV disconnectors of new generation (microelectronics and microprocessor of electromagnetic interlocking with installation of prototype in a dispenser of one substation of branch of "IDGC of the South" JSC - "Rostovenergo")".

The agreement stipulates three stages of the implementation of R&D with a total value 2.9 million rubles (VAT not included).

As of September 30, 2012, 1 and 2 stages of of R&D are carried out in full volume.

Actual payment from the Company for the execution phases 1 and 2 of of R&D is also made in full volume and amounts to 1.8 million rubles.

9. Contract for performance of of R&D concluded with JSC "Research Engineering Center of Interregional Distribution Companies" dd May 10, 2012 No. 12/027/628 on item "Building on the modern base and introduction into test operation sets of the selective protection from single-phase earth faults in compensated and uncompensated voltage 6-35 kV networks, based on identifying a single-phase earth fault on transient and steady process".

Contract provides for implementation of R&D 6 stages with a total value 33.0 million rubles (VAT included).

As of September 30, 2012, 1st stage of R&D is as carried out in full volume.

Actual debt on payment by the Company for the implementation of R&D stage 1 amounts 4.75 million rubles.

During 3rd quarter of 2012, within the terms of the agreement concluded with contractors of the above contracts on implementation of R&D, are fully complied 7 stages on some of them, but the payment by the Company for their execution was not made and the total actual debt on payment from the the Company to counterparties according to article 60.01.3.4. amounted to 13.957 million rubles.

In addition, during the 3rd quarter of 2012 the Company signed the following four draft agreements with contractors to perform R&D, which, as of September 30, 2012 were at the stage of signing by counterparties:

1. The project of Agreement for implementation of R&D concluded with



JSC "Research Engineering Center of interregional distribution grid companies" on the item: "Development of technical standards of Electricity Distribution Companies", providing the accomplishment of 2 stages of R&D with a total value of 5.892 million rubles (including VAT).

2. The project of Agreement for implementation of R&D concluded with JSC "FINEX Quality" on item: "Development of regulations of JSC" IDGC of the South ", based on the requirements of the international standard ISO 50001:2011», providing the accomplishment of five stages of R&D with a total value of 5.894 million rubles (including VAT).

3. The project of Agreement for implementation of R&D concluded with JSC "Interregional Industrial Association of technical recruitment" Tehnokomplekt " on the item: " Development of methodological materials for training electricians in equipment switchgear using the simulator switchgear power systems ", providing the accomplishment of 5 stages of R&D , total cost of 15.501 million rubles (VAT included).

4. The project of Agreement for implementation of R&D concluded with "Distributed Technologies" on item: "Determining the structure and principles in the emergency control system (PA) of the distribution network of major cities and to compute and implement control actions (HC) of the system," calling for the implementation 5 stages of R&D with a total value of 4.750 million rubles (VAT included).

#### **Information about creating and obtaining legal protection for the main objects of intellectual property and risk factors.**

In the second quarter of 2012 under the contract "Development and implementation of a pilot project for the organization of a modern system for early detection of icing at 35-110 kV overhead lines (the branches of IDGC of the South: "Volgogradenergo", "Rostovenergo") received a patent for utility model "Device for detection of deposits on the wire anchor span of overhead line" (No. 116 705, published 05/27/2012).

The result of the development will be the preparation for mass deployment of new high-tech devices to the distribution grid complex.

R & D funding in the 2<sup>nd</sup> quarter of 2012 was not carried out.

#### **4.6. Analysis of Development Trends Related to the Issuer's Ordinary Activity**

No changes occurred in this article during the reporting period.

##### **4.6.1. Analysis of Factors and Conditions Influencing the Issuer's Activity**

No changes occurred in this article during the reporting period.

##### **4.6.2. Business Competitors of the Issuer.**

No changes occurred in this article during the reporting period.

**V. Detailed Data on Members of Management Authorities of the Issuer, Authorities of the Issuer Undertaking Control over Financial and Economic Activities, and Brief Data on the Staff (Employees) of the Issuer**

**5.1. Data on Structure and Competence of the Issuer's Management No changes occurred in this article during the reporting period.**

No changes occurred in this article during the reporting period.

**5.2. Data on Members of the Issuer's Management Authorities**

**5.2.1. Structure of the Board of Directors (Supervisory Body) of the Issuer**

Surname, name, patronymics: **Goncharov Valeriy Anatolievich (chairperson)**

Year of birth: 1963

Education:

Leningrad shipbuilding institute, specialization "Engineer - electrician"

Degree: Doctor of Economics.

Period		Company	Position
from	to		
2006	2012	Roszheldorsnab branch of RZhD JSC	First deputy director
2012	2012	Roszheldorproekt JSC	Director general
2012	now	FGC UES JSC	Deputy Chairperson of Management Board
2012	now	IDGC Holding JSC	deputy executive director on investment activity

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law

related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Arhipov Sergey Aleksandrovich  
 Member of Board of Directors  
 Year of birth: 1967

Education: Alma-ata Institute for Energetics; qualifications: Electric-power Systems and Grids.

Period		Company	Position
from	to		
2008	2008	“Smolenskenergo” JS	Executive Director
2008	2008	“Smolenskenergo” branch of ‘IDGC of Centre’ JSC	Deputy CEO, Director of the Branch
2008	2010	“IDGC of Centre” JSC	First Deputy CEO
2010	2012	“IDGC of the South” JSC	Chief Executive Officer, Management Board Chairperson

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal

responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Surname, name, patronymic: **Branis Aleksandr Markovich**

Year of birth: 1977

Education: Russian Presidential Academy of National Economy and Public Administration (ANE), Bachelor of Management

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2005	present day	Prosperity Capital Management Ltd (RF)	Director
2005	present day	“Territorial generating company - 6”JSC	Board of Directors Member
2006	2009	Representative Offices of Prosperity Capital Management Ltd (RF)	Head of Analytical department
2006	2009	“Territorial generating company - 4”JSC	Board of Directors Member
2006	2009	“Territorial generating company - 2”JSC	Board of Directors Member
2007	2009	“Prokatmontazh” JSC	Board of Directors Member
2007	2011	“Bashkirenergo” JSC	Board of Directors Member
2007	Present time	“IDGC of Centre” JSC	Board of Directors Member
2008	2009	Prosperity Capital Management Ltd	Director general
2008	2009	“Novgorod energy selling company”, “IDGC of Centre	Board of Directors Member

		and Volga region”, JSC	
2008	2011	Prosperity Capital Management Ltd	Chief accountant
2009	2011	Prosperity Capital Management Ltd	Chairman of liquidation committee
2009	present day	Representative office of Prosperity Capital Management Ltd	Investments director
2010	Present time	“IDGC of Centre and Volga region”, JSC	Board of Directors Member
2012	Present time	“Territorial generating company - 2”JSC	Board of Directors Member

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

**Diyakov Fyodor Aleksandrovich**

Director general of FGC UES JSC branch – “Bulk power systems of the South”.

**Year of birth:** 1958

**Education:** Kiev institute of civil aviation engineering, faculty “Radio engineering”

**Further education:**

Institution of Advanced Training of Power engineers, Moscow school of management Skolkovo, State academy advanced training for top-managers and specialists in investments, Petersburg Power Engineering Institute for advanced training.

Degree on: Doctor of Science.			
Period		Company	Position
from	to		
2006	present day	FGC UES JSC branch – “Bulk power systems of the South”	Director general

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

**Katina Anna Yurievna**

Deputy head of department for corporate governance and interaction with shareholders at IDGC Holding JSC

**Year of birth:** 1982

**Education:** Moscow State Humanities University, specialization “Jurisprudence”

**Further education:**

Trainings for managers in the sphere of RF national economy, specialization “Management”

Institute for stock market and management, programme “Foundation programme on stock market”

Period		Company	Position
from	to		
2008	present day	IDGC Holding JSC	Head of sector, deputy head of department for corporate governance and interaction with shareholders
2009	present day	RETO plant JSC	BoD member
2009	present day	Berendeyevskoye JSC	BoD member
2010	present day	Energy company Tsrskoselskaya CJSC	BoD member
2011	present day	Lenenergo energy-service JSC	BoD member
2012	present day	Scientific and research centre of Ural JSC	BoD member
2012	present day	Yekaterinbourgenenergoby JSC	BoD member
2012	present day	Ural energy-service JSC	BoD member
2012	present day	“IDGC of the South” JSC	Member of Committee on Audit of BoD

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

**Kuvaeva Valeria Dmitrievna**

**Year of birth:** 1987

**Education:** State University of Management, faculty “Corporate governance”

Period		Company	Position
from	to		
2006	2010	Multifunctional expert and evaluation centre LLC	Manager, head of sector
2010	2010	Central Control Administration of the Fuel and Energy Complex	Specialist of marketing sector
2010	31.08.2012	RF Ministry of Energy	Chief specialist – expert, consultant
2011	2012	GruzRosenergo interconnected system	BoD member
2011	2012	Ust – Srednekanskaya hydroelectric power plant, JSC	BoD member
2011	2012	Kurstopprom JSC	BoD member
2011	2012	Luzhskiy Gortopsbyt JSC	BoD member
2011	2012	Severnergostroy JSC	BoD member
2011	2012	Institute Enrgosetproekt JSC	Member of Audit committee
2012	Present day	Merged Energy Company JSC	Head lawyer of Corporate management department
2012	present day	Mosenergoremont JSC	BoD member
2012	present day	IDGC of the Centre and Volga region JSC	BoD member
2012	present day	IDGC of Siberia JSC	BoD member
2012	present day	IDGC of Ural JSC	BoD member
2012	present day	Holding IDGC JSC	Member of Audit committee

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal



responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

**Osipov Aleksandr Mikhailovich**

Vice-president of Russian public organization “Delovaya Rossia”, chairperson of Expert committee, director general of “Centre of evaluation and audit” LLC

**Year of birth:** 1969

**Education:**

1. Kharkov Higher Military Engineering College of Missile Arms, specialization “economic informatics and control system”

2. Stavropol State University, specialization “Jurisprudence”

Advanced training: Russian Presidential Academy of National Economy, specialization “master of business administration”

Period		Company	Position
from	to		
2006	2009	Open joint stock company Commercial bank “EVROFINANS MOSNARBANK”	Head of directorate fro development of regional network
2009	now	“Centre of evaluation and audit” LLC	director general
2012	now	Russian public organization “Delovaya Rossia”	Vice-president, chairperson of Expert committee
2012	Now	IDGC of the South JSC	Member of Committee on Audit of BoD

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

### **No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

### **The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

### **The person did not hold the specified positions**

### **Prokhorov Yegor Vyacheslavovich**

Finance director of FGC UES JSC, finance director at IDGC Holding JSC

**Year of birth:** 1982

**Education:** State University of St.-Petersburg, specialization “Mathematical methods in economics”

**Degree on:** Ph.D. in Economics

<b>Period</b>		<b>Company</b>	<b>Position</b>
from	to		
2007	2009	OGK-1 (third generation company of the wholesale electricity market) JSC	Head of sector
2009	2009	INTER RAO UES JSC	Head of directorate
2009	2012	FGC UES JSC	Head of department
2011	present day	Index of Energy - FGC UES LLC	Director general (as a second job)
2011	present day	Glavsetservis ENES JSC	BoD member
2011	present day	Elektrosetservis ENES JSC	BoD member
2011	present day	Energostroysnabkomplekt ENES JSC	BoD member
2011	present day	GVTS of Power industry (major computer center of RF power industry) JSC	BoD member
2012	present day	FGC UES JSC	Finance director
2012	present day	IDGC Holding JSC	Finance director (по совместительству)
2012	present day	Property of VNIPIenergoprom JSC	BoD member
2012	present day	Scientific and Research centre of UES JSC	BoD member
2012	present day	North-Western Scientific and	BoD member

		Research centre JSC	
2012	present day	Southern Scientific and Research centre JSC	BoD member
2012	present day	Centre of engineering and construction management JSC	BoD member
2012	present day	Kubanenergo JSC	BoD member
2012	present day	“IDGC of the South” JSC	Chairperson of Committee on Audit of BoD

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Repin Igor Nikolaevich

**Deputy executive director of Non-profit Partnership Association for investors rights protection.**

**Year of birth:** 1966

**Education:** Moscow State University, faculty of geography, specialization “land hydrology”

**Further education:** Federal committee on RF stock market (certificate of 1<sup>st</sup> category).

Higher school of economics, programme advanced training of companies board of directors members.

Russian jurisprudence academy at RF Ministry of justice, court-appointed manager programme

Period		Company	Position
from	to		
2000	now	Non-profit Partnership Association for investors rights protection	Deputy executive director
2012	now	“IDGC of the South” JSC	Member of Committee on strategy, development, investment and reforming, Human Resources and Compensation Committee, Audit Committee, Reliability Committee and Committee on technological connection to electricity networks

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

**Filkin Roman Alekseevich**

Co-director of representative office of Prosperity Capital Management Ltd (RF)

**Year of birth:** 1983

**Education:** Finance Academy under the Government of the Russian Federation, speciality “Finance and Cred

Period		Name of entity	Position
From	Up to		
2006	2009	Representation of Prosperity Capital Management LLC	Deputy head of representation
2006	2009	“Mordova energy sales company” JSC	Member of BoD
2006	2009	“Novgorod energy sales company” JSC	Member of BoD
2006	2009	“Penza energy sales company” JSC	Member of BoD
2006	2009	“Ryazan energy company” JSC	Member of BoD
2006	2009	“Tver energy sales company” JSC	Member of BoD
2006	2009	“Territorial generating company No. 4” JSC	Member of BoD
2006	2010	“Arkhangelsk energy sales company” JSC	Member of BoD
2006	2010	“Yaroslavl energy sales company” JSC	Member of BoD
2006	2011	“Dagestan energy sales company” JSC	Member of BoD
2006	2011	“Penza energy maintenance company” JSC	Member of BoD
2006	2011	“Smolensk energy maintenance company” JSC	Member of BoD
2006	2011	“Smolensk energy service company” JSC	Member of BoD
2006	2011	“Tver energy maintenance company” JSC	Member of BoD
2006	now	“Territorial generating company No. 6” JSC	Member of BoD
2007	2009	“Bryansk energy sales company” JSC	Member of BoD
2007	2009	“Mosenergosetstroy” JSC	Member of BoD
2007	2009	“Oryol energy sales company” JSC	Member of BoD
2007	2009	“Kursk energy sales company” JSC	Member of BoD
2007	2009	“Territorial generating company No. 2” JSC	Member of BoD
2007	2010	“Voronezh energy sales company” JSC	Member of BoD
2007	2011	“Novgorodsetstroy” JSC	Member of BoD
2008	2009	“Prosperity Capital Management” LLC	Controller
2008	2009	“Chemical and pharmaceutical plant “Akrihin” JSC	Member of BoD
2008	2009	“Smolenskenergosbyt” JSC	Member of BoD

2008	2009	“Tambov energy sales company” JSC	Member of BoD
2008	2010	“Krasnyi kotelschik” JSC TCNR	Member of BoD
2008	2011	“Dalenergomontazh” JSC, “NOVAYA ERA” JSC	Member of BoD
2008	2011	“NOVGORODOBLKOMUNELECTRO” JSC	Supervisory Board member
2008	now	“Energospetsmonyazh” JCS	Member of BoD
2009	2009	Bank “Yuzhniy region” JSC	Member of BoD
2009	2009	“Spetssetstroy” JSC specialized on construction of high-voltage transmission lines and substations	Member of BoD
2009	2010	“Severtruboprovodstroy” JSC	Member of BoD
2009	2010	“Voronezh joint-stock aircraft building company” JSC	Member of BoD
2009	2011	Joint-stock company of power and electrification “Bashkirenergo”	Member of BoD
2009	2011	“Urengoytruboprovodstroy” JSC	Member of BoD
2009	2011	Joint-stock company of power and electrification “Magadanenergo”	Member of BoD
2009	2011	Joint-stock company of building of major pipelines on the South of Russia “Yuzhtruboprovodstroy”	Member of BoD
2009	Now	Representative office of “Prosperity capital management (RF)” Ltd.	Co-director, electrification, machinery
2009	Now	“IDGC of Centre” JSC, “IDGC of Centre and Volga region” JSC	Member of BoD
2010	2010	“Tambov energy sales company” JSC	Member of BoD
2011	2012	“Prokatmontazh” JSC	Member of BoD
2011	Now	“IDGC of North-West” JSC	Member of BoD
2012	Now	“Dalenergomontazh” JSC	Member of BoD
2012	Now	“Smolensk energy maintenance company” JSC	Member of BoD
2012	now	“Kurganinsk machinery plant” JSC	Member of BoD
2011	Now	“IDGC of the South” JSC	Member of committee on audit of BoD

2011	Now	“IDGC of the South” JSC	Member of Committee on strategy, development, investment and reforming of BoD
2012	now	“IDGC of the South” JSC	Member of Human Resources and Compensation of BoD Committee

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

**Shevchyuk Aleksandr Viktorovich**

**Deputy acting director general of Non-profit Partnership "Association for protection of investors' rights**

**Year of birth:** 1983

**Education:** Financial University under the Government of the Russian Federation, faculty of Finance and Crediting

All positions held by person in the Issuer and other organizations for the last 5 years and now in chronological sequence including part-time

Period		Name of entity	Position
From	Up to		
2004	present day	Non-profit Partnership "Association for protection of investors' rights	Deputy acting director general
2006	2011	“Dalsvayz” JSC	Board of Directors Member
2007	2008	“Centretelecom” JSC	Board of Directors Member
2007	2009	IDGC of North Caucasus JSC	Board of Directors Member
2009	2010	NCC, CJSC	Board of Directors Member
2010	2011	“Centretelecom” JSC	Board of Directors Member
2010	2011	Southern Telecommunications Company JSC	Board of Directors Member
2010	2011	Sibirtelecom JSC	Board of Directors Member
2011	present day	IDGC of Centre, JSC	Board of Directors Member
2011	present day	IDGC of North Caucasus JSC	Board of Directors Member
2011	present day	“Volgogradgorgaz” JSC	Board of Directors Member
2011	present day	“Urengoytruboprovodstroy” JSC	Board of Directors Member
2011	present day	"IDGC of the South" JSC	Member of Audit Committee, Personnel and Remuneration Committee, Committee for Strategy, Development, Investments and Reforming
2012	Present day	“MOSTOTREST” JSC	Board of Directors Member

**The person has no participation shares/ordinary shares in authorized**



### **capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

### **The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

### **No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

### **The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

### **The person did not hold the specified positions**

## **Additional Data Disclosed in Accordance with Regulation on Information Policy of “IDGC of the South”, JSC**

Information on transactions concluded by the issuer and persons included in management bodies:

All members of “IDGC of the South” BoD are RF citizens.

Information on transaction concluded between the issuer and persons constituting the Board of Directors: such transactions were not concluded in the reporting period.

Data on Board of Directors’ members training at the Company’s expense: no members of the Board of Directors of the Company were trained at Company’s expense in III quarter, 2012.

## **Data on the Company’s Board of Directors Nominating Process, Procedure of Items Submission to the Company’s Board of Directors**

Shareholders (shareholder) of the Company owning at least 2 (two) % of the Company’s voting shares in total are entitled to contribute issues to the agenda of Annual General Meeting of Shareholders and to nominate candidates to the Board of Directors and Audit Committee of the Company within 60 (sixty) days

after the end of fiscal year. Number of candidates should not exceed quantity of the corresponding body.

Proposal to contribute issues to the agenda of General Meeting of Shareholders as well as proposal to nominate candidates are accepted in the written form with names of shareholders (shareholder) contributing; quantity and categories (types) of shares owned should be indicated by the shareholders (shareholder).

Proposal to contribute items to the agenda of General Meeting of Shareholders should contain wording of each of the item contributed, and proposal to nominate candidates should contain name and data of the identity document (series and (or) number, date and place of issue, the authority which issued the document) of each of the nominated candidates, name of the body the candidate is nominated to be elected in.

Board of directors of the Company should consider contributed proposals and take decision either on their inclusion in the agenda of General Meeting of Shareholders or on refusal to include them in this agenda within 5 (five) days after the end of the terms, indicated in point 13.1 of article 13 of the Company Charter.

Board of Directors of the Company may refuse to include items contributed to the agenda by shareholder (shareholders) as well as to enlist nominees for election to the appropriate body of the Company on the grounds provided by the Federal Law “On Joint Stock Companies” and other legal acts of the Russian Federation.

Reasoned Decision of the Board of Directors on the Company’s refusal to include the item in the agenda of the General Meeting of Shareholders of the Company or to include a candidate in the list of nominees for election to the appropriate body of the Company should be sent to the shareholder (shareholders) contributed the item or nominating the candidate within the next 3 days after the moment of the contribution.

The Board of Directors of the Company does not have the right to make any changes in the wording of items proposed for inclusion in the agenda of General Meeting of Shareholders and (in case there are such) in wording of decisions on such issues.

Apart from the questions proposed by shareholders for inclusion in the agenda of General Meeting of Shareholders as well as in case of absence of such proposals, absence or lack of candidates, nominated by shareholders to form the proper unit, the Board of Directors of the Company has right to include items into the agenda of General Meeting of Shareholders or names of candidates into the list of nominees as they see fit.

### **Procedures of Items Submitting to the Board of Directors of the Company**

Order of items submitting to the Board of Directors of “IDGC of the South”, JSC is defined by the Regulation “On the Procedure for Convening and Holding

Meetings of the Board of Directors of “IDGC of the South”, new edition approved by Company BoD 18.06.2012 (Minutes No. 7 dated 21.06.2012).

In accordance with sub point No.5.3.3 point 5.3 of article 5 in regulation “On the Procedure for Convening and Holding Meetings of the Board of Directors of “IDGC of the South”, schedule of the Board of Directors is formed on the basis of proposals of the Chairman and Members of the Board of Directors, Audit Commission, Chief Executive Officer of the Company and Company Auditor.

Indicated proposals are submitted to the Chairman of Board of Directors in written form and their copies are simultaneously sent by fax to Corporate Secretary.

### **Brief review of decisions adopted by IDGC of the south Board of Directors**

There were 4 meetings (3 - absentee meetings, 1 – absentee and in presence meeting) of IDGC of the South BoD in the 3<sup>rd</sup> quarter of 2012, more than 60 issues were discussed.

#### **IDGC of the South BoD 27.07.2012 (minutes of meeting No. 92/2012 dd 30.07.2012):**

- the work plan for the Board of Directors of “IDGC of the South” JSC in the second half of 2012 - the first half of 2013 was approved;
- personnel of five Committees attached to IDGC of the South BoD and their Chairpersons were elected;
- the positions overlapping by members of Management Board of IDGC of the South JSC in the memberships of other organizations were approved;
- the authorities of member of Board of Company – Samarchenko Olga Petrovna were eliminated;
- the standard on design of 35 kV and more overhead power lines of “IDGC of the South”, JSC using the computer-aided design system (CAD System) was approved;
- the Strategy in sphere of information technologies, automation and telecommunication for period up to 2016 was approved;
- Company’s key indicators of cash flow for the 3<sup>rd</sup> quarter of 2012 were approved;
- the report of Director General of “IDGC of the South” JSC about execution annual purchase program of “IDGC of the South” JSC for the 1<sup>st</sup> quarter 2012 was taken into account;
- the report of Director General of Company on the implementation of non-core assets of Company in 1<sup>st</sup> quarter 2012 was taken into account;
- the report of Director General of “IDGC of the South” JSC on the progress of indicator “Net debt/EBITDA” of Company for the 1<sup>st</sup> quarter 2012 was taken into account;

- Company's opinions on agenda items of meetings of Company's affiliates were expressed;
- the propositions of shareholders on candidates for the election to the Board of Directors at extraordinary General meeting of shareholders of "IDGC of the South", JSC dd 24.08.2012 were considered;
- form and text of the voting bulletins for extraordinary General meeting of shareholders were approved;
- costs estimates for preparation and holding the extraordinary General meeting of shareholders were approved;
- terms of contract with the Company's registrar were approved;
- contracts for design and research work between IDGC of the South JSC and "Southern Centre of Power Engineering" JSC as transaction of interest were approved.

**IDGC of the South BoD 08.08.2012 in absentee form (minutes of meeting No. 93/2012 dd 08.08.2012):**

- the terms of labour contract with Arkhipov Sergey Aleksandrovich, director general of IDGC of the South JSC, precisely the term of office were defied.

**IDGC of the South BoD 23.08.2012 in absentee form (minutes of meeting No.94/2012 dd 24.08.2012):**

- member of the Board of Directors Alexey Vladimirovich Demidov was ordered to perform the functions of the chairperson at meetings of the Board of Directors until the election of the Chairman of the Board of Directors;
- restated Regulations on Audit committee attached to IDGC of the South were approved;
- restated Regulations on internal control of "IDGC of the South" JSC were approved;
- the regulation on procedures of internal control of "IDGC of the South", JSC was terminated;
- the results of implementation of key performance indicators in the 1<sup>st</sup> quarter of 2012 were approved;
- the size of remuneration paid to auditor if UDGC of the South JSC was determined;
- the report presented by director general of IDGC of the South JSC on expenditures on preparation and holding the annual general meeting of Company shareholders on June 18, 2012 was taken into consideration;
- the report presented by director general of IDGC of the South JSC on implementation of plan of activities on bringing the customer service system to correspondence with Proprietary standard of IDGC of the

South “System of centralized customer service” in the 2<sup>nd</sup> quarter of 2012 was taken into consideration;

- the report presented by director general of IDGC of the South JSC on implementation of plan of activities in 2012 on installation and operation of fiber-optic communication lines was taken into consideration;
- the report presented by director general of IDGC of the South JSC on technical audit of fiber-optic communication lines in the 2<sup>nd</sup> quarter of 2012 was taken into consideration;
- the report on implementation of key indicators of cash flow of IDGC of the South JSC in the 2<sup>nd</sup> quarter of 2012 was taken into consideration;
- contract on design and research work between IDGC of the South JSC and “Southern centre of Power Engineering” as transaction of interest was approved;
- the submission of applications on tariff regulation by RAB method to special bodies registering the applications as priority area of activity of Company was determined;
- the contract on preparing design on “Standard technical documentation of distribution grid companies” between IDGC of the South and Scientific and Research Centre of IDGC as transaction of interest was approved.

**IDGC of the South BoD 28.09.2012 in person and in absentia (minutes of meeting No. 95/2012 dd 29.09.2012):**

- Goncharov Valeriy Anatolievich, deputy acting director on investment activity of Holding IDGC was elected as a chairperson of the Board of Directors;
- Prokhorov Egor Vyacheslavovich, financial director of Holding IDGC, was elected as deputy Chairperson of the Board of Directors;
- the report of Director general of IDGC of the South on the results of implementation business-plan of the Company (including the investment programme) for the 2<sup>nd</sup> quarter of 2012 and 6 months of 2012 was approved;
- the report presented by director general of IDGC of the South JSC on implementation of Plan of activities aimed at financial recovery of IDGC of the South for 2012 and plan of activities on financial recovery for 2013-2016 in the 2<sup>nd</sup> quarter of 2012 was taken into consideration;
- the report presented by director general of IDGC of the South JSC on purchasing the energy facilities which acquisition does not require the approval of the Board of Directors for 2<sup>nd</sup> quarter of 2012 was taken into consideration;
- the adjusted business plan for 2012-2016 was approved;
- the adjusted key performance indicators of IDGC of the South JSC for 2012 were approved;

- the adjusted Programme on energy saving and increasing energy efficiency of IDGC of the South for 2012 and forecast for 2013-2017 was approved;
- Proprietary standard “Production assets management in IDGC of the South JSC was approved;
- person authorized to fulfill rights and obligations of employer of Company’s director general was appointed;
- personnels of five committees attached to IDGC of the South BoD and its Chairperson

Minutes of meeting IDGC of the South BoD are published at company’s website: [http://www.mrsk-yuga.ru/corporate\\_management/resh\\_sov\\_direct/](http://www.mrsk-yuga.ru/corporate_management/resh_sov_direct/)

### 5.2.2. Information on Sole Executive Body of the Issuer

Surname, name, patronymics: **Arkhipov Sergey Aleksandrovich on 08.10.2012**

Year of birth: 1967

Education:

Alma-Ata Power Engineering Institute with a specialization in “Electric Systems and Power Grids”

Extended education: Occupational retraining at the Academy of National Economy under the Government of the Russian Federation, after the training program “Company’s Development Control”

“Institution of Further Training for Executives and Specialists of Fuel and Energy Complex” Federal state educational institution for continuing professional education, related subject: “Protection of State Secrets”.

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Name of entity	Position
from	to		
2008	2008	“Smolenskenergo” JSC, “IDGC of Center” JSC	Executive Director
2008	2008	“Smolenskenergo” branch of ‘IDGC of Center’ JSC	Deputy CEO, Director of the Branch
2008	2010	“IDGC of Center” JSC	First Deputy CEO
2010	08.10.2012	“IDGC of the South” JSC	Director General, Management Board Chairman

2011	Now	“IDGC of the South” JSC	Member of BoD
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Investment share in authorized capital of the issuer / ordinary shares: none.

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

### **5.2.3. Structure of Collegiate Executive Body of the Issuer**

Surname, name, patronymics: **Arkhipov Sergey Aleksandrovich on 08.10.2012**

(Chairman)

Year of birth: 1967

Education:

Alma-ata Institute for Energetics; qualifications: Electric-power Systems and Grids.

Extended education: Occupational retraining at the Academy of National Economy under the Government of the Russian Federation, after the training program “Company’s Development Control”

“Institution of Further Training for Executives and Specialists of Fuel and Energy Complex” Federal state educational institution for continuing professional education, related subject: “Protection of State Secrets”.

Conferred a degree on Ph.D.

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Name of entity	Position
from	to		
2008	2008	“Smolenskenergo” JSC, “IDGC of Center” JSC	Executive Director
2008	2008	“Smolenskenergo” branch of “IDGC of Center” JSC	Deputy CEO, Director of the Branch
2008	2010	Executive Office of “IDGC of Center” JSC	First Deputy CEO
2010	2010	“Kubanenergo” JSC	Board Chairman
2010	08.10.2012	“IDGC of the South” JSC	Director General, Board Chairman
2011	Now	“IDGC of the South” JSC	Member of BoD
2012	Now	“Holding IDGC” JSC	Deputy CEO – technical director

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Akilin Pavel Evgenievich**



Year of birth: 1975

Education:

Higher education, Izhevsk State Technical University, with specialization in “Economics and Company Management”

Advanced education: The State University of Management, specialization «Company Management”, additional qualification “Master of Business Administration”

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
From	up to		
2008	2009	“Pavlovoenergo” LLC	Deputy Director General in charge of Economics
2009	2010	“Tverenergo” branch of “IDGC of the Center” JSC	Deputy Director in charge of Economics and Finance
2010	2010	“IDGC of the Center” JSC	Director of Economic Affairs
2010	19.10.2012	“IDGC of the South” JSC	Deputy CEO in charge of Economics and Finance
2010	now	“IDGC of the South” JSC	Member of the Management Board (from 2011 – Deputy Chairperson)
2012	now	“IDGC of the South” JSC	Committee member on strategy, development, investments and reforming of BoD

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Alaev Timur Ulyumdzhevich**

Year of birth: 1971

Education:

Novocherkassk Polytechnic Institute in honor of Order of the Red Banner of Labour named after Sergo Ordzhonikidze, speciality “Automated control of electric energy systems”, qualification “Electrical engineer”.

Advanced education:

1. State academy of professional retraining and advanced training for managers and specialists of investment sphere, program “Provision by managers and specialists of management system the environmental safety”;
2. Institute of professional retraining and advanced training for managers and specialists at Plekhanov Russian Academy of Economics, federal program “Management”, specialization “Strategic management”.

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
From	Up to		
2007	2008	“Kalmenergo” JSC	Deputy director general on technical issues – technical director
2008	Now	Branch of “IDGC of the South” JSC – “Kalmenergo”	Deputy director general – director of the branch
2009	2010	“IDGC of the South” JSC	Member of Management Board

2011	Now	“IDGC of the South” JSC	Member of Management Board
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The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Vashkevich Vladimir Frantishkovich**

Year of birth: 1972

Education:

Leningrad higher Military and Political Academy n.a. Andropov Yu.V., speciality: “Command, tactical air defense”; State University of Saint-Petersburg, speciality “Law”

Advanced education: 1997-1998 – Saint-Petersburg Financial and Economical College, speciality: “Finances”, qualification: lawyer;

Kuban State Technical University, speciality: “Energy supply” (completes education).

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period	Entity Name	Position
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form	up to		
2007	2007	“Gazkomplektimpex” LLC	Deputy head of department for steel and building materials
2007	2009	“Gazavtomatika” LLC	Head of sales and marketing department; Head of department for contract projects management
2009	2009	“Elektrogaz” LLC	Deputy director general in charge of inventory and technical resources, acting director general
2009	2010	“Elektrogaz” LLC	Deputy director general in charge of inventory
2010	2011	“Elektrogaz” LLC	Deputy director general in charge of business affairs
2011	08.10.2012	“IDGC of the South” JSC	Deputy director general in charge of capital construction, member of BoD
2011	2012	“IDGC of the South” JSC	Member of Committee on strategy, developing, investments and reforming of BoD
09.10.2012	Now	“IDGC of the South” JSC	Acting Director General, Chairman of Board

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial

entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Vosmirko Aleksandr Vladimirovich**

Year of birth: 1959

Education:

Military Policy Institution for Border Officers under KGB of the USSR n. a. Voroshilov K.E. with specialization in “Military Policy, General Forces”; qualification “Military Officer of Higher Military and Political Education”;

Military Policy Academy n. a. Lenin V.I., awarded Lenin and October Revolution Orders, Red Banner, with specialization in “Military Policy”, qualification “Military Officer of Higher Military Education, Teacher of History”;

“North Caucasus Academy of State Service” (CKAFC) State Educational Institution of Military Law Education with specialization in “Jurisprudence”; qualification: lawyer.

Extended Education: Occupational retraining at “North Caucasus Academy of State Service” with specialization in “Jurisprudence with Right to Perform Professional Activity in the Sphere of Criminal Law Relations”

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
From	Up to		
2005	2009	“Rosoboronexport” Representative Office of the Federal State Unitary Enterprise in Krasnodar region	Chief Expert, Representative
2009	2010	“Rostekhnologii” State Corporation in Krasnodar Region	Head of the Representative Office
2010	2010	“IDGC of the South” JSC	Acting Deputy CEO in charge of Security and Controlling

2010	now	“IDGC of the South” JSC	Deputy CEO in charge of Security and Controlling
2010	now	“IDGC of the South” JSC	Member of the Management Board
2011	now	“IDGC of the South” JSC	Deputy director general in charge of security

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Goncharov Pavel Viktorovich**

Year of birth: 1966

Education:

Industrial Institute of Pavlodar, speciality “Electric systems”, qualification “Electrical engineer”

Advanced education:

1. Volgograd Academy of State service, retraining on “State and municipal management”,
2. Institute for advanced retraining of managers and specialists of power

industry, program “Protection of commercial secret”,

3. Professional retraining at State university of management, program “Management of energy companies in market economy” with right to perform activity in the sphere of economy and management in energy industry.

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity Name	Position
From	Up to		
2007	2008	“Astrakhanenergo” JSC	First deputy director general– chief engineer
2008	2010	Branch of “IDGC of the South” JSC - “Astrakhanenergo”	Deputy director general of technical issues – chief engineer
2010	Now	Branch of “IDGC of the South” JSC - “Astrakhanenergo”	Deputy director general– director of the branch
2011	Now	“IDGC of the South” JSC	Member of Management Board
2011	Now	“Astrakhanelektrosetremont” JSC	Member of Board of Directors

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Ivanov Vitaliy Valerievich**

Year of birth: 1970

Education:

Higher education, Omsk Institute of Railway Engineers, with specialization in “Railway Automation, Telemechanics and Communications”;

The Academy of National Economy of the Russian Federation Government, with specialization in “Corporate Development Management”

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
From	Up to		
2006	2010	“IDGC of Siberia” JSC	Deputy CEO in charge of Engineering, Engineering Manager
2010	2010	“IDGC Holding” JSC	Advisor of the CEO Executive Office
2010	now	“IDGC of the South” JSC	Deputy CEO in charge of Engineering, Engineering Manager
2011	now	“Astrakhanelectrosetremont”, JSC, “Volgogradsetremont”, JSC	Chairman of Board of Directors
2011	now	“Energoservice Yuga”, JSC	Member of Management Board

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes



against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Karpenko Vadim Vladimirovich**

Year of birth: 1959

Education:

Petrozavodsk forestry engineering college, specialization “Equipment of timber procurement enterprises and forestry”.

Leningrad Institute of Finances and Economics named after Voznesenskiy N.A. of Order of the Red Banner of Labour, specialization “National planning”

**Advanced education:**

Professional retraining at Academy of National Economy under the Government of the Russian Federation on program “Management and marketing”, qualification “Top manager”.

Short-term courses at “Corporate educational and scientific centre of UES” on program “Management of technological processes in electric grids and systems”.

**Degree:** Ph.D. in Economics

Positions held in issuing company and other entities in chronological order within the last 5 years and now:

Period		Name of entity	Position
from	to		
2005	2009	Russian Television and Radio Broadcasting Network (RTRS)	Head of land and property resources department
2009	2011	Holding IDGC, JSC	Head of property management department
2011	30.10.2012	“IDGC of the South”, JSC	Deputy director general in charge of corporate management
2011	now	“IDGC of the South”, JSC	Member of Committee for technological connection to electric grids attached to BoD
2011	now	“Agriculture enterprise named after A.A.	Member of Board

		Grechko”, JSC	
2012	Now	“IDGC of the South”, JSC	Member of Committee on strategy, developing, investments and reforming of BoD.

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Kuzhilin Aleksandr Vladimirovich**

Year of birth: 1969

Education: 1. Moscow higher combined-arm command academy in honor of Supreme Soviet of the RSFSR, specialization “Command and tactics of motorized rifle troops”;

2. Military academy named after Frunze M.V., specialization “Military and administrative management”;

3. Samara State University of Economics, specialization “Jurisprudence”.

Advanced education:

1. Russian Academy of Public Administration under the President of the Russian Federation (RAPA), “Anti-corruption mechanisms in the sphere of state administration”;

2. “Corporate education and scientific centre of UES”, “Control of technological processes of electric grids and systems”.

Conferred a degree on candidate of historical sciences.

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Name of Entity	Position
From	Up to		
2007	2009	Federal Service for Defense Contracts of the Russian Federation (Rosoboronzakaz)	Office director, advisor
2009	2009	“IDGC Holding” JSC	Deputy head of office
2009	2010	“IDGC Holding” JSC	Head of organization department
2010	2011	“IDGC Holding” JSC	Deputy head of office – head of organization department
2011	Now	“IDGC of the South” JSC	Member of Management Board, Deputy director general – Chief of Staff
2011	Now	“Kubanenergo” – branch of “IDGC of the South”, JSC	Director of branch
2012	Now	Recreation centre “Energetik”, JSC	Member of Board

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the

Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

Surname, name, patronymics: **Kalenyuk Yegor Vladimirovich**

Year of birth: 1970

Education: 1. Khabarovsk Polytechnic Institute, speciality “Economy and management in mechanic engineering”, qualification “Engineer-economist”;  
2. Far Eastern National University of transport routes, speciality “Energy systems and networks”, qualification “Engineer”.

Advanced education:

1. Academy of National Economy of the Russian Federation Government , program “Management in power industry”;
2. “Institute of management” at RAO UES of Russia, program “Preparation of reserve of administrators at energy enterprises in conditions of restructuring of management system: directors, chief engineers, deputies”;
3. Institute of economy, management and social relations, program “Debt management in housing and public utilities system: new legal acts and methods of debts collection” ;
4. Institute for advanced training for power engineers, program “Increase of efficiency of energy selling activity”;
5. Non-profit partnership “Corporate educational centre of UES”, program “Development, introduction and monitoring of quality management system”;
6. International seminar in Belgium - Netherland, program “Organization of effective marketing and commercial activity of energy enterprise”;
7. State educational institution for professional education “Polytechnic institute of Tomsk”, program “Heat electric stations”;
8. Short-term course on federal law “On energy safety and increase of energy efficiency: practice”;
9. Non-state non-profit partnership “Educational centre “Kubanenergo”, program “Model of leadership”

Positions held in issuing company and other entities in chronological order within the last 5 years and now:

Period		Name of entity	Position
from	to		
2007	2010	“Generating Company of Far East” JSC	Deputy director general
2010	2010	Branch of “IDGC of the South” JSC – “Volgogradenergo”	Acting deputy director general – director of branch
2010	Now	Branch of “IDGC of the	Deputy director general–

		South” JSC – “Volgogradenergo”	director of branch
2011	Now	“Volgogradsetremont”, JSC	Member of BoD
2011	Now	“IDGC of the South” JSC	Member of Management Board

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

**Date of electing Management board of “IDGC of the South” JSC:**

Arkhipov Sergey Aleksandrovich (chairman): from 09.07.2010 to 08.10.2012

Akilin Pavel Evgenievich: 22.12.2010

Alaev Timur Ulyumlzhievich: 16.09.2011

Vashkevich Vladimir Frantishkovich: 30.05.2011

Vosmirko Aleksandr Vladimirovich: 31.08.2010

Goncharov Pavel Viktorovich: 16.09.2011

Ivanov Vitaliy Valerievich: 22.12.2010

Karpenko Vadim Vladimirovich: 23.12.2011

Kuzhilin Aleksandr Vladimirovich: 29.08.2011

Kalenyuk Egor Vladimirovich: 16.09.2011

All members of Management board of “IDGC of the South” JSC are citizens of Russian Federation.

In connection with the termination of powers and length of employment contract 08.10.2012 with Director General of "IDGC of the South" JSC Sergei Alexandrovich Arkhipov, Acting Director General of "IDGC of the South" JSC Vladimir Vashkevich Frantishkovich from 10.09.2012 was elected. According to paragraph 23.3 of the Charter of "IDGC of the South" JSC, and paragraph 3.2.1 of Provisions on the Management Board of "Interregional Distribution Grid Company of the South" JSC the director general of the Company acts as the Chairman of the Management Board.

### **5.3. Data on Amount of Remuneration, Benefits and/ or Reimbursement of Expenses of Each Management Authority of the Issuer**

Data on the amount of remuneration to each management authority of the Issuer (except for the physical person functioning as sole executive authority of the Issuer): All kinds of remuneration are specified, including wages, bonuses, awards, benefits and (or) reimbursement of expenses and other property advancements discharged by the Issuer for the last completed financial year:

Unit of measurement: rub

#### **Board of Directors**

indicator	2012, 9 months
Remuneration,	5 908 376
Wages	11 049 989
Bonuses	0
Awards	0
Benefits	0
Reimbursement for expenses	1 098 000
Other property advancements	0
<b>TOTAL</b>	<b>18 056 365</b>

Payment of remunerations and compensations to the members of the Board of Directors is carried out in compliance with the Regulations "On Remuneration and Compensation Payment to Members of the Board of Directors of the Open Joint Stock Company "Interregional Distribution Grid Company of the South" (new revision) approved by the decision of "IDGC of the South", JSC Annual General Shareholders Meeting (Minutes No. 1 dated June 04.2008).

According to p. 4.1 of these regulations, for participation in an absentee meeting (by way of filling in a questionnaire), a member of the Board of Directors is paid an equivalent of eight minimum monthly wages of a 1st category worker fixed in the sectoral tariff agreement of the electric power industry of the RF (hereinafter referred to as Agreement) as of the date of the Executive board meeting, indexed in conformity with the Agreement, during one month from the date of the Board of Directors meeting.

For participating in the Board of Directors meeting in the form of collective presence, a member of the Company's Board of Directors is paid remuneration equivalent to ten minimum monthly wages of a 1st category worker fixed in the sectoral tariff agreement of the electric power industry of the RF (hereinafter referred to as Agreement) as of the date of the Board of Directors meeting, indexed in conformity with the Agreement, during one month from the date of the Board of Directors meeting.

Amount of remuneration paid in accordance with p. 4.1. of the Regulations to the Chairman (Deputy Chairman) for each meeting where he fulfilled functions of Chairman of the Board of Directors is increased by 50%.

According to p. 4.2 of the Regulations, members of the Board of Directors of JSC "IDGC of the South" are paid extra remunerations for net profit indicator of the Company on the annual balance sheet approved by the Company's General shareholders meeting.

In the 3<sup>rd</sup> quarter of 2012 members of the BoD were paid extra remuneration of 1 728 924 rubles for indicator of net profit

**Collegiate executive authority:**

Indicator	2012, 9 months.
Remuneration	1 916 299
Wages	66 166 362
Bonuses	0
Awards	0
Benefits	0
Reimbursement for expenses	3 050 000
Other property advancements	0
<b>TOTAL</b>	<b>71 132 661</b>

Members of the Management Board belong to the category of top managers of

the Company.

In conformance with labour contracts concluded between the Company and members of the Management Board, remuneration to the member of the Management Board is paid in amount and in order specified by Regulations "On Material Motivation of Top Managers of JSC "IDGC of the South" (new revision) approved by the decision of the Board of Directors on 14.06.2011 (Minutes No.67/2011 dd 16.06.2011).

Members of the Management Board are motivated by:

by making, in accordance with order of Company Director general, bonus payments in amount up to 15% from the fixed salary of top manager;

paying quarterly and annual remuneration to members of the Management Board as top managers for achieving target values of key performance indicators

On the basis of decision adopted by "IDGC of the South" JSC Board of Directors (minutes dd 22.05.2008 No.13/2008, minutes dd 01.12.2008 No.20/2008, minutes dd 11.02.2009 No.22/2009, minutes dd 25.12.2009 No.38/2009, minutes dd 05.02.2010 No. 39/2010, minutes dd 28.04.2010 No. 44/2010, minutes dd 28.06.2010 No. 49/2010, minutes dd 08.07.2010 No. 50/2010, minutes dd 01.09.2010 No.53/2010, minutes dd 29.10.2010 No. 55/2010, minutes dd 24.12.2010 No. 57/2010, minutes dd 01.06.2011 No.65/2011, minutes dd 30.08.2011 No. 71/2011, minutes dd 19.09.2011 No. 72/2011, minutes dated 26.12.2011 No. 77/2011, minutes dd 30.07.2012 No. 92/2012) on determining the amount of members of Management Board and on electing members to the Board, as well as in accordance with article 21 of the Company Charter and articles 15 and 57 of RF Labour Code additional agreements to the labour contracts are concluded with members of the Management Board of the Company on exercising powers of members of the Collegiate Executive Body of the Company - Management Board.

From the date of creation of the Board of JSC "IDGC of the South" (19.05.2008) to 31.08.2011 the Board members of the Company for exercise of powers is paid monthly remuneration in the amount of five (5) times the monthly minimum wage rates of a first rate worker, established by industry tariff agreement in the power sector of the Russian Federation

Starting from 01.09.2011 members of Management Board receive monthly payments in amount of 11% from fixed top manager's salary for exercising their authorities.

The total remuneration paid to members of the Company's Board for the third quarter of 2012 amounts to 606 721.75.

Additional information:

Remuneration of Director General of the Issuer:

Questions of material incentives of CEO of the Company governs by the terms of his employment contract, the Regulations on material incentives for the Director General of "IDGC of the South" JSC, approved by the Board of



Directors (Minutes No. 67/2011 dd. 16.06.2011), with changes (the report dd 26.04. 2012 No. 85/2012)

#### **5.4. Data on Structure and Competence of Authorities Undertaking Control over the Issuer's Financial and Economic Activities**

Full description of structure and competence of authorities undertaking control over the Issuer's business activity is provided according to the Charter (constituent documents) of the Issuer:

For auditing financial and economic activity of the Company, Auditing Committee of the Company is elected by General Shareholders Meeting of "IDGC of the South", JSC for the period until the following Annual General Shareholders Meeting.

Should Auditing Committee is elected by Extraordinary General Shareholders Meeting, members of Auditing Committee are considered to be elected for the period until the date of Annual General Shareholders Meeting of the Company.

Quantitative structure of Auditing Committee of the Company includes 5 (five) persons.

By decision of General Shareholders Meeting, powers of all or several members of Auditing Committee of the Company can be subject to early termination.

According to p.24.3 of clause 24 of the Company's Charter, Auditing Committee's competence includes the following:

- confirmation of reliability of data contained in the annual report, annual accounting statements, profit-and-loss account of the Company;
- analysis of financial condition of the Company, revelation of reserves improving the financial condition of the Company and working-out of recommendations for the Company's management bodies;
- development and implementation of a check (audit) of financial and economic activity of the Company, namely:
- check (audit) of the financial, accounting, payment-and-calculation and other documents of the Company related to execution of the Company's finance and business activities concerning the compliance to the legislation of the Russian Federation, the Charter, internal and other documents of the Company;
- control over safety and handling of fixed assets;
- control over observing of the established order of writing-off debts of insolvent debtors on the Company's losses;
- control over expenditure of monetary assets of the Company, according to the approved business plan and the Company's budget;

- control over developing and utilizing reserve and other special funds of the Company;
- check of accuracy and timeliness of distribution and payments of dividends on Company's equity issues, percentage on bonds and income under other securities;
- check of existing instructions fulfillment on elimination of violations and drawbacks revealed during previous checks (audits);
- other actions (activities) regarding check of the Company's financial and economic activities.

Order of the Auditing Committee proceedings is determined by Regulations on the Audit Committee of Open Joint Stock Company "Interregional Distribution Grid Company of the South" approved by decision of General Shareholders Meeting of "IDGC of the South", JSC – Management Board of RAO "UES of Russia", JSC (Minutes No.1751pp/4 dd. 05.10.2007).

Auditing Committee according to the check (audit) decision has a right to involve specialists of the corresponding branches of legislation, economy, finance, accounting, management, economic security and others, including specialized entities.

Check (audit) of the Issuer's financial and economic activity is divided into scheduled and unscheduled. Scheduled check of the Company's financial and economic activity is held according to approved Annual Activity plan of Auditing Committee. Unscheduled check of the Company's financial and economic activity may be performed at any time following the initiative of Auditing Committee of the Issuer, decision of General Shareholders Meeting, Board of Directors of the Issuer or upon demand of a shareholder (shareholders) of the Issuer owning in aggregate at least ten percent of the Issuer's voting shares.

Text of Regulations on Auditing Committee of "IDGC of the South", JSC is available on website at: <http://www.mrsk-yuga.ru/rus/management/documents/index.shtml>.

On the basis of check results of the Company's financial and economic activity, Auditing Committee is making a report that shall include:

- confirmation of reliability of the information contained in reports and other financial documents of the Company;
- information on facts of the Company's violation of accounting order and financial reporting stated in the legal acts of the Russian Federation, and also violation of legal acts of the Russian Federation on performing the Company's financial and economic activity.

Order and terms of drawing up of conclusion based on Company's financial and economic activity check results are defined by legal acts of the Russian

Federation and internal documents of the Company.

The Issuer has established Internal Audit Service (other than the audit commission (auditor), the body which carries out internal control over financial and economic activity of the issuer).

Information on the availability of internal audit (other than the audit commission (auditor), the authority conducting the internal control over financial and economic activity of the issuer), its membership and the term of its operation:

For the purpose of effective functioning of the internal control system in 2008 the Department of Internal Control and Audit has been established in the Company which consists of Internal Audit Service, the Internal Control Section and Methodology and Risks Section.

According to the decision of “IDGC of the South”, JSC Board of Directors dated 05.08.2010 (minutes No.52/2010 dd 06.08.2010) in the third quarter of 2010 the structure of Department of internal control and audit has changed: the Department was given as new name (Department of internal control and risks management), also instead of three sectors two sectors were formed (sector for internal audit and sector for internal control and risks management).

In the 3rd quarter of 2011 as a result of the Company held by organizational and staff activities of the internal audit functions were redistributed in the Department of Internal Audit and Risk Management.

In the 1<sup>st</sup> quarter of 2012 a new sector was created in the Department – sector for control of insider information.

In the 3rd quarter of 2012 eliminated the internal control and risk management department.

Head of Department of internal control and risks management to 06.08.2012 – Shmakov Igor Vladimirovich, Deputy Head of Department of internal control and risks management – Pechenkin Nikolai Vladimirovich.

Department staff carries out its activity in accordance with job descriptions. Specialists of the Department are independent from executive departments of the issuer and from authorities of the company and its branches.

Basic functions of Internal Audit Service; subordination of Internal Audit Service, cooperation with the Issuer’s executive management authorities and Board of Directors (supervisory board) of the Issuer:

- inspection and assessment of the effectiveness of internal control and risk management system in the Company;
- assessment of the economic feasibility and effectiveness of business operations by the Company;
- control the efficiency and safety of assets (property) of the Company;
- inspection of the reliability and objectivity of accounting and management reporting;
- monitoring of compliance with the requirements of legislation and internal

local normative documents;

- monitoring of elimination of violations and deficiencies identified in the control measures;
- involvement of structural units in the risk management process;
- forming of permanent and formal process of identification, assessment and risk management;
- standardization of the control environment and risk of key business processes through the initiation of the development and implementation of the Regulations on the control environment and the risks of business processes, identify control points, risk management, internal and external factors of risks, control procedures.

Cooperation with executive bodies of the Issuer's management and Board of Directors (supervisory board) of the Issuer: cooperation is carried out according to current Issuer's Regulations on Department of Internal Control and Audit and Regulation on Internal Control Procedures in "IDGC of the South" JSC. Apart from that, Internal Control Policy of "IDGC of the South" JSC and Risk Management Policy of "IDGC of the South" JSC (Minutes No. 47/2010 dated 11.06.2010) were approved by decisions of Board of Directors of "IDGC of the South" JSC in the accounting quarter.

Since December 1, 2009 Audit Committee at the Board of Directors of "IDGC of the South" JSC is acting in the Company. Main goal of the Committee is to provide efficient work of the Board of Directors solving problems regarded to its competence. Working out and submission of recommendations (decisions) to the Board of Directors of the Company in the sphere of Audit and Accounts of the Company are objectives of the Company.

Coordination of Internal Audit Service and outside Auditor of the Issuer: not stipulated by the Issuer's internal documents.

The Issuer has adopted (approved) internal document regulating rules of preventing service (insider's) information use.

Data on the issuer's internal document establishing rules to prevent the misuse of confidential and insider information: Monitoring the use of insider information in the Company are based on the Regulation on Insider Information of JSC "IDGC of the South" (as amended), approved by the Board of Directors of JSC "IDGC of the South" (Minutes No. 78/2011 dd 29.12.2011).

#### **5.5. Data on Members of Authorities Undertaking Control over the Issuer's Financial and Economic Activities**

Name of authority controlling Issuer's financial and economic activities: Auditing Committee of "IDGC of the South", JSC.

Surname, name, patronymics: **Alimuradova Izumrud Aligadzhievna**

**(chairperson)**

Year of birth: 1971

Education: Lenin State University of Dagestan, specialty: “Economics”, qualification: “Economist”.

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
form	up to		
2003	2009	“Energokonsalting” JSC	Development Director
2009	now	“IDGC Holding”, JSC	Head of Internal Audit Department (Head of Department of internal Audit and risks management)

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Surname, name, patronymics: **Arkhipov Vladimir Nikolaevich**

Year of birth: 1956

Education:

Novosibirsk Electronic Technical Institute of Communication,  
Telecommunications Engineer

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2006	2009	“Rustel” CJSC	Director General
2009	now	“IDGC Holding”, JSC	Head of Security Department

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Surname, name, patronymics: **Popova Olga Viktorovna**

Year of birth: **1975**

Education:

Plekhanov Russian Academy of Economics, qualification – global economics.

All positions held by the person at the Issuer Company and other entities within

the last five years and now, including part-time job

Period		Company	Position
from	to		
2007	2008	GK Nezavisimost	IRFS specialist
2008	2010	Media-3 CJSC	IRFS leading specialist
2010	now	IDGC Holding JSC	Head of Sector for Internal Audit at Department of Internal Audit and Risks Management

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Surname, name, patronymics: **Kormushkina Lyudmila Dmitrievna**

Year of birth: 1956

Education: Far-East State Academy of Economics and Management, speciality accounting and audit

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2008	RAO UES of Russia	Chief expert
2008	now	“IDGC Holding” JSC	Head of sector internal audit, inspections and certifications at Department of internal control and risks management

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Surname, name, patronymics: **Sinitsina Olga Sergeevna**

Year of birth: **1979**

Education: Novosibirsk State academy of economics and management, specialization – economist

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Company	Position
From	To		



2005	2010	FinExpertiza LLC	Head of projects at Audit department
2010	now	IDGC Holding JSC	Chief expert at department of checks and certifications at Department of audit and risks management

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

If the issuer has internal audit service or other body to monitor its financial and business activities, other than the issuer's Audit Committee, which consists of more than 10 persons, the information required by this paragraph, is indicated for at least 10 persons who are members of the relevant of the issuer's control over its financial and economic activities, including the head of such body.

**5.6. Data on Amount of Remuneration, Benefits and/ or Reimbursement of Expenses of Authority Undertaking Control over the Issuer's Financial and Economic Activities**

All kinds of remuneration are specified, including wages, bonuses, awards, benefits and (or) reimbursement of expenses, and other property advancements discharged by the Issuer for the last completed financial year:

Unit of measurement: rub

Name of the authority undertaking control over the Issuer's financial and economic activity: Auditing Committee of "IDGC of the South", JSC

Remuneration for participation in work of supervisory body

Indicator	9 months of 2012
Remuneration	122 760
Wages	0
Bonuses	0
Awards	0
Benefits	0
Reimbursement for expenses	0
Other property advancements	0
TOTAL	122 760

Data on current agreements about such payments in the financial year:

According to cl. 3.1 of the Regulations, for participation in financial and economic activity check (audit), a member of Auditing Committee of the Company receives lump sum remuneration in the amount equivalent to five minimum monthly tariff rates of the first category worker established by the sectoral tariff agreement in electric energy complex of the Russian Federation (further on referred to as Agreement) for the period of carrying out the check (audit), indexed in conformity with the Agreement. Payment of the compensation specified in cl. 3.1 of the Regulations should be made within one week term after drawing up the report following the results of the check (audit) held. According to clause 3.3 of the Regulations, the amount of remunerations paid to Chairman of Audit Committee increases by 50 %.

According to clause 3.2 of the Regulations, extra fee can to be paid for each financial and economic activity check in amount not exceeding twenty minimum monthly tariff rates of the first category worker, indexed in conformity with the Agreement. The procedure and terms of such payment are defined by Board of Directors of the Company.

According to clause 2.1 of the Regulations, charges related to participation in the Company's Auditing Committee meeting and carrying out of a check are compensated to members of the Company's Audit Committee according to norms of compensation of travelling and living expenses of the Company actual by the moment of carrying out the meeting or the check,.

In accord with the Charter of "IDGC of the South" JSC, decisions on payment of remuneration and (or) reimbursement are taken by the General Shareholders

Meeting of “IDGC of the South” JSC taking into account recommendations of the Board of Directors concerning the amount of such remunerations and (or) reimbursement. Volume and order of the payment are determined by the abovementioned Regulation.

Besides, members of Auditing Committee of “IDGC of the South”, JSC holding staff positions in the Company at the same time are paid wages according to their positions in the staff schedule and Regulations on Payment for Labour.

#### **Additional information**

In the 3<sup>rd</sup> quarter of 2012 the Audit committee held five meetings (minutes of meetings No. 1 dd 02.07.2012, No. 2 dd 01.08.2012, No. 3 dd 06.08.2012, No. 4 dd 21.08.2012, No. 5 dd 28.09.2012) where the following issues were discussed:

- on election the chairman and secretary of the Audit Committee of the Company;
- on approval of work plan of the Audit;
- on carrying out unscheduled audits of some issues of financial and economic activity of "IDGC of the South" JSC for the period from 01.01.2012 to 01.08.2012;
- on involvement of specialists (experts) to carry out audit;
- on consideration of explanations by the findings of the Audit Committee Based on the audit;
- on approval of the Act of audit of "IDGC of the South" JSC for the period from 01.01.2012 to 01.08.2012.

Minutes of meetings of the Audit Committee for the whole period of its activity are available at corporate website at: [http://www.mrsk-yuga.ru/corporate\\_management/revision/](http://www.mrsk-yuga.ru/corporate_management/revision/)

#### **5.7. Data on Headcount and Generalized Data on Education and Structure of the Issuer’s Employees (Staff Members), and also on Headcount Change of the Issuer**

Unit of measurement: thousand rubles.

Indicator	2012, 9 months.
Average number of employees	14 170.7
Volume of money transferred for remuneration of labour	3 433 797.4
Volume of money transferred for social benefits	24 219.9

No significant changes in amount of employees occurred.

Other employees that may have significant impact (specified in clause 5.2 of the present quarterly report) on issuer’s business activity are absent.

The labour unit was not established.

**5.8. Data on any Obligations of the Issuer to Employees (Staff Members) Concerning Possibility of their Participation in the Authorized (Share) Capital (Share Fund) of the Issuer**

The Issuer has no obligations to employees (staff members) concerning possibility of their participation in the authorized (share) capital (share fund) of the Issuer

## **VI. Data on Participants (Shareholders) of the Issuer and on the Issuer's Interested Parties Transactions**

### **6.1. Data on the Total Amount of Shareholders (Participants) of the Issuer**

Total number of persons indicated in the register of shareholders of the Issuer as of the expiration date of the last accounting quarter: **9 241**

Total number of nominee shareholders of the Issuer: **10**

Total amount of shareholders included in the up-to-date list of persons entitled to participate in general meeting of shareholders: **12 254**

Date of making the list of shareholders included in the up-to-date list of persons entitled to participate in general meeting of shareholders: **05.07.2012**

Holders of ordinary shares of the issue that are subject to inclusion in such list: **12 254**

### **6.2. Data on Participants (Shareholders) of the Issuer Holding at least 5 percent of Authorized (Share) Capital (Share Fund) or at least 5 percent of Ordinary Shares, as well as Data on Participants (Shareholders) of the Bodies Holding at least 20 percent of Authorized (Share) Capital (Share Fund) or at least 20 percent of Ordinary Shares**

Participants (shareholders) of the Issuer holding at least 5 percent of the Issuer's authorized (share) capital (share fund) or at least 5 percent of ordinary shares

Nominee holder

Information on nominee holder:

Full company name: **“Depositary and Corporate Technologies” Limited Liability Company**

Short company name: **“DCT”, LLC**

Location

Building 1, 4 Stromynka St., Moscow, RF 107014

TIN: 7729520219

PSRN: 1057746181272

Telephone: (495) 641-3031

Fax: (495) 641-3031

E-mail address: [dkd@depotech.ru](mailto:dkd@depotech.ru)

Data on license of professional participant of the securities market

Number: 177-11151-000100

Date of issue: **03.04.2008**

Valid until:

Without limitation of validity period

License issuing authority: FSEC (FFMS) of Russia

Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 25 730 843 051

Number of preferred shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 0

#### Nominee holder

Information on nominee holder:

Full company name: "ING BANK (EURASIA) ZAO" (Closed joint Stock Company)

Short company name: "ING BANK (EURASIA) ZAO"

Location

36 Krasnoproletarskaya St., Moscow, Russia, 127473

TIN: 77120114310

PSRN: 1027739329375

Telephone: (495) 755-5400

Fax: (495) 755-5499

E-mail address: [mail.russia@ingbank.com](mailto:mail.russia@ingbank.com)

Data on license of professional participant of the securities market

Number: 177-03728-000100

Date of issue: 07.12.2000

Valid until:

Without limitation of validity period

License issuing authority: FSEC (FFMS) of Russia

Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: **10 265 684 112**

Number of preferred shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 0

#### Nominee holder

Information on nominee holder:

Full company name: **Closed Joint Stock Company "Depository and Clearing Company"**

Short company name: **"DCC", CJSC**

Location

Building 1, 4/7 Vozdvizhenka, Moscow, Russia 125009

TIN:

PSRN: 1027739143497

Telephone: (495) 956-0999

Fax: (495) 232-6804

E-mail: [dcc@dcc.ru](mailto:dcc@dcc.ru)

Data on license of professional participant of the securities market

Number: 177-06236-000100

Date of issue: 09.10.2002

Valid until:

Without limitation of validity period

License issuing authority: FSEC (FFMS) of Russia

Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: **3 528 606 734**

Number of preferred shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 0

Nominee holder

Information on nominee holder:

Full company name: **Non-profit Partnership "National Depository Centre"**

Short company name: **"NDC", CJSC**

Location

Building 8, 1/13 Sredniy Kislovskiy lane, Moscow, Russia, 125009

TIN: 7702165310

PSRN: 1027739132563

Telephone: (495) 956-2790

Fax: (495) 956-0938

E-mail address: [dc@ndc.ru](mailto:dc@ndc.ru)

Data on license of professional participant of the securities market

Number: 177-12042-000100

Date of issue: 19.02.2009

Valid until:

Without limitation of validity period

License issuing authority: FSEC (FFMS) of Russia

Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: **7 210 485 510**

Number of preferred shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 0

### **6.3. Data on State or Municipal Unit Stake in Authorized (Share) Capital (Share Fund) of the Issuer, Availability of Special Right ("golden share")**

Person managing the stake

Full company name: Federal Agency for Management of Federal Property (0.139%) and State Tax Inspection in Taganrog (0.003%)

Stake of the Issuer's authorized (share) capital (fund) owned by subjects of the Russian Federation:

Specified stake is absent

Stake of the Issuer's authorized (share) capital (fund) in municipal ownership:

Specified stake is absent

Special right for participation of the Russian Federation, subjects of the Russian Federation, municipal units in management of the Issuer (Joint Stock Company) ("golden share"):

Specified right is not stipulated

### **6.4. Data on Restrictions to Participation in the Authorized (Share) Capital (Share Fund) of the Issuer**

There are no restrictions to participation in authorized (share) capital (share fund) of the Issuer.

### **6.5. Data on Changes in Composition and Amount of Participation of Shareholders (Participants) of the Issuer Holding at least 5 percent of Authorized (Share) Capital (Share Fund) or at least 5 percent of Ordinary Shares**

Structure of the Issuer's shareholders (participants) who held at least 5 percent of the Issuer's authorized (share) capital (at least 5 percent of the Issuer's ordinary shares – for Issuers representing joint stock companies) as of the date of drawing up the list of the persons entitled to participate in each General Shareholders Meeting for the 5 latest completed financial years prior to the termination date of the accounting period, or for each completed financial year preceding the termination date of the accounting period in case the Issuer has



been functioning less than 5 years; and for the last quarter according to the list of the persons who had a right to participate in each of such meetings.

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: 05.10.2007

**List of shareholders (participants)**

Full company name: **Russian Joint Stock Company of power and electrification "UES of Russia"**

Short company name: **RAO "UES of Russia", JSC**

Address: **Building 3, 101 prospect Vernadskiy, Moscow**

TIN: **7705018828**

PSRN: **1027700043293**

Stake of the person in the Issuer's authorized capital, %: 100

Stake of the Issuer's ordinary shares held by the person, %: 100

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: 25.12.2007

**List of shareholders (participants)**

Full company name: **Russian Joint Stock Company of power and electrification "UES of Russia"**

Short company name: **RAO "UES of Russia", JSC**

Address: **Building 3, 101 prospect Vernadskiy, Moscow**

TIN: **7705018828**

PSRN: **1027700043293**

Stake of the person in the Issuer's authorized capital, %: 100

Stake of the Issuer's ordinary shares held by the person, %: 100

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: 28.02.2008

**List of shareholders (participants)**

Full company name: **Russian Joint Stock Company of power and electrification "UES of Russia"**

Short company name: **RAO "UES of Russia", JSC**

Address: **Building 3, 101 prospect Vernadskiy, Moscow**

TIN: **7705018828**

PSRN: **1027700043293**

Stake of the person in the Issuer's authorized capital, %: 100

Stake of the Issuer's ordinary shares held by the person, %: 100

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: **18.04.2008**

**List of shareholders (participants)**

Full company name: **Russian Joint Stock Company of power and electrification "UES of Russia"**

Short company name: **RAO "UES of Russia", JSC**

Address: **Building 3, 101 prospect Vernadskiy, Moscow**

TIN: **7705018828**

PSRN: **1027700043293**

Stake of the person in the Issuer's authorized capital, %: 51.66

Stake of the Issuer's ordinary shares held by the person, %: 51.66

Full company name: **Closed Joint Stock Company "Promregion Holding"**

Short company name: **"Promregion Holding", CJSC**

Address: **Building 2, 29 Shabolovka str., Moscow 115162**

TIN: **7706307082**

PSRN: **1037706044408**

Stake of the person in the Issuer's authorized capital, %: 16.21

Stake of the Issuer's ordinary shares held by the person, %: 16.21

Full company name: **Renaissance Securities (Cyprus) Limited**

Short company name: the Issuer does not have information

Address: **1065 Nicosia, Arch. Makariou III, 2-4, Capital Center, 9th Floor**

**Is not resident of RF**

Stake of the person in the Issuer's authorized capital, %: 5.22

Stake of the Issuer's ordinary shares held by the person, %: 5.22

Date of drawing up the list of persons who are entitled to participate in the

Issuer's Shareholders (participants) Meeting: **08.05.2009**

**List of shareholders (participants)**

Full company name: **Open Joint Stock Company "Holding of Interregional Distribution Grid Companies"**

Short company name: **"IDGC Holding", JSC**

Location: 5a Akademicheskaya str., Moscow 117630

TIN: 7728662669

PSRN: 1087760000019

Stake of the person in the Issuer's authorized capital, %: 51.66

Stake of the Issuer's ordinary shares held by the person, %: 51.66

Full company name: **Oflamenta Trading Limited**

Short company name: the Issuer does not have information

Location: **Gr. Xenopoulou, 17, P.C. 3106, Limassol, Cyprus**

is not RF resident

Stake of the person in the Issuer's authorized capital, %: 21.15

Stake of the Issuer's ordinary shares held by the person, %: 21.15

Full company name: **Renaissance Securities (Cyprus) Limited**

Short company name: the Issuer does not have information

Location: 1065 Nicosia, Arch. Makariou III, 2-4, Capital Center, 9th Floor

is not RF resident

Stake of the person in the Issuer's authorized capital, %: 5.05

Stake of the Issuer's ordinary shares held by the person, %: 5.05

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: **03.07.2009**

**List of shareholders (participants)**

Full company name: **Open Joint Stock Company "Holding of Interregional Distribution Grid Companies"**

Short company name: **"IDGC Holding", JSC**

Location: 5a Akademicheskaya str., Moscow 117630

TIN: **7728662669**

PSRN: **1087760000019**

Stake of the person in the Issuer's authorized capital, %: 51.66

Stake of the Issuer's ordinary shares held by the person, %: 51.66

Full company name: **Limited liability company "Management - Consulting" ("Trust Management") (performing trust management of mutual investment fund "Closed Mutual Investment Fund of Shares "Resource")**

Short company name: **"Management - Consulting", LLC**

Location: building 1, 7 Meschanskaya str., Moscow 129090

TIN: **7702203678**

PSRN: **1027700050168**

Stake of the person in the Issuer's authorized capital, %: 21.15

Stake of the Issuer's ordinary shares held by the person, %: 21.15

Full company name: **Limited Liability Company "Managing Company "AGANA" Trust management. Closed blend share fund "Strategic assets" managed by LLC "Managing Company "AGANA"**

Short company name: **"Managing Company "AGANA", LLC**

Location: building 1, 9 Staromonetny lane, Moscow 119017

TIN: **7706219982**

PSRN: **1027700076513**

Stake of the person in the Issuer's authorized capital, %: 5.15

Stake of the Issuer's ordinary shares held by the person, %: 5.12

Full company name: **Renaissance Securities (Cyprus) Limited**

Short company name: the Issuer does not have information

Location: 1065 Nicosia, Arch. Makariou III, 2-4, Capital Center, 9th Floor  
is not RF resident

Stake of the person in the Issuer's authorized capital, %: 5.08

Stake of the Issuer's ordinary shares held by the person, %: 5.08

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: **07.05.2010**

### **List of shareholders (participants)**

Full company name: **Open Joint Stock Company “Holding of Interregional Distribution Grid Companies”**

Short company name: **“IDGC Holding”, JSC**

Location: 5a Academic Chalomey str., Moscow 117630

TIN: **7728662669**

PSRN: **1087760000019**

Stake of the person in the Issuer’s authorized capital, %: 51.66

Stake of the Issuer’s ordinary shares held by the person, %: 51.66

Full company name: **Limited liability company “Management - Consulting” (“Trust Management”) (performing trust management of mutual investment fund “Closed Mutual Investment Fund of Shares “Resource”)**

Short company name: **“Management - Consulting”, LLC**

Место нахождения: **129090 г. Москва, ул. Мещанская, д. 7, стр. 1**

ИНН: **7702203678**

ОГРН: **1027700050168**

Stake of the person in the Issuer’s authorized capital, %: 21.36

Stake of the Issuer’s ordinary shares held by the person, %: 21.36

Date of drawing up the list of persons who are entitled to participate in the Issuer’s Shareholders (participants) Meeting: 20.04.2011

#### **List of shareholders (participants)**

Full company name: **Open Joint Stock Company “Holding of Interregional Distribution Grid Companies”**

Short company name: **“IDGC Holding”, JSC**

Location: 26, Ulanskiy lane, Moscow 107996

TIN: **7728662669**

PSRN: **1087760000019**

Stake of the person in the Issuer’s authorized capital, %: 51.66

Stake of the Issuer’s ordinary shares held by the person, %: 51.66

Full company name: **Lancrenan Investment limited**

Short company name: **no information**

Location: 9 Giannou Kranidioti, 2nd floor, Office 210, 1065, Nicosia, Cyprus

is not RF resident

Stake of the person in the Issuer's authorized capital, %: 9.18

Stake of the Issuer's ordinary shares held by the person, %: 9.18

Full company name: Protsvetanie Holding Limited Company

Short company name: **no information**

Location: 9 Giannou Kranidioti, 2nd floor, Office 210, 1065, Nicosia, Cyprus

is not resident of RF

Stake of the person in the Issuer's authorized capital, %: 6.8

Stake of the Issuer's ordinary shares held by the person, %:6.8

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: 06.05.2011

#### **List of shareholders (participants)**

Full company name: **Open Joint Stock Company "Holding of Interregional Distribution Grid Companies"**

Short company name: **"IDGC Holding", JSC**

Location: 26 Ulanskiy lane, Moscow 107996

TIN: **7728662669**

PSRN: **1087760000019**

Stake of the person in the Issuer's authorized capital, %: 51.66

Stake of the Issuer's ordinary shares held by the person, %: 51.66

Full company name: **Lancrenan Investment limited**

Short company name: **no information**

Location: 9 Giannou Kranidioti, 2nd floor, Office 210, 1065, Nicosia, Cyprus

is not resident of RF

Stake of the person in the Issuer's authorized capital, %: 9.25

Stake of the Issuer's ordinary shares held by the person, %: 9.25

Full company name: Protsvetanie Holding Limited Company

Short company name: **no information**

Location: 9 Giannou Kranidioti, 2nd floor, Office 210, 1065, Nicosia, Cyprus

is not resident of RF

Stake of the person in the Issuer's authorized capital, %: 6.85

Stake of the Issuer's ordinary shares held by the person, %:6.85

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: **08.05.2012**

#### **List of shareholders (participants)**

Full company name: **Open Joint Stock Company "Holding of Interregional Distribution Grid Companies"**

Short company name: **"IDGC Holding", JSC**

Location: 26 Ulanskiy lane, Moscow 107996

TIN: **7728662669**

PSRN: **1087760000019**

Stake of the person in the Issuer's authorized capital, %: 51.66

Stake of the Issuer's ordinary shares held by the person, %: 51.66

Full company name: **Lancrenan Investment limited**

Short company name: **no information**

Location: 9 Giannou Kranidioti, 2nd floor, Office 210, 1065, Nicosia, Cyprus

is not resident of RF

Stake of the person in the Issuer's authorized capital, %: 9.25

Stake of the Issuer's ordinary shares held by the person, %: 9.25

Full company name: Protsvetanie Holding Limited Company

Short company name: **no information**

Location: 9 Giannou Kranidioti, 2nd floor, Office 210, 1065, Nicosia, Cyprus

is not resident of RF

Stake of the person in the Issuer's authorized capital, %: 6.85

Stake of the Issuer's ordinary shares held by the person, %:6.85

Date of drawing up the list of persons who are entitled to participate in the Issuer's Shareholders (participants) Meeting: **05.07.2012**

#### **List of shareholders (participants)**

Full company name: **Open Joint Stock Company "Holding of Interregional Distribution Grid Companies"**

Short company name: **“IDGC Holding”, JSC**

Location: 26 Ulanskiy lane, Moscow 107996

TIN: **7728662669**

PSRN: **1087760000019**

Stake of the person in the Issuer’s authorized capital, %: 51.66

Stake of the Issuer’s ordinary shares held by the person, %: 51.66

Full company name: Protsvetanie Holding Limited Company

Short company name: **no information**

Location: 9 Giannou Kranidioti, 2nd floor, Office 210, 1065, Nicosia, Cyprus  
is not resident of RF

Stake of the person in the Issuer’s authorized capital, %: 9.25

Stake of the Issuer’s ordinary shares held by the person, %: 9.25

Full company name: Protsvetanie Holding Limited Company

Short company name: **no information**

Location: 9 Giannou Kranidioti, 2nd floor, Office 210, 1065, Nicosia, Cyprus  
is not resident of RF

Stake of the person in the Issuer’s authorized capital, %: 6.85

Stake of the Issuer’s ordinary shares held by the person, %:6.85

#### **6.6. Data on the Issuer’s Interested parties Transactions**

Data on number and monetary volume of the Issuer’s transactions considered to be transactions of interest which required approval by the authorized management body of the Issuer according to legislation of the Russian Federation and concluded in the last accounting period.

Unit of measurement: rub

Item	Total number	Total volume in monetary terms
Interested parties transactions which required approval by the authorized management body of the Issuer	18	71 290
Interested parties transactions concluded in the accounting period and approved by General	0	0



Meeting of participants (shareholders)		
Interested parties transactions concluded for the accounting period and approved by Board of Directors (supervisory board) of the Issuer	18	71 290
Interested parties transactions for the accounting period which required approval yet were not approved by the authorized management body of the Issuer	0	0

Data on transactions (groups of associated transactions) concluded by the Issuer in the accounting period making of at least 5 (five) percent of the balance sheet cost of the Issuer's funds as of the last accounting date before the transaction such transactions were not made

Data on interested parties transactions (a group of associated transactions) decision on approval of which was not taken by Board of Directors (supervisory board) or the Issuer's General Shareholders (participants) Meeting if such approval is obligatory according to the legislation of the Russian Federation such transactions were not made

#### Additional Information

### Quarterly Review of Interested Party Transactions Closed by "IDGC of the South", JSC

	Document	Contractor	Sum of the transaction, rubles	Content
1.	Contract for design and research work no.388 dated 09.04.2012	Southern Centre of Power Engineering JSC (Vologradenergoproekt branch)	5 002 700.86	Design and research work on project "Modernization of sector of 110kV overhead line no.290 Verbenskaya-Shultsy with replacement of pylons and wires", for Vologradenergo branch of IDGC of the South JSC
2.	Contract no. 27/1-2012 dd 11.04.2012	Tymenenergo JSC	989 600	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of "IDGC Holding" JSC in 2012 at 110/10-10 kV

				substation “Yubileinaya” of “Astrakhanenergo” branch of “IDGC of the South ” JSC
3.	Contract for design and research work no.471 dated 23.04.2012	Southern Centre of Power Engineering JSC (Volgogradenergoproekt branch)	8 983 066.24	D sign and survey work on the facility “Installation of approach line of 35kV HVL No.1, 2, 4 “VolgoGRES - Kirovskaya – Sarepta”, 110kV HVLNo.22 "VolgoGRES-Kirovskaya – Stroitel'naya", HVL 110 kV VDSK-1 “Kirovskaya-Kalach”, HVL110 kV “Sadovaya - Volgograd GRES” for modernization at new site of 220kV “Kirovskaya” substation for the needs of branch of “IDGC of the South” JSC – “Volgogradenergo”
4.	Contract for design and research work no.485 dated 24.04.2012	Southern Centre of Power Engineering JSC (Volgogradenergoproekt branch)	13 984 124.54	D sign and survey works on the facility "Modernization of 110kV HVL of production department “Pravoberezhnye electric grids” 3 facilities” for the needs of "IDGC of the South" JSC branch – “Volgogradenergo”: "Reconstruction of sector of 110kV HVL No. 68, with the replacement of wires”
5.	Contract no. 407/30-422/508 dd 26.04.2012	Kubanenergo JSC	989 600	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of “IDGC Holding” JSC in 2012 at 110/10-10 kV substation “Yubileinaya” of “Astrakhanenergo” branch of “IDGC of the South ” JSC
6.	Contract no. 18.4000.201.12/509	IDGC of Siberia JSC	989 600	Organization and holding the Russian competitions among professional service-teams on

	dd 11.04.2012			skills in insulation and surge protection of electrical distribution grids in the complex of "IDGC Holding" JSC in 2012 at 110/10-10 kV substation "Yubileinaya" of "Astrakhanenergo" branch of "IDGC of the South" JSC
7.	Contract no. 510 dd 11.04.2012	IDGC of Centre and Volga region JSC	989 600	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of "IDGC Holding" JSC in 2012 at 110/10-10 kV substation "Yubileinaya" of "Astrakhanenergo" branch of "IDGC of the South" JSC
8.	Contract no. 545 dd 16.05.2012	IDGC Holding JSC	1 000 000	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of "IDGC Holding" JSC in 2012 at 110/10-10 kV substation "Yubileinaya" of "Astrakhanenergo" branch of "IDGC of the South" JSC
9.	Contract no. 120273/517 dd 30.04.2012	IDGC of Volga JSC	989 600	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of "IDGC Holding" JSC in 2012 at 110/10-10 kV substation "Yubileinaya" of "Astrakhanenergo" branch of "IDGC of the South" JSC

10.	Contract no. 95/2012 dd 11.05.2012	IDGC of Ural JSC	989 600	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of "IDGC Holding" JSC in 2012 at 110/10-10 kV substation "Yubileinaya" of "Astrakhanenergo" branch of "IDGC of the South" JSC
11.	Contract no. 12-2950/540 dd 19.04.2012	Lenenergo JSC	989 600	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of "IDGC Holding" JSC in 2012 at 110/10-10 kV substation "Yubileinaya" of "Astrakhanenergo" branch of "IDGC of the South" JSC
12.	Соглашение о взаимодействии при предотвращении и ликвидации последствий аварий на объектах электроэнергетики №ТЭ/15-4/544 dated 16.05.2012	Tyumenenergo JSC	0	The Agreements determines the procedure of interaction between the Parties during the elimination or prevention of accidents and emergency situations at energy facilities that were caused by damage to equipment or by natural disaster or other reasons within the sphere of responsibility of both Parties
13.	Contract no. 7700/00085/12/570 dd 29.05.2012	IDGC of Centre JSC	989 600	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of "IDGC Holding" JSC in 2012 at 110/10-10 kV substation "Yubileinaya" of "Astrakhanenergo" branch

				of “IDGC of the South ” JSC
14.	Contract no. YIIP-01-12/587 vv 04.06.2012	MOESK JSC	989 600	Organization and holding the Russian competitions among professional service-teams on skills in insulation and surge protection of electrical distribution grids in the complex of “IDGC Holding” JSC in 2012 at 110/10-10 kV substation “Yubileinaya” of “Astrakhanenergo” branch of “IDGC of the South ” JSC
15.	Contract on purchase of design and estimates documentation no.80/2012/595 dd 13.06.2012	IDGC of North Caucasus JSC	87 760	Transfer of the ownership on design and estimates documentation on project “Modernization of 110/10kV Kolodeznaya substation”, with inventory and operation responsibility laid on “IDGC of the North-West” JSC
16.	Contract on purchase of design and estimates documentation no.82/2012/596 dd 13.06.2012	IDGC of North Caucasus JSC	258 450	Transfer of the ownership on design and estimates documentation on project: “110kV overhead power line for connection of substations NPS-3 – Raguli” (annex 2 to the Contract), with inventory and operation responsibility laid on “IDGC of the North Caucasus” JSC
17.	Contract on rendering services of organizing of participation in Russian conference-workshop no.621 dd 19.06.2012	Non-profit Partnership KONT S UES	68 000	Service on organization of participation of Customer in Russian conference –workshop “Innovation-based methods of distribution grids maintenance”
18.	Contract no. 12/027/628 dd 10.05.2012	Scientific and research centre of IDGC JSC	33 000 000	R&D work on producing and putting into trial operation a set of discriminative protection from single phase to ground fault in resonant earthed grids and non-compensated grids of 6-35 kV,

				based on determining the single phase to ground fault at transient response and steady-state process
Total:				71 290 501.64

## 6.7. Data on the Amount of Accounts Receivable

As of the end of the reporting quarter

Unit of measurement: **thousand rubles**

Type of accounts receivable	
Accounts receivable from buyers and customers	10 256 809
including overdue	8 369 626
Accounts receivable from bills	0
including overdue	0
Accounts receivable from participants (founders) on payments to share capital	0
including overdue	0
Other accounts receivable	2 146 002
including overdue	740 302
Total	12 402 811
including overdue	9 109 928

### Debtors which share is at least 10% from total sum of accounts receivable as of the reporting period

Full company name: **Open Joint Stock Company “Volgogradenergosbyt”**

Short name: **“Volgogradenergosbyt”, JSC**

Location: Volgograd

TIN: **3445071523**

PSRN: **1053444090028**

Sum of accounts receivable: **3 442 047.45**

Unit of measurement: **thousand rubles**

Amount and terms of overdue receivables (interest rate, penalties, fines):

**Contractor’s overdue payable to IDGC of the South is 2 762 433.72 rubles.**

**Claim-related work on collection the debt is being carried out, also the possibility of debt restructuring is being discussed.**

Debtor is issuer’s affiliated person: **no**

Full company name: **Open Joint Stock Company “Energosbyt Rostovenergo”**

Short name: **“Energosbyt Rostovenergo” JSC**

Location: Rostov-on-Don

TIN: **6168002922**

PSRN: **1056164000023**

Sum of accounts receivable: **2 402 879**

Unit of measurement: **thousand rubles**

Amount and terms of overdue receivables (interest rate, penalties, fines):

**Contractor’s overdue payable to IDGC of the South is 2 054 307 rubles.**

**Claim-related work on collection the debt is being carried out, also the possibility of debt restructuring is being discussed.**

Debtor is issuer’s affiliated person: **no**

Full company name: **Municipal Unitary Production Enterprise “Inter-district electric grids of Volgograd”**

Short name: **MUPP VMES of Volgograd**

Location: Volgograd

TIN: **3441010181**

PSRN: **1023402460620**

Sum of accounts receivable: **1 357 997.18**

Unit of measurement: **thousand rubles**

Amount and terms of overdue receivables (interest rate, penalties, fines):

**Contractor’s overdue payable to IDGC of the South is 990 314.52 rubles.**

**Claim-related work on collection the debt is being carried out, also the possibility of debt restructuring is being discussed.**

Debtor is issuer’s affiliated person: **no**

## VII. Accounting Report of the Issuer and Other Financial Information

### 7.1. Annual Accounting Report of the Issuer

Is not specified for this reporting quarter

### 7.2. Quarterly Accounting Report of the Issuer

#### Accounting balance

30.09.2012

		Code
Form No. 1 as per Russian National Classification of Management Documentation (RNCMD)		0710001
	Date	31.09.2012
Organization: "IDGC of the South", JSC	as per <a href="#">Russian</a> National Classifier of Business Organizations (RNCBO)	80380011
Taxpayer Identification Number	TIN	6164266561
Type of activity: <u>electric energy transmission</u>	as per Russian National Classifier of Economic Activities (RNCEA)	40.10.2
Legal form of organization / form of ownership: <u>open joint stock company</u>	as per Russian National Classifier of Forms of Incorporation (RNCFI)/ Russian National Classifier of Forms of Ownership (RNCFO)	47 / 16
Unit of measurement: ths.rub./mln.rub (delete as applicable)	as per Russian National Classifier of Measurement Units (RNCMU)	384
Location (address)		

Notes	Assets	Line	as of 31.09.2012	as of 31.12.2011.	as of 31.12.2010
1	2	3	4	5	6
	<b>I. Non-current assets</b>				
	Intangible assets	1110	15	18	20
	Results of researches and projects	1120	36 003	26 133	3 304
	Non-matrial exploration assets	1130	-	-	-



	Matrial exploration assets	1140	-	-	-
	Fixed assets	1150	29 167 479	28 927 577	26 680 503
	Income-bearing investments in tangible assets	1160	0	0	0
	Financial investments	1170	407 074	418 950	461 702
	Deferred tax assets	1180	183 402	160 929	367 050
	Other non-current assets	1190	682 797	745 779	459 513
	Total for section I	1100	30 476 770	30 279 386	27 972 092
	<b>II. Current assets</b>				
	Stocks	1210	1 159 103	1 064 327	786 594
	Input value added tax	1220	232 403	63 758	17 751
	Accounts receivable	1230	12 402 811	8 930 446	8 665 281
	Financial investments (except monetary assets)	1240	67 667	4 000	20 000
	Cash and cash equivalents	1250	1 621 547	1 404 180	338 132
	Other current assets	1260	33 769	102 353	170 531
	Total for sector II	1200	15 517 300	11 569 064	9 998 289
	Balance	1600	45 994 070	41 848 450	37 970 381

Notes	Liabilities	Line	As of 30.09.2012	As of 31.12.2011	As of 31.12.2010
1	2	3	4	5	6
	<b>III. Shareholder's funds</b>				
	Authorized capital (share capital, authorized fund, partners' investments)	1310	4 981 110	4 981 110	4 981 110
	Reacquired stock	1320	0	0	0
	Reappraisal of fixed assets	1340	14 750 109	14 757 652	14 829 755
	Capital surplus (without reappraisal)	1350	0	0	0
	Reserve funds	1360	148 736	142 867	142 867
	Undistributed profit (uncovered loss)	1370	-3 408 195	-3 321 469	-3 510 960
	of previous years	1371	-3 319 793	-3 438 857	-471 783

	of reporting period	1372	- 88 402	117 388	-3 039 177
	Total for section III	1300	16 471 760	16 560 160	16 442 772
	<b>IV. Long-term liabilities</b>				
	Borrowed funds	1410	15 312 900	14 062 900	12 766 736
	Deferred tax	1420	293 340	297 677	287 070
	Provisions for indirect liabilities	1430	0	0	0
	Other liabilities	1450	2 905 757	2 728 379	18 862
	Total for section IV	1400	18 511 997	17 088 956	13 072 668
	<b>V. Short –term liabilities</b>				
	Borrowed funds	1510	2 438 515	2 526 220	1 400 000
	Accounts payable	1520	8 376 637	5 405 949	6 751 434
	Deferred revenues	1530	63 243	68 874	76 496
	Provisions for future expenses	1540	131 918	198 291	227 011
	Other liabilities	1550	0	0	0
	Total for section IV	1500	11 010 313	8 199 334	8 454 941
	<b>BALANCE (liabilities)</b>	<b>1700</b>	<b>45 994 070</b>	<b>41 848 450</b>	<b>37 970 381</b>

### Profit and Loss Statement, 6 months of 2012

		Code
Form No. 2 as per Russian National Classification of Management Documentation (RNCMD)		0710002
	Date	31.09.2012
Organization: "IDGC of the South", JSC	as per <a href="#">Russian</a> National Classifier of Business Organizations (RNCBO)	80380011
Taxpayer Identification Number	TIN	6164266561
Type of activity: <u>electric energy transmission</u>	as per Russian National Classifier of Economic Activities (RNCEA)	40.10.2

Legal form of organization / form of ownership: <u>open joint stock company</u>	as per Russian National Classifier of Forms of Incorporation (RNCFI)/ Russian National Classifier of Forms of Ownership (RNCFO)	47/16
Unit of measurement: ths.rub./mln.rub (delete as applicable)	as per Russian National Classifier of Measurement Units (RNCMU)	384
Location (address)	49 Bolshaya Sadovaya St., Rostov-on-Don	

Notes	Indicator	Line	9 months of 2012	9 months of 2011
1	2	3	4	5
	Profit	2110	18 105 895	17 456 381
	from transport of electric energy	2111	17 391 760	16 868 800
	from technological connection	2112	604 310	422 272
	Cost of sales	2120	-15 094 546	-14 852 320
	from transport of electric energy	2121	-14 868 891	-14 534 205
	from technological connection	2122	-128 145	-214 821
	Gross profit (loss)	2100	3 011 349	2 604 061
	Business expenses	2210	-	-
	Management expenses	2220	-660 055	-560 021
	Profit (loss) from sales	2200	2 351 294	2 044 040
	Participation capital	2310	10	31
	Interest receivable	2320	13 547	4 351
	Interest payable	2330	-1 189 099	-1 200 778
	Other revenues	2340	727 959	397 740
	Other expenses	2350	-1 931 259	-1 127 398
	Profit (loss) before the taxation	2300	-27 548	117 986
	Current income tax	2410	-212 390	-106 456
	Including tax liabilities (assets)	2421	189 256	285 572
	Changes in deferred tax liabilities	2430	4 156	-8 628
	Changes in tax asset	2450	24 487	-194 085
	Other	2460	122 893	179 926
	Net profit (loss)	2400	-88 402	-11 257
	For reference:			
	Balance from revaluation of non-current	2510	-	-

	assets, that is not included in net profit (loss) of the period			
	Balance from other activities that is not included in net profit (loss) of the period	2520	-	-
	Total financial result of the period	2500	-88 402	-11 257
	Basic profit (loss) per share	2900	-0.0018	-0.002
	Diluted profit (loss) per share	2910	-0.0018	-0.002

### **7.3. Consolidated accounting reports of entity that furnished collateral for the last completed fiscal year**

#### **7.4. Information about the accounting policy of entity that furnished collateral.**

No changes occurred in this paragraph during the reporting quarter

#### **7.5. Data on total export amount and on export share in total amount of sales**

The entity that furnished collateral does not export products (goods, work, services)

#### **7.6. Data on cost of real estate of the Issuer and essential changes which occurred in structure of property of the Issuer following the end date of the last completed financial year**

Data of essential changes in the issuer's property occurred during the last 12 months up to the date of end of reporting quarter: essential changes did not occur

#### **7.7. Data on the Participation of Entity that Furnished Collateral in Litigations if such Participation May Have a Significant Impact on the Issuer's Financial and Economic Activities**

**1) "Volgogradenergosbyt", JSC made a claim against "IDGC of the South" for recovering losses of electric energy from grids of the Issuer: 1 060 486 008. 21 rub.**

The claim was not settled by the decision of Arbitrage of Volgograd dated 05.11.2009. At the present moment the case is still under consideration of 12<sup>th</sup> Court of Appeal. The proceedings have been suspended because of the arbitration scheduled. In instances Resolution on vacating the decision of the first appearance court is adopted and the claim of "Volgogradenergosbyt" JSC is

sustained, the decision of the court shall take legal effect and shall be enforced. Execution of this judicial act may have a significant impact on financial and economic activity of the issuer.

**2) “Khimprom”, JSC brought a suit to “Volgogradenergosbyt”, JSC on collection of cost of electric energy consumed during the period of absence of restrictions in regime of energy supply, the amount of collection - 264 453 445.61 rubles.**

By the decision of Arbitrage court of Volgograd region dated 24.01.2011 the claim was satisfied without changes by the resolution of Twelfth arbitration court of appeal dated 12.04.2011. The fulfillment of the mentioned judicial action may have significant impact on issuer’s business activity.

**3) “Nizhnovatomenergosbyt” JSC produced a claim on collecting from the Company 588 681 52.79 rubles.**

The claims are based on the application of the consequences of the invalidity of the transaction - the contract for the provision of services of power transmission, the court itself recognized as a result of the dispute on the so-called lease “last mile” (the agreement on the use of transmission facilities included in the unified national power grid (UNPG)). The claim is satisfied by award of Arbitration court of Rostov region dd. 05.12.2012. The decision upheld by decision of Fifteenth Court of Appeal dd. 06.02.2012. Cassational appeal was appealed. The execution of court decree is suspended by cassation court to the complaint. In case of refusal to comply the appeal, the judicial decision will come into force; a judicial act will be subject to execution, which significantly affects the financial activities of the Issuer.

**4) “Rusenergosbyt” JSC initiated claim from “IDGC of the South” JSC (“Rostovenergo”) of unjustifiable enrichment in the amount of 331 847 168.54 rubles, and also 55 733 630.94 rubles, interest for using foreign monetary funds.**

A claim is considered by the trial court. Addressing the claims may significantly affect the financial activities of the Issuer.

Issuer during the year preceding the date of the reporting quarter was a participant in a number of homogeneous trials belonging to the following groups:

- litigation to recover the cost of electric energy losses in the networks owned by the Issuer to the process of providing services for power transmission;
- litigation to recover the cost of electricity consumed in the absence of restrictions mode power consumption;
- litigation for the recovery of unjust enrichment.

## **VIII. Additional Data on the Issuer and Equity Securities Placed by the Issuer**

### **8.1. Additional Data on the Issuer**

#### **8.1.1. Data on Amount and Structure of the Issuer's Authorized (Share) Capital (Share Fund)**

Amount of the Issuer's authorized (share) capital (share fund) as of termination date of the last accounting quarter, rub: **4 981 109 606.4**

Ordinary shares

Total nominal value: **4 981 109 606.4**

Stake in authorized capital, %: **100**

Preferred

Total nominal value: **0**

Stake in authorized capital, %: **0**

**Information on correspondence of the amount of authorized capital to the amount specified in the paragraph should be specified:**

The amount of authorized capital specified in the paragraph corresponds to constituting documents of the Company

#### **8.1.2. Data on Adjustment of the Amount of the Issuer's Authorized (Share) Capital (Share Fund)**

Changes in authorized capital did not occur.

#### **8.1.3. Data on Order of Convening and Holding the Meeting of the Supreme Management Body of the Issuer**

During the specified period no changes have occurred

#### **8.1.4. Data on the commercial entities in which the Issuer holds at least 5 percent of authorized (share) capital (share fund) or at least 5 percent of ordinary shares**

List of commercial entities in which the Issuer holds at least 5 percent of authorized (share) capital (share fund) or at least 5 percent of ordinary shares

Full company name:

in Russian: **Открытое акционерное общество  
"Астраханьэлектросетьремонт",**

in English: **Open Joint Stock Company "Astrakhanelektrosetremont"**

Short company name: in Russian: OAO "Астраханьэлектросетьремонт"; in English: "Astrakhanelektrosetremont", JSC

Location: 204 Kramatorskaya st, Astrakhan, Russian Federation

TIN: 3015003313

PSRN: 1043001301606

Issuer's stake in the authorized capital: 100.00%

Issuer's stake of the ordinary shares: 100.00%

Stake of the commercial entity in the Issuer's authorized capital: 0%

Stake of the Issuer's ordinary shares held by the commercial entity: 0%

Full company name:

in Russian: **Открытое акционерное общество “Волгоградсетремонт”**;

in English: **Open Joint Stock Company “Volgogradsetremont”**

Short company name: in Russian: ОАО “Волгоградсетремонт”; in English: “Volgogradsetremont”, JSC

Location: 1a Granovitaya st, Volgograd, Russia

TIN: 3445067291

PRSN: 1043400418984

Issuer's stake in the authorized capital: 100.00%.

Stake of the commercial entity in the Issuer's authorized capital: 0%.

Stake of the Issuer's ordinary shares held by the commercial entity: 0%.

Full company name: **Open Joint Stock Company “Grechko A.A. Agriculture Enterprise”**

Short company name: “Grechko A.A. PSKh”, JSC

Location: 21 Teatralnaya st, village Kuibyshevo, Kuibyshevskiy district, Rostov Area, Russia

TIN: 6117010611

PSRN: 1036117000798

Issuer's stake in the authorized capital: 100.00%

Issuer's stake of the ordinary shares: 100.00%

Stake of the commercial entity in the Issuer's authorized capital: 0%

Stake of the Issuer's ordinary shares held by the commercial entity: 0%

Full company name: **Open Joint Stock Company “Sokolovskoye Agriculture**

## **Enterprise”**

Short company name: “Sokolovskoye PSKh”; JSC

Location: 32 Kurskaya Str., settlement Sokolovo-Kurduchenskiy, Novoshakhtinsk, Russia;

TIN: 6151011887

PSRN: 1036151002667

Issuer’s stake in the authorized capital: 100.00%

Issuer’s stake of ordinary shares: 100.00%

Stake of the commercial entity in the Issuer’s authorized capital: 0%

Stake of the Issuer’s ordinary shares held by the commercial entity: 0%

Full company name: **Open Joint Stock Company “Recreation Centre “Energetik”;**

Short company name: “Recreation Centre “Energetik”; JSC

Location: 3 Shkolnaya Str., village Shepsi, Tuapsinskiy district, Krasnodar Region, Russia

TIN: 2355016847

PSRN: 1032330762463

Issuer’s stake in the authorized capital: 100.00%

Issuer’s stake of ordinary shares: 100.00%

Stake of the commercial entity in the Issuer’s authorized capital: 0%

Stake of the Issuer’s ordinary shares held by the commercial entity: 0%

Full company name:

in Russian: **Открытое акционерное общество “Энергосервис Юга”**

in English: **Open Joint Stock Company “Energoservis Yuga”;**

Short company name: “Energoservis Yuga”; JSC

Location: 3 Shkolnaya Str., village Shepsi, Tuapsinskiy district, Krasnodar Region, Russia

TIN: 2355016847

PSRN: 1032330762463

Issuer’s stake in the authorized capital: 100.00%

Issuer’s stake of ordinary shares: 100.00%



Stake of the commercial entity in the Issuer's authorized capital: 0%

Stake of the Issuer's ordinary shares held by the commercial entity: 0%

#### **8.1.5. Data on important transactions closed by the Issuer**

For the accounting quarter

In the accounting period the Issuer did not make such transactions

#### **8.1.6. Data on credit ratings of the Issuer**

During the specified period no changes have occurred

#### **8.2. Data on each category (type) of the Issuer's shares**

During the specified period no changes have occurred

#### **8.3. Data on previous issues of securities of the Issuer except for shares**

##### **8.3.1. Data on issues all securities of which were repaid (cancelled)**

During the specified period no changes have occurred

##### **8.3.2. Data on issues securities on which are in circulation**

During the specified period no changes have occurred

#### **8.4. Information about the Person (Persons) that Provided Security for the Issued Bonds**

State registration number of bond issue:	Date of state registration
4-02-34956-E	16.12.2008

Person provided a bank guarantee or surety bond of Issuer must disclose the provision of information in the form of quarterly reports, statements of material facts, the consolidated accounts (consolidated financial statements): **No**.

Person provided a bank guarantee or surety bond of Issuer must disclose the provision of information in the form of quarterly reports, statements of material facts, the consolidated accounts (consolidated financial statements): **No**.

Person provided a bank guarantee or surety bond of Issuer to ensure, in the annex to the quarterly report further disclosed the information to the extent provided by sections I, II, III, IV, V, VI, VII, VIII of quarterly report for the Issuer of the securities: **Yes**.

Information about the person who provided security.

Full official name: **“Agricultural Enetrprise named after A.A. Grechko” JSC.**

Location

21 Teatralnaya str., village Kuybyshevo, Kuybyshevskiy district, Rostov Area, Russia, TIN: 6117010611

PSRN: 1036117000798

Type of allowed security: **guarantee**

Amount of (sum) of allowed security: **6000000 RUR x 1000**

Liabilities on bonds which implementation is ensured by provided security: **6 000 000 000 rubles.**

Web-site with information: **rostovenergo.mrsk-yuga.ru/obyazatelnoe\_raskrytie\_informacii\_dzo/oao\_grechko**

Other information on person that provided security on Issuer's bonds as well as on the security provided: **no other information.**

#### **8.4.1. Conditions of fulfillment of obligations on mortgage-backed bonds**

Issuer did not place mortgage-backed bonds liabilities on which were not executed

#### **8.5. Information on entities recording the rights to the issued securities of the Issuer.**

Person keeping the register of the Issuer's bearer securities holders: **Registrar**

Information on the Registrar

Full company name: **Open Joint Stock Company "Registrar R.O.S.T."**

Short company name: "Registrar R.O.S.T.", JSC

Location: 18/13 Stromynka St., Moscow, 107996

TIN: 7726030449

PSRN: 1027739216757

Data on the license for keeping the register of securities holders

Number: 10-000-1-00264

Issuing date: 13.12.2002

License validity term:

Without limitation of the period of validity

License issuing authority: FCSM (FFMS) of Russia

Date of commencement of keeping the register of the Issuer's bearer securities holders by the Registrar: 18.12.2010

The Issuer's certificated securities subject to compulsory centralized storage are in circulation:

#### **Depositories**

Full company name:

in Russian language - **Закрытое акционерное общество "Национальный**

расчетный депозитарий",

in English language - The National Settlement Depository (Closed Joint Stock Company)

Sort company name: in Russian language - ЗАО НРД, in English language – NSD,

Location: Building 4, 1/13 Sredniy Kislovskiy per., Moscow, Russia 125009

TIN: 7702165310

PSRN: 1027739132563

Data on the license to carry out the depository activity in the securities market

Number: 177-10042-000100

Issuing date: 19.02.2010

License validity term:

Without limitation of the validity term

Name of the license issuing authority: FCSM (FFMS) of Russia

Data on the transfer agents of the Registrar working with Company's shareholders

1. Full Company's name	<b>Krasnodar branch of "R.O.S.T. Registrar" JSC</b>
Location of the branch	174 Krasnaya St., (4th floor) Krasnodar 350020
Other information on maintenance of the Issuer's share register disclosed at the Issuer's sole discretion	Executive head: Cherniy Valeriy Pavlovich, phone (861) 255-21-01, e-mail: pan_krasnodar@mail.ru.
2. Full Company's name	<b>Separate subdivision of "R.O.S.T. Registrar" JSC in Volgograd</b>
Location of the department	floor 3, 9 Bogomoltsa street, Volgograd, 400033
Other information on maintenance of the Issuer's share register disclosed at the Issuer's sole discretion	Executive head: Rudenko Aleksandr Alekseevich, phone (8442) 79-82-80, e-mail: volgograd@mail.rrost.ru

In 2011 the Company's Registrar was paid remuneration equal to **1 906 02.96**

rubles, including:

- 134 520 rubles for rendering services on keeping and storing the register of bearer securities holders;
- 974 455.80 rubles for preparation and holding the annual General Meeting of Shareholders;
- 797 045.16 rubles for preparation and holding the extraordinary General Meeting of Shareholders.

**Information on existing agreements for such payments in the current year:**

In accordance with conditions contract for services to keep the register of holders of registered securities, the remuneration paid by the issuer to Registrar for set of services to maintain and storage the register of holders of securities in electronic form and on paper amounts 134 520 (One hundred thirty-four thousand five hundred and twenty) rubles per year, including VAT at the rate provided for by the legislation of the Russian Federation. Payment for services is on a quarterly basis in equal shares in amount of 33 630 (thirty-three thousand six hundred thirty) rubles, including VAT at the rate provided for by the legislation of the Russian Federation.

In the 3<sup>rd</sup> quarter of 2012 the Company's Registrar was paid remuneration equal to 263 201,95 rubles, including:

- **33 630** rubles for rendering services on keeping and storing the register of bearer securities holders;
- **229 571,95** rubles for preparation and holding the extraordinary General Meeting of Shareholders.

**8.6. Data on the acts regulating issues of import and export of capital that can influence distribution of dividends, interest and other payments to nonresidents**

During the specified period no changes have occurred

**8.7. Description of taxation scheme for the revenue on the Issuer's securities that were placed and are in the process of placement**

During the specified period no changes have occurred in taxation scheme

**8.8. Data on the declared (accrued) and paid dividends under the Issuer's shares and also on revenue under the Issuer's bonds**

**8.8.1. Data on the declared (accrued) and paid dividends under the Issuer's shares for 5 last completed financial years or for each complete financial year if the Issuer carries out the activity less than 5 years.**

During the specified period no decisions were taken on payment of dividends by the Issuer.

**8.8.2. Issue of bonds on which for 5 last completed financial years preceding the date of the last reporting quarter termination and if the issuer carries out the activity fewer than 5 years – for each completed financial year preceding the date of termination of the last reporting quarter, the yield was paid.**

Type of securities: bonds

Form of securities: documentary bearer bonds

Series: 02

non-convertible interest-bearing documentary bonds with obligatory centralized storage

State registration number of the issue: 4-02-34956-E

Date of state registration of the issue: 16.12.2008

Body that registered the issue: Federal Financial Market Service of Russia

State registration of the report on the results of the issue was not performed due to the fact that the issuer has used the right to present to registry body the notification on the results of securities issue at the simultaneous presence of the following conditions:

- 1) rendering by the broker services on placement of securities on the basis of the contract concluded with the issuer;
- 2) placement of securities by public subscription;
- 3) listing of the placed securities.

Notification on the results of issue of Bonds inconvertible interest bearing series 02 in amount of 6 000 000 (six million) with nominal price 1 000 (one thousand) rubles each with term of discharge - at 1820<sup>th</sup> day from the date of placement by open subscription, registration number 4-02-34956-E dated 16.12.2008 produced to FFMS on 08.09.2009

Number of bonds: 6 000 000

Nominal cost of each bond, rubles: 1 000

The amount of issue: 6 000 000 000

Basic information on revenues on bonds of the issue:

The revenue from bonds was accrued during the coupon period (182 days) with interest rate 17.5%;

In the first quarter of 2011 revenues from shares were paid via paying agent "Alga-Bank", JSC in amount 523 560 000 rubles.

**Basic information on the yield from bonds:**

Coupon period on the bonds of series 02 is 182 days.

The interest rate on the coupon yield from the coupon from the 1<sup>st</sup> to 4<sup>th</sup> is equal to 17.5% per annum. The coupon yield due to payment for the 3<sup>rd</sup> period in the sum of 523 560 thousand rubles was transferred by paying agent of the

Company (AlfaBank LLC) in the full volume.

In August 2011 the rate of the coupon for the 5<sup>th</sup> period was approved in amount of 8.1% per annum on bonds of 02 series (non-convertible interest bearing with centralized storage). Rates of 6<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup>, 8<sup>th</sup> and 10<sup>th</sup> coupons are equal to the 5<sup>th</sup> coupon period. At the day of making the offer, at September 1, at MICEX CJSC there were 2 112 589 bonds bought for the total sum of 2 112 589 000 rubles. Among the 2 112 589 purchased bonds 670 267 bonds were sold to secondary market.

Amount of bonds possessed by holders as of March 31m 2012 is 4 557 678 bonds, nominal cost of each bond is 1 000 rubles.

August 28, 2012 was held coupon payment in the amount of 184 084.614 thousand rubles

## **8.9. Other Data**

Data Disclosed Additionally

### **Information on Committees attached to BoD, on the Activity of Committees of “IDGC of the South”, JSC**

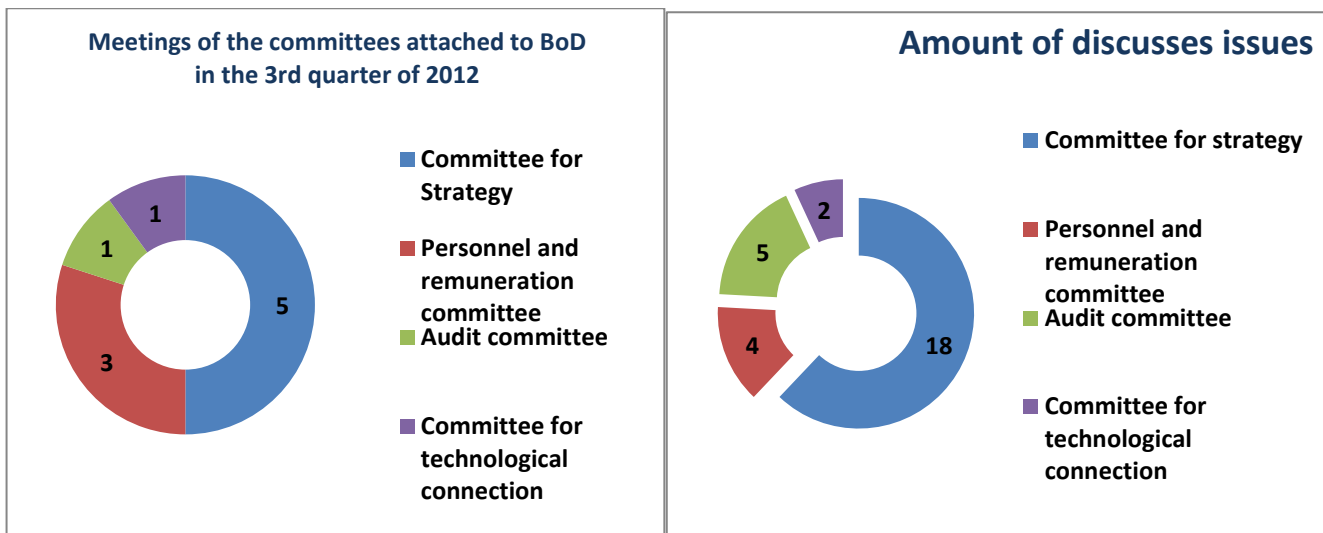
To examine issues from the Board of Directors competence were organized and approved committees of “IDGC of the South”, JSC by the decision of Board of Directors (minutes No. 22/2009 dd. 11.02.2009; minutes No. 23/2009 dd. 02.03.2009, minutes No. 37/2009 dd. 04.12.2009, minutes No.52/2010 dd 06.08.2010):

- 1) Committee for Technological Connection to Electric Grids;
- 2) Audit Committee;
- 3) Committee for Personnel and Remuneration
- 4) Reliability Committee
- 5) Committee for Strategy, Development, Investments and Reforming

According to the approved regulations on committees the members of committees are elected for the period of Board of Directors reelection (at Reliability committees) and till the first meeting of Company BoD (for other committees).

Authorities of any member of Committee could be early terminated by the decision of Board of Directors adopted by majority of votes of Company’s Board of Directors.

According to regulations about the Committees, functions of Secretaries of the Committees are performed by Corporate Secretary, if decisions of committees do not stipulate any other cases. Secretaries of the Committees were elected at meeting of all five committees.



### **Committee for Technological Connection to Electric Grids attached to Board of Directors of “IDGC of the South”, JSC**

The main purpose of Committee for Technological Connection to Electric Grids attached to Board of Directors of “IDGC of the South”, JSC is provision of transparency of activity and nondiscrimination access to services of technological connection of consumers to electric grids of the Company.

The current personnel elected at IDGC of the South Board of Directors meeting dated 28.09.2012 (Minutes No. 95/2012 dd. 02.10.2012):

name	work place and position held as of the moment of electing
Polovnev Igor Georgievich, chairman of the Committee	Director in charge of finances at Non-profit organization Investor Protection Association
Karpenko Vadim Vladimirovich	Member of management Board, Deputy director general in charge of corporate management at “IDGC of the South” JSC
Aushev Artur Magometovich	Deputy Director General in charge of development and realization of services of “IDGC of the South”, JSC
Mazo Leonid Vladimirovich	Deputy Executive director in charge of development and relationship with customers of “Holding IDGC”, JSC
Repin Igor Nikolaevich	Deputy Executive director of Non-profit organization Investor Protection Association, member of BoD of “IDGC of the South”, JSC

## **Review of decisions adopted by Committee for Technological Connection in the 3<sup>rd</sup> quarter of 2012:**

- 12.07.2012, Absentee voting**  
(minutes of meeting No. 9 dated 13.07.2012)
- the results of monitoring of Company's activity in the 1<sup>st</sup> quarter of 2012 on issues of technological connection of consumers to distribution grids, including contract work and keeping of statistics on connection of particular groups of consumers were taken into consideration;
  - It was decided to send to Company's Board of Directors the results of monitoring of Company's activity in the 1<sup>st</sup> quarter of 2012 on issues of technological connection of consumers to distribution grids, including contract work and keeping of statistics on connection of particular groups of consumers;  
The plan of activities on implementation of current contract on technological connection (applications for more than 15kW) that are not included in Company's business-plan for 2012 was approved.

### **Audit Committee at Board of Directors of "IDGC of the South", JSC**

The main purpose of Audit Committee is provision of effective work of Board of Directors in solving issues. The Committee works out and presents recommendations (conclusions) to Company's Boards of Directors in the sphere of audit and reports of the Company.

#### **Personnel of the Committee elected at the Meeting of Board of Directors of "IDGC of the South" JSC on 28.09.2012 (Minutes No. 95/2012 dd. 02.10.2012)**

name	work place and position held as of the moment of electing
Prokhorov Egor Vyacheslavovich, Chairman of the Committee	Director for Finance at "FGC UES" JSC Director for Finance at "Holding IDGC", JSC Member of BoD at "IDGC of the South", JSC
Katina Anna Yurievna	Deputy head of Department of corporate management and relationship with shareholders of "Holding IDGC", JSC Member of BoD of "IDGC of the South", JSC
Osipov Aleksandr Mikhailovich	Vice-president of all-Russian social organization "Delovaya Russia", chairperson of Expert council, member of BoD of "IDGC of the South", JSC
Shevchyuk	Deputy acting director general of Non-profit Partnership



Aleksandr Viktorovich	"Association for protection of investors' rights", member of "IDGC of the South" BoD
Filkin Roman Alekseevich	Co-director of representative office of Prosperity Capital Management Ltd (RF), member of "IDGC of the South" BoD
Repin Igor Nikolaevich	Deputy acting director of Non-profit Partnership "Association for protection of investors' rights", member of "IDGC of the South" BoD

### **Review of decisions adopted by Audit Committee in the 3<sup>rd</sup> quarter of 2012:**

- 1 23.07.2012, Absentee voting**  
(minutes of meeting No 18 dated 25.07.2012)
- the consolidated financial report made in accordance with international financial reporting standards as of 31.12.2011 was taken into consideration;
  - the information of the external auditor on basic problems of financial report prepared in accordance with IFRS for 2011 was taken into consideration.
  - the report presented by Department of internal control and risks management on the activity in the 1<sup>st</sup> quarter of 2012 was taken into consideration;
  - the report "On the activity on implementing documents aimed at sophistication and development of internal control, audit and risks management in the 1<sup>st</sup> quarter of 2012" was taken into consideration;
  - the report of the Company "On Company's insiders transactions with securities of the Company and its affiliated and dependent companies in the first quarter of 2012" was taken into consideration.

director general of the Company was instructed to provide by September 1, 2012 to the Audit Committee attached to the BoD suggestions on:

- a. integration of system of risks management into the system of long-term and short-term business-planning;
- b. sophistication of approaches to determining the risk appetite of the Company and remaining risks;
- c. sophistication of procedure of evaluation of efficiency of internal control and risks management system in comparison to the best experience in the sphere of the organization of

internal control system.

While making the report on key risks of IDGC of the South JSC the plan of activities on implementation of strategy of Holding IDGC up to 2015 with perspective to 2020 in affiliated companies should be taken into consideration. To make an audit of efficiency of system of risks management and provide the results of the audit to the Committee during the discussion of item “On discussing the information on the activity on implementing documents aimed at sophistication and development of internal control, audit and risks management in the 3<sup>rd</sup> quarter of 2012”.

### **Personnel and Remuneration Committee at Board of Directors of “IDGC of the South” JSC**

Personnel and Remuneration Committee is an advisory committee providing effective implementation functions of Company’s Board of Directors on administrative issues.

The task of the Committee is to work out recommendations (conclusions) to Board of Directors on the following activities: elaboration of principals and criteria of remunerations to Members of Board of Directors, Members of Collegiate Body and CEO; elaboration of offers on determining essential terms of contracts with Board of Directors members, members of collegiate body carrying out functions of sole executive body of the Company;

The current personnel elected at IDGC of the South Board of Directors meeting dated 28.09.2012 (Minutes No. 95/2012 dd. 02.10.2012):

name	work place and position held as of the moment of electing
Mangarov Yuri Nikolaevich, Chairman of the Committee	Deputy acting director – chief of stuff of “Holding IDGC”, JSC
Erpsher Natalia Ilynichna	Head of Organizational Development Department of “IDGC Holding”, JSC
Chevkin Dmitry Aleksandrovich	Director of Human resources Department of “FGC UES”, JSC
Grednyova Svetlana Borisovna	Head of Human resources Department of “Holding IDGC”, JSC
Shevchyuk Aleksandr	Deputy acting director general of Non-profit Partnership "Association for protection of investors' rights", member

Viktorovich	of “IDGC of the South” BoD
Filkin Roman Aleksseevich	Co-director of representative office of Prosperity Capital Management Ltd (RF), member of “IDGC of the South” BoD
Repin Igor Nikolaevich	Deputy acting director of Non-profit Partnership "Association for protection of investors' rights", member of “IDGC of the South” BoD

**Review of decisions adopted by Personnel and Remuneration  
Committee in the 3<sup>rd</sup> quarter of 2012:**

- 1 **26.07.2012,** · Company BoD was recommended to adopt the following  
**absentee** decision: to terminate the term of office of Samarchenko Olga  
**voting** Petrovna, member of Company’s Management Board.  
(minutes of  
meeting  
No.34 dd  
26.07.2012)
- 2 **06.08.2012,** · Company BoD was recommended to prolong the term of  
**absentee** office with Arkhipov Sergey Aleksandrovich, director  
**voting** general of “IDGC of the South”, JSC for two months (till  
(minutes of October 8, 2012).  
meeting · Erpsheer Natalia Ilinichna, head of department for  
No.35 dd corporate Development at IDGC Holding JSC, for the  
07.08.2012) position of deputy Chairperson of Personnel and  
Remuneration Committee attached to Board of Directors  
of “IDGC of the South”, JSC was elected.
- 3 **17.09.2012,** · Andronov Sergey Leonovich for the position of deputy  
**absentee** director in charge of economy and finances of  
**voting** Rostovenergo branch of IDG of the South JSC was  
(minutes of appointed.  
meeting · Svetlichniy Aleksandr Nikolaevich for the position of  
No.36 dd deputy director in charge of development and selling of  
18.09.2012) services of Rostovenergo branch of IDGC of the South  
JSC was appointed.

**Reliability Committee at Board of Directors of “IDGC of the South”, JSC**

The task of the Committee at Board of Directors of “IDGC of the South” JSC is to work out and submit recommendations (conclusions) to the Company’s Board of Directors concerning the following activities of the Board of Director:

- Assessment of investment programs and plans of repair of power

facilities, analysis of their implementation in terms of observance of complex reliability requirements;

- Assessment of completeness and sufficiency of activities on the basis of emergencies and major technological disturbances, as well as control over their implementation;
- Control and assessment of activities of technological services of the Company related to ensuring of complex reliability of work of grid and generating equipment and facilities and ensuring of normal state of fixed assets and informing on predictable reliability risks of their functioning;
- Analysis of activities on carrying out of contract and economic mechanisms of reliability management;
- Quarterly informing of Board of Directors on status of fixed assets of Company's power facilities.

**The current personnel elected at IDGC of the South Board of Directors meeting dated 28.09.2012 (Minutes No. 95/2012 dd. 02.10.2012):**

name	work place and position held as of the moment of electing
Shpilevoy Sergey Vladimirovich, Chairman of the Committee	Deputy Head of Production Supervision and Labour Safety Department at "IDGC Holding", JSC
Frolov Sergei Nikolaevich	Deputy chief engineer at "IDGC of the South" JSC
Pankov Dmitriy Leonidovich	Director for strategy, development and innovations at "IDGC Holding" JSC
Repin Igor Nikolaevich	Deputy acting director of Non-profit Partnership "Association for protection of investors' rights", member of "IDGC of the South" BoD
Sukhov Oleg Aleksandrovich	Deputy head of executive-technological management department – head of executive-situation office of "Holding IDGC", JSC
Polovnyov Igor Georgievich	Financial director of Association for protection of investors' rights
Bespalov Aleksandr Vasilievich	Deputy head of Department of capital construction at "IDGC Holding" JSC

Review of decisions adopted at the meetings of Reliability Committee at Board of Directors of "IDGC of the South" JSC in the 3<sup>rd</sup> quarter of 2012:

## **The Committee for Strategy, Development, Investments and Reforming attached to “IDGC of the South”, JSC Board of Directors**

The task of the Committee for Strategy, Development, Investments and Reforming attached to “IDGC of the South”, JSC Board of Directors is the elaboration and presentation of recommendations (conclusions) to Company’s Board of Directors on the following activities:

- 1) setting of priority directions, strategic goals and defining of the main principles of the Company’s strategic development;
- 2) assessment of efficiency of the Company’s activity;
- 3) enhancement of investment attractiveness of the Company, improvement of investment activity and making of reasoned investment decisions;
- 4) correction of existing strategy of the Company’s development;
- 5) control over implementation of approved programmes, projects and process of reforming of the Company;
- 6) drawing up of recommendations on dividend policy.

### **The current personnel elected at IDGC of the South Board of Directors meeting dated 28.09.2012 (Minutes No. 95/2012 dd. 02.10.2012):**

name	work place and position held as of the moment of electing
Pavlov Vadim Alekseevich, chairman of the Committee	Head of center for strategy , development and innovations at “IDGC Holding” JSC
Balaeva Svetlana Aleksandrovna	Head of Investments department at “IDGC Holding” JSC
Tsiku Ruslan Kimovich	Head of Business-planning department at “IDGC Holding” JSC
Akhrimenko Dmitry Olegovich	First deputy head of Department of corporate management and relationship with shareholders of “Holding IDGC”, JSC
Isaev Valeriy Ivanovich	Head of Finance Department of “Holding IDGC”, JSC
Filkin Roman Alekseevich	Co-director of representative office of Prosperity Capital Management Ltd (RF), member of “IDGC of the South” BoD
Shevchyuk Aleksandr Viktorovich	Deputy acting director general of Non-profit Partnership "Association for protection of investors' rights", member of “IDGC of the South” BoD
Samakhuzhin Karim Karimovich	Lead specialist – expert of corporate management office of Department of corporate management, pricing environment and auditing work in spheres of fuel and energy complex of RF Ministry of Energy
Karpenko Pavel Evgenievich	Member of management Board, deputy director general in charge of corporate management of “IDGC of the South”, JSC
Akilin Pavel Evgenievich	Member of management Board, deputy director general in charge of economic and finance of “IDGC of the South”, JSC
Repin Igor Nikolaevich	Deputy acting director of Non-profit Partnership "Association for protection of investors' rights", member of “IDGC of the South” BoD

**Review of decisions adopted in the 3<sup>rd</sup> quarter of 2012 by Committee  
for strategy, development, investments and reforming attached to  
IDGC of the South BoD:**

- 1 14.07.2012,**  
**absentee**  
**voting**  
(Minutes  
No.39 dd  
17.07.2012)
- It was decided to amend and improve the proposed allocation of responsibility for implementation of the PKI for director general and top managers of the Company, in accordance with recommendations provided by the Committee members. To submit proposals for consideration of the draft supplement list of KPI for individual key performance indicators for top managers of the Company with provision of quota on share to 20%.
- 2 26.07.2012,**  
**absentee**  
**voting**  
(Minutes No.  
40 dd  
26.07.2012)
- The Company BoD was recommended :
    - To preliminary approve list of Key Performance Indicators for Director General and top managers of Company. Take as example Key Performance Indicators calculation methods, allocation of responsibility for implementation by Director General and top managers of Company.
    - To approve the strategy of Company in sphere of information technologies, automation and telecommunication of “IDGC of the South”, JSC on the period up to 2016.
    - To determine the realization of strategy of Company in sphere of information technologies, automation and telecommunication of “IDGC of the South”, JSC on the period up to 2016 as priority area of activity.
    - To take into consideration the report of Director General of “IDGC of the South” on implementation annual comprehensive procurement program of “IDGC of the South”, JSC in the 1<sup>st</sup> quarter of 2012.
    - To take into account the report presented by director general of “IDGC of the South” JSC on reached level of the indicator “Net debt/EBITDA” of Company in the 1<sup>st</sup> quarter of 2012 in the amount of 3.61.
- 3 22.08.2012,**  
**absentee**  
**voting**  
(Minutes No.  
41 dd  
26.07.2012)
- Tsiku Ruslan Kimovich, Head of Business Planning Department of "Holding IDGC" JSC was elected to the position of vice-President of the Committee for Strategy, Development, Investments and Reform Board of Directors of JSC "IDGC of the South".

The following recommendations to the Board of Directors were issued:

    - To approve the results of the implementation of target key performance indicators for the 1st quarter of 2012.
    - To take into consideration the Report of Director General of "IDGC of the South" JSC on implementation of Plan of activities on adjustment of system of services rendered to consumers in

accordance with standards of "IDGC of the South" JSC "The system of centralized customer services" for the 2<sup>nd</sup> quarter of 2012.

- To take into consideration the Report of Director General of "IDGC of the South" JSC on implementation of the Plan of activities of the Company for 2012 on construction and maintenance of fiber-optic lines.
- To take into consideration the Report of Director General of "IDGC of the South" JSC on technical audit of fiber-optic lines in 2<sup>nd</sup> quarter of 2012.
- To determine the providing submission to regulatory agencies for rate regulation by the return on invested capital (RAB) priority for the Company. To instruct the Director of the Company until August 31, 2012 to ensure delivery to the regulatory authority applications for rate regulation by the return on invested capital (RAB).

**4 25.09.2012,**  
**absentee**  
**voting**  
(Minutes  
No.42  
26.09.2012)

The Company BoD was recommended :

- To take into consideration the report of director general of IDGC of the South on the measures taken for financial recovery of IDGC of the South in 2012 and implemented in the 2<sup>nd</sup> quarter of 2012 plan of activities on financial recovery of the Company for 2013-2016.
- To approve the adjusted business-plan (investment programme) for 2012-2016.
- To order Director General of the Company:

To approve the adjusted investment program for the period 2012 – 2017, which is included in the revised business plan of the Company, at the authorized body of executive power by 01.10.2012; to submit a report on the execution of the order 3.1 of the decision to the Board of Directors of the Company by 30.10.2012;

To report on the investment program for the 2<sup>nd</sup> and 3<sup>rd</sup> quarters of 2012 as part of the report on the implementation of the business plan of the Company for the indicated periods in 2012, to provide an approved investment program of the Company in accordance with the decree of the Government of the Russian Federation dated December 1, 2009 No. 977.

- To approve updated annual target values of key performance indicators (KPI) for 2012.
- To approve updated Programm of energy conservation and energy efficiency of "IDGC of the South" JSC in 2012 and the forecast for 2013-2017.
- To approve the standard of "Managing of productive assets of "IDGC of the South", JSC".

- 5 27.09.2012, absentee voting** (Minutes No.43 27.09.2012) Board of the Company was recommended to approve the report of the Director General of "IDGC of the South" JSC on the results of the business plan of the Company (including the investment program) for the 2nd quarter and six months of 2012.

Minutes of meeting of the Committee for strategy, development, investments and reforming attached to IDGC of the South BoD are published at: [http://mrsk-yuga.ru/corporate\\_management/kom\\_sov\\_direct/](http://mrsk-yuga.ru/corporate_management/kom_sov_direct/)

**Statistic Information on the Company’s Shareholders Including the Amount of Shareholders, Balance of Amount and Stake of Residents and Non-Residents, legal Entities and Individuals in the Authorized Capital**

	Company’s shareholders amount as of 30.09.2012	Shares amount, items	Stake in authorized capital, %
Individuals	9 147	1 454 545 769	2,92
including non-residents	41	10 743 415	0,02
Legal persons	82	65 554 321	0,13
including non-residents	10	15 997 144	0,03
Publicly owned shares	2	70 456 639	0,14
Nominee holders	10	48 220 539 335	96,81
<b>TOTAL:</b>	<b>9 241</b>	<b>49 811 096 064</b>	<b>100</b>

**Description of the Issuer’s Organizational Structure and Basic Functional Relations between the Key Operational Subdivisions**

From 01.04.2012 a new corporate structure of “IDGC of the South”, JSC approved by decision of Board of Directors (minutes No. 84/2012 dd. 19.03.2012) is valid.

Organizational structure meets the requirements of the key shareholder to the organizational structure of the operational company. The main sectors of the Company’s activity are divided into functional blocks managed by Deputy CEOs of the Company:

- Economy and finance;
- Service Sales Department;
- Investments capital construction, logistics and inventory;
- Technical block;



- Corporate management, property management, consolidation of electric grid assets and legal support;
- HR department, administrative services, transport and documents departments;
- Security and state secret protection
- Sector for energy saving and energy efficiency.

The key sectors are attached to independent structural units directly subordinate to The Company's Chief Executive Officer:

- Accounting and Tax Department;
- Logistics and Inventory Department
- Information Technologies Department;
- Department of Internal Audit and Risks Management;
- Technical Inspection Department;
- PR-department;
- Quality Management Department
- Department for Preparedness Activity

In the organizational structure, Deputy CEOs - branch CEOs - are represented who (on the basis of powers of attorney issued by the Company's CEO) exercise management of the following branches of the Company founded according to the decision of the Company's Board of Directors (minutes No.6/2008 dd 11.01.2008):

- "Astrakhanenergo" branch of «IDGC of the South», JSC (32 Krasnaya Naberezhnaya st, Astrakhan, 414000);
- "Volgogradenergo" branch of «IDGC of the South», JSC (15 prospect Lenina, Volgograd, 400066);
- "Kalmenergo" branch of «IDGC of the South», JSC (Northern industrial area, Elista, Republic of Kalmykia, 358007);
- "Kubanenergo", JSC branch of "IDGC of the South", JSC (2 Stavropolskaya str., Krasnodar 350033)
- "Rostovenergo" branch of «IDGC of the South», JSC (49 Bolshaya Sadovaya st, Rostov-on-Don, 344002).

Organization plan of "IDGC of the South", JSC is made available at corporate website of the Company at: [http://www.mrsk-yuga.ru/company/organizational\\_structure](http://www.mrsk-yuga.ru/company/organizational_structure).

## Key events and news of the issuer

### Key events:

1. At August 24, 2012 an extraordinary general meeting of shareholders of "IDGC of the South" JSC in Rostov-on-Don was held.

2. At September 10 at the Volgograd Regional Administration under the leadership of the Deputy Energy Minister Mikhail Kurbatov a meeting on preparations for the upcoming autumn-winter period (AWP) of power complex of the southern regions of the country - Volgograd, Rostov, Astrakhan, Krasnodar Krai and the Republic of Kalmykia and Adygea was held.

3. From 10 to 15 September of 2012, in Astrakhan on the basis of 110/10-10 kV substation "Yubileinaya" branch of "IDGC of the South" JSC - "Astrakhanenergo" an International tournament was held on professional skills of teams of the insulation and protection against electrical surges in the electrical complex network of "IDGC Holding" JSC (federal stage of All-Russian Competition of Excellence "Best in Profession" in the nomination "The Best electrician")

### Key news of the reporting quarter:

No.	Date	News	Published
1	03.07.2012	<p><b>Branch of "IDGC of the South", JSC – "Volgogradenergo" established its case to supervision body in the court</b></p> <p>Branch of "IDGC of the South" JSC – "Volgogradenergo" established its case to Directorate of FAS of Volgograd region and obtained the cancellation of multimillion forfeit, saved the financial assets to carry out the maintenance campaign</p>	Corporate web-site and corporate newspaper of "IDGC of the South" JSC, regional and federal mass media
2	06.07.2012	<p><b>"IDGC of the South", JSC: the regional stage of All-Russian competition of professional skill was completed</b></p> <p>Young specialists of branch of "IDGC of the South" JSC - "Astrakhanenergo" took part in the first meeting of the Scientific and Technical Council, initiated by the Governor of Astrakhan Region Alexander Zhilkin.</p>	Corporate web-site of "IDGC of the South" JSC, corporate web-site of "Holding IDGC" JSC
3	06.07.2012	<p><b>Sergei Arkhipov, Director General of "IDGC of the South" JSC held press-conference and awarded specialists in power industry and journalists</b></p> <p>"IDGC of the South" JSC completed an</p>	Corporate web-site and corporate newspaper of "IDGC of the South" JSC, regional and

		organization of candidates pool of young specialists on a competitive basis	federal mass media
4	08.07.2012	<b>Specialists in power industry of “IDGC of the South” JSC provide assistance to postweather Kuban</b> Specialists in power industry of “IDGC of the South” JSC provide assistance to citizens of Krasnodar region affected by the heavy downpour and flood. After receiving information about serious scale of disasters, management of the Company has decided to provide assistance to the affected region.	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media
5	09.07.2012	<b>Young specialists of “IDGC of the South” JSC reminded about timeless values to specialists in power industry</b> On the eve of the All-Russia Day of Family, Love and Fidelity Board members of young specialists of "IDGC of the South" JSC, met the staff of the executive office, working in Krasnodar, with cards, balloons and daisies.	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media
6	11.07.2012	<b>The revenue of “IDGC of the South” JSC exceeds last year results on 430 million rubles.</b> After five months of 2012, the volume of sales of "IDGC of the South" JSC for electricity transmission amounted to 10 361 million rubles that exceeds parameters of the same period of last year on 430.3 million rubles.	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media
7	12.07.2012	<b>Specialists in power industry of “IDGC of the South” JSC restore power supply to regions of Kuban affected by the disaster</b> Ten operative recovery brigades of branch of "IDGC of the South" JSC - "Rostovenergo" and 11 units of special vehicles help to restore the power system in Krymsk and in village Kabardinka, Krasnodar region	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media
8	13.07.2012	<b>Branch of “IDGC of the South” JSC – “Vokogradenergo” coordinates preparation to autumn-winter period with Governance</b> The regular staff meeting of security of electricity supply was held in the Ministry of Fuel, Energy and tariff regulation of the	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass

		Volgograd region. Managers of branch of "IDGC of the South" JSC - "Volgogradenergo" took part in the discussion of the most pressing issues.	media
9	24.07.2012	<b>Sergei Arkhipov, Director General of "IDGC of the South" JSC met governor of Astrakhan region</b> The working meeting of Arkhipov Sergei, Director General of "IDGC of the South" JSC and Aleksandr Zhilkin, governor of Astrakhan region was held in Astrakhan	Corporate web-site and corporate newspaper of "IDGC of the South" JSC, regional and federal mass media
10	25.07.2012	<b>Sergei Arkhipov, Director General of "IDGC of the South" JSC checked the preparation to Russian competition on professional skill of brigades of the insulation and protection against electrical surges of "Holding IDGC" JCS</b> Yesterday Sergei Arkhipov, Director General of "IDGC of the South" JSC held a meeting with management of branch of "Astrakhanenergo" and visited substation 110 kV "Yubileinaya"	Corporate web-site and corporate newspaper of "IDGC of the South" JSC, regional and federal mass media
11	26.07.2012	<b>Sergei Arkhipov, Director General of "IDGC of the South" JSC controlled realization of project of technological connection of facilities of "CPC-R" CJSC</b> Sergei Arkhipov, Director General of "IDGC of the South" JSC visited Republic of Kalmykia, held meeting in branch of "Kalmenergo" on realization of project of technological connection of facilities of "CPC-R" CJSC	Corporate web-site and corporate newspaper of "IDGC of the South" JSC, regional and federal mass media
12	03.08.2012	<b>850 thousand rubles were transferred to specialists in power industry of "IDGC of the South" JSC as help for flood victims in Krymsk. Victims are still receiving funds.</b> Employees of "IDGC of the South" JSC consider as a duty to help flood victims in Krymsk. It is raised 850 thousand rubles.	Corporate web-site and corporate newspaper of "IDGC of the South" JSC, regional and federal mass media
13	10.08.2012	<b>Union leaders asked the Governor of the Volgograd region to intervene in a situation of non-payment from the large industrial</b>	Corporate web-site and corporate newspaper of

		<p><b>facilities adjacent grid and distribution companies in the region</b> Yuri Vyazmin, chairman of Volgograd regional organization of public organization “Russian Electroprofsoyuz” sent letter of help to Sergei Bozhenov, governor of Volgograd region.</p>	<p>“IDGC of the South” JSC, regional and federal mass media</p>
14	22.08.2012	<p><b>The team of branch “Volgogradenergo” won 5<sup>th</sup> Spartakiada of specialists in power industry of “IDGC of the South”, JSC</b> A solemn closing of 5<sup>th</sup> Spartakiada of specialists in power industry of “IDGC of the South” JSC took place on August 22 on sport arena of specialized sports school of Olympic reserve No. 9 of Azov, Rostov region</p>	<p>Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media</p>
15	24.08.2012	<p><b>Extraordinary general meeting of shareholders was held in “IDGC of the South” JSC</b> Extraordinary meeting of “IDGC of the South” JSC shareholders was held on August 24 in Rostov-on-Don, it was adopted a decision to terminate the powers of all members of Company’s BoD and to elect new membership of BoD</p>	<p>Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media</p>
16	31.08.2012	<p><b>Specialists of “IDGC of the South” made an overhaul of “Bolshoi Tsaryn”</b> Branch of “IDGC of the South” JSC – “Kalmenergo” made an overhaul of substation 110/10 kV “Bolshoi Tsaryn”</p>	<p>Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media</p>
17	07.09.2012	<p><b>Team of “IDGC of the South” JSC won bronze medal on 4<sup>th</sup> Russian summer Spartakiada of specialists in power industry of Holding IDGC</b> Team of “IDGC of the South” JSC includes only sportsmen- specialists in power industry of branch “Volgogradenergo” won the bronze medal on 4<sup>th</sup> Russian summer Spartakiada of specialists in power industry of Holding</p>	<p>Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media</p>
18	10.09.2012	<p><b>Mikhail Kurbatov, deputy Minister of Energy held working session on preparing of energy companies of Southern federal</b></p>	<p>Corporate web-site and corporate newspaper of</p>

		<p><b>district to winter period</b></p> <p>Mikhail Kurbatov, deputy Minister of Energy held working session on September 10, on preparing of electrical energy complex of southern regions of Russia – Volgograd, Rostov, Astrakhan, Krasnodar regions and republic of Kalmykia and Adygea to autumn-winter period.</p>	<p>“IDGC of the South” JSC, regional and federal mass media</p>
19	14.09.2012	<p><b>Specialists in power industry and community decided to train personnel together</b></p> <p>In the conference room of the branch of "IDGC of the South" JSC - "Astrakhanenergo" was held "Round Table" on "Power - the profession of the future". Andrei Pochtaryov, head of PR office of department of information policy and communication, Yuri Zhukov, chairman of Coordination Council of Veterans of “Holding IDGC” JSC, Pavel Goncharov, deputy Director General – director of branch of “IDGC of the South” JSC – “Astrakhanenergo”, Sergei Prokopenko, head of PR department of “IDGC of the South”, JSC, representatives of Ministry of Education and Science of Astrakhan region, heads of educational institutions – partners of “Astrakhanenergo”, union and social organization took part in the event.</p>	<p>Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media</p>
20	15.09.2012	<p><b>The best electrician of Russia was awarded in Astrakhan</b></p> <p>Russian competition on professional skill of brigades of isolation and excess voltage protection of electric facilities service in distributing network complex of “Holding IDGC” JSC was held during 6 days from 10 to 15 September of 2012 in Astrakhan on basis of substation 110/10-10 kV “Yubileinaya” of branch of “IDGC of the South” JSC – “Astrakhanenergo” (federal stage of Russian competition of professional skill “Best in profession” in the nomination “Best electrician”).</p>	<p>Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media</p>
21	18.09.2012	<p><b>Management of “IDG of the South” JSC controls preparedness of branches to period</b></p>	<p>Corporate web-site and corporate</p>

		<p><b>of maximal loads</b></p> <p>As a part of preparation to autumn-winter period of 2012-2013 in accordance with orders of “FGC UES” and “IDGC of the South”, JSC the company’s management carries out check ups of preparedness of production departments – districts of electric grids to operation in autumn-winter period of 2012-2013.</p>	newspaper of “IDGC of the South” JSC, regional and federal mass media
22	19.09.2012	<p><b>Head of Astrakhan branch of “IDGC of the South”, JSC became one of the best regional managers of Russia</b></p> <p>Pavel Goncharov, member of Managing of “IDGC of the South” JSC, deputy Director General – Director of branch of “IDGC of the South” JSC – “Astrakhanenergo” with other five Astrakhan citizens was included into “Top-1000 of regional companies’ managers”, made by Publishing House “Kommersant”.</p>	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media
23	22.09.2012	<p><b>Annual report of “IDGC of the South”, JSC won first places in nominations on 9<sup>th</sup> Opened Competition of Annual reports of joint-stock companies.</b></p> <p>Annual report for 2011 of “IDGC of the South” JSC on 9<sup>th</sup> Opened Competition of Annual reports of joint-stock companies, organized by Administration of Krasnodar region with the participation of Russian Institute of Directors and magazine Harvard Business Review-Russia held as part of 9<sup>th</sup> International Investment Forum “Sochi-2012” won first places in the following nominations:</p> <ul style="list-style-type: none"> <li>• “Level of disclosure of information”;</li> <li>• “Industry report “Infrastructure”.</li> </ul>	Corporate web-site and corporate newspaper of “IDGC of the South” JSC
24	24.09.2012	<p><b>“IDGC of the South” JSC improves reliability of airports power supply</b></p> <p>As a part of preparation to autumn-winter period of 2012-2013 “IDGC of the South” JSC holds complex of activities on improvement customers’ power supply. Special emphasis on social facilities and vital infrastructure.</p>	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media
25	27.09.2012	<p><b>Branch of “IDGC of the South” JSC – “Rostovenergo” was the first which received</b></p>	Corporate web-site and corporate

		<p><b>a Certificate of readiness to winter period</b>  Today branch of “IDGC of the South” JSC – “Rostovenergo” became the first branch which received a Certificate confirming preparedness to autumn-winter period of 2012-2013 on maximal loads.</p>	newspaper of “IDGC of the South” JSC, regional and federal mass media
26	28.09.2012	<p><b>Volgograd branch of “IDGC of the South” JSC received a Certificate of readiness to autumn-winter period!</b>  Branch of “IDGC of the South” JSC – “Volgogradenergo” received a Certificate confirming preparedness to autumn-winter period of 2012-2013. Document confirms that Volgograd specialists in power industry finished all works to supply all consumers with electric power during the peak heating season.</p>	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media
27	28.09.2012	<p><b>Specialists in power industry of “IDGC of the South” JSC and Rostov enterprises of the main power networks improves cooperation</b>  As a part of preparation to autumn-winter period of 2012-2013 a special tactical training exercises on team building of headquarters of Rostov enterprise of main power transmission lines, branch of “IDGC of the South” JSC – “Rostovenergo”, operating and dispatching personnel and repair-recovery brigades in cure of effects of natural emergence in autumn-winter period of 2012-2013 were held.</p>	Corporate web-site and corporate newspaper of “IDGC of the South” JSC, regional and federal mass media

### **Brief Description of the Company’s Principal Internal Regulations**

Corporate governance within the Company is based on respect of rights and lawful interests of the shareholders, investors and other interested parties; It is carried out in accord with current legislation of the Russian federation, Charter of “IDGC of the South” JSC and other local enactments regulating activities of the executive bodies.

Practical corporate governance is regulated by the Charter and internal documents of the Company, including:

No.	Name of the internal document	Description	Data on the approval of the internal regulations by management bodies of the
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			Company
1.	Regulation on the procedure for preparation and convening of a General Shareholders Meeting of “IDGC of the South”, JSC (redrafted)	The document specifies the order of convening, preparation, holding of the shareholders’ meetings and also interaction of the operating bodies of the meetings.	Approved by decision of annual general meeting of shareholders of “IDGC of the South”, JSC dd 15.06.2011 (Minutes No. 5 dd 17.06.2011).
2.	Regulation on the order of convening and holding the meetings of Board of Directors of “IDGC of the South”, JSC(redrafted)	The document specifies the order of convening and holding of Board of Directors meetings, and rights, duties and responsibilities of the members and the company’s Corporate secretary.	Approved by decision of annual general meeting of shareholders of “IDGC of the South”, JSC dd 18.06.2012 (Minutes No. 7 dd 21.06.2012).
3.	Regulation on Management Board of “IDGC of the South” JSC (redrafted)	The document regulates the order of forming the Management Board, convening and holding the meetings, taking decisions, and rights, duties and responsibilities of the members	Approved by decision of annual general meeting of shareholders of “IDGC of the South”, JSC dd 15.06.2011 (Minutes No. 5 dd 17.06.2011).
4.	Regulation on “IDGC of the South”, JSC Auditing Committee	The document specifies the objectives, the terms of activity of the Audit committee, regulates the issues of the interaction with the Company’s management authorities, also schedules the rights and duties of the members of the Audit committee.	Approved by decision of sole shareholder RAO “UES of Russia”, JSC (Minutes of the Management Board meeting of RAO “UES of Russia”, JSC No.1751 ord/4 dd 05.10.2007).
5.	Regulation on paying remunerations and compensations to “IDGC of the South”, JSC members of Board of Directors	The document specifies the amount and the order of payments and compensations to the members of Board of Directors (except for the members of Board of Directors holding simultaneously positions of CEO and/or members of	Approved by decision of the annual General Shareholders Meeting of “IDGC of the South”, JSC dd 30.05.2008 (Minutes No.1 dd 04.06.2008)

		Management Board).	
6.	Regulation on paying remunerations and compensations to the members of the “IDGC of the South”, JSC Auditing Committee	The document specifies the amount and order of paying remunerations and compensations to the members of Auditing Committee.	Approved by decision of annual General Shareholders Meeting of “IDGC of the South”, JSC dd 30.05.2008 (Minutes No.1 dd 04.06.2008)
7.	Regulation on “IDGC of the South”, JSC Corporate secretary (new revision)	The document determines the status, competence, rights and responsibilities of the Corporate secretary of the Company’s Board of Directors, as well as the order of his election and paying remunerations to him	Approved by decision of Board of Directors of “IDGC of the South”, JSC on 11.09.2009 (Minutes No.34/2009 dd 14.09.2009)
8.	Redrafted Code of Corporate Governance of “IDGC of the South”, JSC	The document specifies the Company’s assumed liabilities in the sphere of ensuring transparency of the Company’s management and conforming to standards of proper corporate management	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.32/2009 dd 21.08.2009)
9.	Regulation on “IDGC of the South”, JSC insider information	The document defines the concepts of “insider”, “insider information” of the Company, determines the order of protection, use and distribution of insider information.	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.78/2011 dd 29.12.2011)
10.	Regulation on informational policy of “IDGC of the South”, JSC	The document determines rules and regulations of information disclosure, the list of information sources and documents subject to disclosure to shareholders, creditors, investors-to-be and other persons, as well as specifies the order, terms of disclosure and presentation of the specified information.	Approved by decision of Board of Directors of JSC “IDGC of the South” (Minutes No.2/2007 dd 03.09.2007).  (Amendments to the Regulations are approved by the decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.12/2008 dd

			18.04.2008)
11.	Regulation on organizing purchase of goods, works and services with total value up to 500 thousand rubles.	The document stipulates requirements for the procedure of studying the market situation and price analysis, selection of suppliers with regard to their ability to supply goods, works and services in the process of purchasing of goods, works and services in “IDGC of the South”, JSC the structural and detached divisions.	Approved by Order of CEO of “IDGC of the South”, JSC No.133 dd 11.06.2008 “On approving regulations on organizing purchases of goods, works and services with the cost up to 500 thousand rubles”
12.	Regulation on option programme of “IDGC of the South”, JSC	The document determines the order and terms of acquiring the Issuer’s shares by the employees	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.16/2008 dd 23.07.2008).
13.	Regulation on the procedure of scheduled purchase of goods, works, services for the needs of “IDGC of the South”, JSC (new version)	The document regulates the procedures of purchase of any goods, works, services (at the expense of the Company) with the cost of over 500 thousand rubles without VAT)	Approved by Order of BoD of “IDGC of the South” JSC (Minutes No. 78/2011 dd 29.12.2012) with consideration for changes dd 23.04.2012 (Minutes No. 85/2012 dd 26.04.2012)
14.	Regulation on dividend policy of “IDGC of the South”, JSC in new version	The document determines the system of relations and principles for calculating dividends, order and terms of their payment, and the Company’s responsibility for failure to carry out liabilities of paying dividends.	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No53/2010 dd 01.09.2010).
15.	Regulation on procedures of internal control of “IDGC of the South”, JSC	The document determines goals and objectives of internal control procedures, and the report form for the Audit Committee attached to Board of Directors of “IDGC of the South”, JSC	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.22/2009 dd 11.02.2009)
16.	Regulation on the Committee for	The document regulates the order of forming the Committee,	Approved by decision of Board of Directors of

	Technological Connection to Electric Grids attached to Board Directors of “Interregional Distribution Grid Company of the South”, Open Joint Stock Company	rights and responsibilities of the members, the order of holding the Committee’s meetings, and the cooperation with Company management authorities and other persons.	“IDGC of the South”, JSC (Minutes No.22/2009 dd 11.02.2009)
17.	Regulation on contractual work organizing in “IDGC of the South”, JSC	The document determines the unified order of concluding contracts, amending and revising the contracts, order of their suspension and storage.	Approved by Order of CEO of “IDGC of the South”, JSC No.137 dd 22.03.2011 “On Regulations on organizing contractual work in “IDGC of the South”, JSC
18.	Procedure for cooperation of “IDGC of the South”, JSC with economic entities which “IDGC of the South” JSC is holding it shares (parts)	The document determines the common terms of corporate interaction of the Company with the SACs, including the issues of organizing and auditing of corporate activities on consideration of issues where the Company (Company’s representatives) should declare the position	Approved by the decision of Board of Directors of “IDGC of the South”, JSC (Minutes No24/2009 dd 10.03.2009)
19.	Regulation on additional benefits, guarantees and compensations for the employees of “IDGC of the South”, JSC executive office	The document is worked out with the purpose of providing social security of the employees of “IDGC of the South”, JSC executive office.	Approved by Order of CEO of “IDGC of the South”, JSC dd No.589 29.29.2011 “On approving Regulations on additional benefits, guarantees and compensations for the employees of “IDGC of the South”, JSC executive office
20.	Regulation on Committee for Strategy, Development, Investment and	The document is worked out to provide effective performance of Board of Directors regarding issues of the competency. The document determines the	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.37/2009 dd 04.12.2009)

	Reform attached to Board of Directors of Open Joint Stock Company “Interregional Distribution Grid Company of the South”.	Committee Meeting procedure, the rights and obligations of Committee members and the order of drawing up recommendations (conclusions) regarding issues of the competence.	
21.	Regulation on Personnel and Remuneration Committee attached to Board of Directors of Open Joint Stock Company “Interregional Distribution Grid Company of the South” (New version)	The document is worked out to provide effective performance of Board of Directors of the functions regarding general management of the Company activities. The document determines general regulations, goal and objectives of Committee, the structure of Committee, the rights and obligations of Committee members and procedures of Committee meeting.	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.52/2010 dd 06.08.2010) with consideration for changes dd 06.04.2011 (Minutes No. 61/2011 dd 08.04.2011)
22.	Regulation on Audit Committee attached to Board of Directors of Open Joint Stock Company “Interregional Distribution Grid Company of the South” (new version)	The document is worked out to provide effective performance of Board of Directors of the functions regarding general management of the Company activities. The document determines general regulations, goal and objectives of Committee, the structure of Committee, the rights and obligations of Committee members and procedures of Committee meeting	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.94/2012 dd 24.08.2012)
23.	Regulation on Reliability Committee attached to Board of Directors of Open Joint Stock Company “Interregional Distribution Grid	For the purpose of effective performance of Board of Directors, the current document determines the procedure of Committee meeting, rights and obligations of Committee members and the order of drawing up recommendations(conclusions)	Approved by decision of Board of Directors of “IDGC of the South”, JSC (Minutes No.37/2009 dd 04.12.2009)

	Company of the South”	regarding issues of the competence	
24.	Regulation on payment of remunerations and compensations to members of Audit Committee attached to BoD of “IDGC of the South”, JSC	The documents fixes the amount and procedure of paying remunerations and compensations to members of the Committee	Approved by the decision of “IDGC of the South”, JSC Board of Directors (minutes No.39/2010 dated 05.02.2010)
25.	Regulation on payment of remunerations and compensations to members of Personnel and Remuneration Committee attached to BoD of “IDGC of the South”, JSC	The documents fixes the amount and procedure of paying remunerations and compensations to members of the Committee	Approved by the decision of “IDGC of the South”, JSC Board of Directors (minutes No.39/2010 dated 05.02.2010)
26.	Regulation on payment of remunerations and compensations to members of Reliability Committee attached to BoD of “IDGC of the South”, JSC	The documents fixes the amount and procedure of paying remunerations and compensations to members of the Committee	Approved by the decision of “IDGC of the South”, JSC Board of Directors (minutes No.39/2010 dated 05.02.2010)
27.	Regulation on payment of remunerations and compensations to members of Committee for Strategy, Development, Investments and Reforming attached to BoD of “IDGC of the South”, JSC	The documents fixes the amount and procedure of paying remunerations and compensations to members of the Committee	Approved by the decision of “IDGC of the South”, JSC Board of Directors (minutes No.39/2010 dated 05.02.2010)

28.	Regulation on Paying Remuneration and Compensation to members of the Committee for Strategy, Development, Investments and Restructuring at Board of Directors of “Interregional Distribution Grid Company of the South”, Open Joint Stock Company	The document determines amount and procedure for paying remuneration and compensation to members of the Committee for Strategy, Development, Investments and Restructuring at Board of Directors of “IDGC of the South” JSC	Approved by the decision of Board of Directors of “IDGC of the South” JSC (Minutes No. 39/2010 dd. 05.02.2010)
29.	Regulation on payment of remunerations and compensations to members of Committee for Technological Connection to Electric Grids attached to BoD of “IDGC of the South”, JSC	The documents fixes the amount and procedure of paying remunerations and compensations to members of the Committee	Approved by the decision of “IDGC of the South”, JSC Board of Directors (minutes No.39/2010 dated 05.02.2010)
30.	Risks management policy of “IDGC of the South”, JSC	The document determines the basic principles of organization, implementation and control of processes of risks management at “IDGC of the South”, JSC	Approved by the decision of “IDGC of the South”, JSC Board of Directors (minutes No.47/2010 dated 11.06.2011)
31.	Internal control policy of “IDGC of the South”, JSC	The document determines the obligatory for observance basic principles of organization of internal control system at “IDGC of the South”, JSC	Approved by the decision of “IDGC of the South”, JSC Board of Directors (minutes No.47/2010 dated 11.06.2011)

The abovementioned internal documents of the Company are worked out according to the legislation of the Russian Federation and the Company’s Charter and consider basic regulations of Corporate Conduct Code recommended to implementation by FSEC (Executive order of FSEC dd

04.04.02 No.421/r); the documents are made available on the Company's website at: [http://www.mrsk-yuga.ru/corporate\\_management/documents/](http://www.mrsk-yuga.ru/corporate_management/documents/)

### **Information on corporate management estimation**

December 16, 2011 Consortium of the Russian institute and Directors and the rating agency "Expert RA" rated "IDGC of the South", JSC for corporate management as NPCM 6+ ("Developed practice of corporate management") ( in 2009 – 5+, in 2010 – 6+).

This class of rating mark certifies that "IDGC of the South", JSC corporate management practice is assessed as exposed to low risks of corporate management. "IDGC of the South", JSC fulfills all the requirements of the Russian legislation in the sphere of corporate management, observes the majority of recommendations of Russian Corporate management Code and some recommendations of global corporate practice.

Subsidiaries of "IDGC of the South", JSC were not rated for corporate management

The report on corporate management at "IDGC of the South", JSC is available at Company's website at: [http://mrsk-yuga.ru/corporate\\_management/reiting/](http://mrsk-yuga.ru/corporate_management/reiting/).

### **Dividend policy of the Company**

Dividend policy is the system of relations and principles of determination of dividend amount, procedure and terms of payment, and likewise of establishment the responsibility of the Company for non-fulfillment of the obligations for payment of dividends.

The Company is striving along with capitalization growth to increase the amount of paid dividends on the basis of gained net profit for the accounting financial year and the necessities of development of production and investment activity of the Company.

Dividend policy is based on the balance of interests of the Issuer and the shareholders while determination the amount of dividend payments, respect and strict adherence the shareholders rights stipulated by current legislation of the Russian Federation, the Charter and internal documents of the Issuer and intended for the increase of investment attractiveness, capitalization and shareholder value of the Issuer.

Regulation on Dividend policy of Open Joint Stock Company "Interregional Distribution Grid Company of the South" in new edition was approved by Company's Board of Directors on 31.08.2010 (minutes No. 53/2010 dd. 01.09.2010) as per the Civil Code of RF, Federal Law No. 208-FZ (Federal law)



“On Joint Stock Companies” dated 26.12.1995, legal acts of RF, Charter of “IDGC of the South”, JSC as well as recommendations of Corporate Management with purposes to:

- provide transparency of mechanism of defining the volume of dividends,
- inform shareholders and other interested persons about dividend policy of the Company.

**Information on transactions concluded by the issuer with public companies and quarterly survey of the mentioned transactions; quarterly survey of intra-group transactions carried out by the issuer**

In the reported quarter the Issuer has concluded 465 transactions with state-owned companies; total transaction amount inclusive of VAT equals to 43 386 936,73 rubles.

Subjects of transactions closed with state-owned companies in the reported quarter are as follows:

- Rendering technological connection services;
- Rendering electricity transmission services;
- Opening of revolving credit line;
- Rendering general and new postage services;
- Rendering services for periodic medical examinations;
- Rendering services for hard domestic waste removal;
- Land and estate property renting;
- Provision of services for a fee;
- Rendering services for training and professional development of personnel;
- Real estate leasing and other

**The following transactions have not been closed in the reported quarter:**

- Issuer’s transactions with its shareholders, holding at least 5% of the voting shares;
- With members of Company Management board;

**Information on business activity of Company’s affiliated and subsidiary companies**

IDGC of the South is founder of 6 companies and possesses 100% of voting shares of each entity.

- “Astrakhanelektrosetremont” JSC,
- “Volgogradsetremont” JSC,
- “Agriculture Enterprise named after Grechko” JSC (PSKh named after Grechko),
- “Agriculture Enterprise Sokolovskoye” JSC (PSKh Sokolovskoye),

- “Recreation Centre “Energetik” JSC
- “Energoservis Yuga” JSC

### **Astrakhanelektrosetremont JSC**

Core activities of the Company are: repair of grids and substation equipment, buildings and constructions repair, construction works on pipe line installing, as well as other activities allowed by the current legislation.

At the present moment the core activity of Astrakhanelektrosetremont is rent of premises.

#### **Results of activity of Astrakhanelektrosetremont**

	Indicator	Unit of measurement	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
				Planned	Actual
1.	Revenue from sales of products	Thousand rubles	2,458	2533	2515
2.	Products self-cost	Thousand rubles	-1,289	-1688	-1399
3.	Sales profit	Thousand rubles	1,169	845	1116
4.	Balance of miscellaneous income and expenses	Thousand rubles	-0,040	-166	-67
5.	Current income tax and other similar payments	Thousand rubles	-0,227	-136	-223
6.	Net profit (loss)	Thousand rubles	0,902	544	826

During the reporting quarter the Company got gross profit (loss) of 1,116 million rubles, which is 0.271 million rubles higher than the planned indicator. Net profit (loss) was 0.826 million rubles while the planned was 0.544 million rubles.

#### **Expense structure of Astrakhanelektrosetremont JSC**

Expenses	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
		Planned	Actual
Materials and raw materials, %	0	0	0
Fuel, %	0	0	0
Power, %	2,6	0	0
Labor costs, %	10,58	7,87	10,41
Rent fee, %	1,58	8,72	22,04

Allocations for social needs, %	3,38	2,67	2,84
Depreciation of fixed assets, %	57,95	45,09	47,35
Taxes included in self-costs of products, %	16,82	24,74	14,17
Other expenditures, %	7,09	10,91	3,19
obligatory insurance payments, %	9,41	3,92	29,14
other, %	90,59	96,08	70,86
Total: expenditures for production and selling of products, works, services (self-cost), %	100	100	100
For reference: receipts from the sale of products (works, services) in % to self-cost	190,67	150,07	179,77

### Indicators of business activity of Astrakhanelektrosetremont JSC

Indicator	1 <sup>st</sup> half of 2012	9 months of 2012
Issuer's net asset value, thousand rubles	41875	42700
Debt to equity ratio, %	0,10	0,09
Short-term liability to equity ratio, %	0,10	0,09
Cover of payments for debt services, %	0	9,45
Level of overdue payables, %	0	0
Accounts receivable turnover,	2,07	2,54
Productivity of labour, thousand rubles /employee	838170	3771500
Depreciation to level of revenue ratio, %	14,85	9,90
Leverage ratio, %	0	0

### Indicators characterizing profitability and loss ratio

Indicator	1 <sup>st</sup> quarter of 2012	9 months of 2012
Revenue, thousand rubles	5029	7543
Self-cost, thousand rubles	2273	3672
Net profit, thousand rubles	1923	2748
Gross profit, thousand rubles	2756	3871
ROE, %	4,59	6,44
Net profit ratio, %	38,24	36,43
Product profitability, %	54,80	51,32
Capital turnover	0,12	0,18
Sum of uncovered loss as of the reporting date, thousand rubles	-266	-266
Uncovered loss and total balance ratio	0	0

## Indicators characterizing Company's liquidity

Indicator	1 <sup>st</sup> half of 2012	9 months of 2012
Working capital, thousand rubles	3961	5671
Net fixed assets index	0,91	0,87
Current ratio	97,61	154,27
Quick ratio	90	145,84
Equity-assets ratio	1	1

## Information on accounts payable, thousand rubles

Accounts payable	Payment deadline			
	31.12.2011		30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts payable to contractors and suppliers	1994	-	-	-
- including overdue	1994	-	-	-
Accounts payable to company's employees	2	-	-	-
- including overdue	-	-	-	-
Accounts payable to budget and state non-budgetary funds	452	-	-	-
- including overdue	-	-	-	-
Credits	-	-	-	-
- including overdue	-	-	-	-
Loans, total	-	-	-	-
- including overdue	-	-	-	-
- including bonded loans	-	-	-	-
- including overdue bonded loans	-	-	-	-
Other accounts payable	-	-	-	-
- including overdue	-	-	-	-
Total, thousand rubles	2448	-	-	-
- including overdue	1994	-	-	-

## Information on accounts receivable, thousand rubles

Accounts receivable	Payment deadline	
	31.12.2011	30.09.2012

	Up to one year	More than one year	Up to one year	More than one year
Accounts receivable from customers and clients	1314	-	2848	-
including overdue	297	-	1901	-
Accounts receivable from bonds	-	-	-	-
including overdue	-	-	-	-
Accounts receivable from participants (founders) on shareholder fee	-	-	-	-
including overdue	-	-	-	-
Accounts receivable from advance paid	-	-	-	-
including overdue	-	-	-	-
Other accounts receivable from	266	-	126	-
including overdue	60	-	62	-
Total, thousand rubles	1580	-	2974	-
including overdue	357	-	1963	-

### Income behavior

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Income, thousand rubles	16634	1336	583	309	2458	<b>2515</b>
Growth (fall), %	83,84	-91,97	-56,36	-46,99	695,34	<b>2,32</b>

### Expenses dynamics

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Expenses, thousand rubles	16297	2000	2175	2219	1288	<b>1399</b>
Growth (fall), %	66,72	-87,73	8,75	2,01	-41,91	<b>8,62</b>

### Revenue mix

	indicator	3 <sup>rd</sup> quarter of 2012	proportion, %
<b>1</b>	<b>Rent of immovable property, thousand rubles</b>	<b>2367,92</b>	<b>94,15</b>
1.1	“Astrakhanenergo” branch of IDGC of the South JSC	2367,92	100
<b>2</b>	<b>Rent of movable property, thousand rubles</b>	<b>21,69</b>	<b>0,86</b>

2.1	“Elektrosetservis” LLC	4,36	20,1
2.2	“RIO-FISH” LLC	17,33	79,9
<b>3</b>	<b>Rent of mast for mobile network operator, thousand rubles</b>	<b>125,38</b>	<b>4,99</b>
3.1	“Astrakhan GSM” CJSC	41,09	32,8
3.2	“Vympelkom” JSC	41,09	32,8
3.3	“MTS” JSC	43,19	34,4
	<b>Total</b>	<b>2514,99</b>	<b>100</b>

### **Volgogradsetremont” JSC**

Core activities of the Company are: repair of grids and substation equipment, buildings and constructions repair, construction works on pipe line installing, as well as other activities allowed by the current legislation.

At the present moment the core activity of Volgogradsetremont is rent of premises.

#### **Results of activity of Volgogradsetremont JSC in the 3<sup>rd</sup> quarter of 2012**

	Indicator	Unit of measurement	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
				Planned	Actual
1.	Revenue from sales of products	Thousand rubles	1417	1557	1312
2.	Products self-cost	Thousand rubles	-1779	-1534	-1628
3.	Sales profit	Thousand rubles	-362	23	-316
4.	Balance of miscellaneous income and expenses	Thousand rubles	165	22	317
5.	Current income tax and other similar payments	Thousand rubles	34	0	-25
6.	Net profit (loss)	Thousand rubles	-163	45	-24

During the reporting quarter the Company got gross profit (loss) of minus 316 thousand rubles which is 339 thousand rubles less than the planned indicator. Net profit (loss) was minus 24 thousand rubles, which is 69 thousand rubles less than the planned indicator.

## Expense structure of Volgogradsetremont JSC

Indicator	3 <sup>rd</sup> quarter of 2012	3 <sup>rd</sup> quarter of 2012	
		Planned	Actual
Materials and raw materials, %	0,11	0,07	0,18
Fuel, %	0,00	0,00	0,00
Power, %	1,57	1,83	2,03
Labor costs, %	25,80	37,42	41,71
Rent fee, %	24,62	21,77	20,76
Allocations for social needs, %	9,50	12,58	12,47
Depreciation of fixed assets, %	4,33	8,21	3,44
Taxes included in self-costs of products, %	24,62	14,47	13,33
Other expenditures, %	9,44	3,65	6,08
obligatory insurance payments, %	0,22	2,35	1,11
other, %	9,22	1,30	4,98
Total: expenditures for production and selling of products, works, services (self-cost), %	100	100	100
For reference: receipts from the sale of products (works, services) in % to self-cost	125,55	98,52	124,09

## Indicators of business activity of Volgogradsetremont JSC

Indicator	1 <sup>st</sup> half of 2012	9 months of 2012
Issuer's net asset value, thousand rubles	31 525	31 501
Debt to equity ratio, %	2,4	2,4
Short-term liability to equity ratio, %	2,4	2,4
Cover of payments for debt services, %	-21,86	-17,39
Level of overdue payables, %	-	-
Accounts receivable turnover,	0,54	0,73
Productivity of labour, thousand rubles /employee	337 791	473 820
Depreciation to level of revenue ratio, %	5,13	4,9
Leverage ratio, %	42,54	42,1

## Indicators characterizing profitability and loss ratio

Indicator	1 <sup>st</sup> half of 2012	9 months of 2012
Revenue, thousand rubles	2 905	4 217
Self-cost, thousand rubles	-3 097	-4 725

Net profit, thousand rubles	-311	-335
Gross profit, thousand rubles	-192	-508
ROE, %	-0,99	-1,06
Net profit ratio, %	-10,71	-7,9
Product profitability, %	-6,61	-12,0
Capital turnover	0,09	0,13
Sum of uncovered loss as of the reporting date, thousand rubles	-943	-967
Uncovered loss and total balance ratio	-0,03	-0,03

### Indicators characterizing Company's liquidity

Indicator	1 <sup>st</sup> half of 2012	9 months of 2012
Working capital, thousand rubles	12544	12601
Net fixed assets index	0,6	0,6
Current ratio	17,93	17,85
Quick ratio	17,75	17,84
Equity-assets ratio	0,98	0,98

### Information on accounts payable, thousand rubles

Accounts payable	Payment deadline			
	30.06.2012		30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts payable to contractors and suppliers	4	-	-	-
- including overdue	-	-	-	-
Accounts payable to company's employees	162	-	157	-
- including overdue	-	-	-	-
Accounts payable to budget and state non-budgetary funds	452	-	461	-
- including overdue	-	-	-	-
Credits	-	-	-	-
- including overdue	-	-	-	-
Loans, total	-	-	-	-
- including overdue	-	-	-	-
- including bonded loans	-	-	-	-
- including overdue bonded loans	-	-	-	-



Other accounts payable	16	-	16	-
- including overdue	-	-	-	-
Total, thousand rubles	107	-	114	
- including overdue	741	-	748	-
Accounts payable to contractors and suppliers	-	-	-	-

### Information on accounts receivable, thousand rubles

Accounts receivable	Payment deadline			
	30.06.2012		30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts receivable from customers and clients	4220	-	4462	-
including overdue	3453	-	3491	-
Accounts receivable from bonds	-	-	-	-
including overdue	-	-	-	-
Accounts receivable from participants (founders) on shareholder fee	-	-	-	-
including overdue	-	-	-	-
Accounts receivable from advance paid	52	-	24	-
including overdue	4	-	4	-
Other accounts receivable from	1123	-	1308	-
including overdue	783	-	783	-
Total, thousand rubles	5395	-	5794	-
including overdue	4240	-	4278	-

### Income behavior

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Income, thousand rubles	-	-	1880	1452	1417	1312
Growth (fall), %	-	-	-	-22,77	-2,41	-7,4

### Expenses dynamics

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Expenses, thousand rubles	-	-	4714	1454	1779	1628
Growth (fall ) in comparison to the previous year, %	-	-	-	-69,16	22,35	-8,49

### Revenue mix

	indicator	3 <sup>rd</sup> quarter of 2011	proportio n, %	3 <sup>rd</sup> quarter of 2012	proporti on, %
1	Rent of non-residential premises, thousand rubles	1392	98,2	1287	98,1
2	Rent of area at mast for mobile network operator, thousand rubles	25	1,8	25	1,9
3	Total	1417	100	1312	100

### “Agriculture Enterprise named after Grechko” JSC (PSKh named after Grechko)

Company’s basic activity is plant cultivation.

### Results of “PSKh named after Grechko” JSC activity

	Indicator	Unit of measur ement	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
				Planned	Actual
1.	Revenue from sales of products	Thousand rubles	6 650	3 495	1 000
2.	Products self-cost	Thousand rubles	-14 194	-3 510	-740
3.	Sales profit	Thousand rubles	- 7 544	-15	260
4.	Balance of miscellaneous income and expenses	Thousand rubles	371	323	-233
5.	Current income tax and other similar payments	Thousand rubles	-9	0	-2
6.	Net profit (loss)	Thousand rubles	- 7 182	308	25

### Expense structure of “PSKh named after Grechko” JSC

Indicator	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
		Planned	Actual
Materials and raw materials, %	8	27	24
Fuel, %	19	9	13
Power, %	2	0	0
Labor costs, %	29	21	25
Rent fee, %	8	6	3
Allocations for social needs, %	9	7	7
Depreciation of fixed assets, %	7	21	20
Taxes included in self-costs of products, %	5	0	0
Other expenditures, %	13	9	8
obligatory insurance payments, %	0	0	0
other, %	0	0	0
Total: expenditures for production and selling of products, works, services (self-cost), %	100	100	100
For reference: receipts from the sale of products (works, services) in % to self-cost	46,9	99,6	135,2

### Indicators of business activity of “PSKh named after Grechko” JSC

Issuer’s net asset value, thousand rubles	6 months of 2012	9 months of 2012
Debt to equity ratio, %	48 005	48 030
Short-term liability to equity ratio, %	45,5	47,1
Cover of payments for debt services, %	24,6	26,3
Level of overdue payables, %	11,5	35,1
Accounts receivable turnover,	0	0
Productivity of labour, thousand rubles /employee	0,25	0,45
Depreciation to level of revenue ratio, %	5 941	7 229
Leverage ratio, %	39	34
Issuer’s net asset value, thousand rubles	45,5	47,1

### Indicators of business activity of “PSKh named after Grechko” JSC

Indicator	6 months of 2012	9 months of 2012
Revenue, thousand rubles	1 212	2 212

Self-cot, thousand rubles	1 853	2 593
Net profit, thousand rubles	519	544
Gross profit, thousand rubles	-641	-381
ROE, %	0,67	0,70
Net profit ratio, %	42,8	24,6
Product profitability, %	-52,9	26,0
Capital turnover	0,02	0,04
Sum of uncovered loss as of the reporting date, thousand rubles	-30 048	-30 023
Uncovered loss and total balance ratio	-0,43	-0,43

### Indicators characterizing Company's liquidity

Indicator	6 months of 2012	9 months of 2012
Working capital, thousand rubles	15 122	15 342
Net fixed assets index	0,68	0,68
Current ratio	3,12	3,01
Quick ratio	0,41	0,39
Equity-assets ratio	0,69	0,68

### Information on accounts payable, thousand rubles

Accounts payable	Payment deadline			
	31.06.2012		30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts payable to contractors and suppliers	2 724	0	2 699	0
- including overdue	0	0	0	0
Accounts payable to company's employees	1 025	0	1 103	0
- including overdue	0	0	0	0
Accounts payable to budget and state non-budgetary funds	1 663	0	1 709	0
- including overdue	0	0	0	0
Credits	0	0	0	0
- including overdue	0	0	0	0
Loans, total	12 680	0	12 680	0

- including overdue	0	0	0	0
- including bonded loans	0	0	0	0
- including overdue bonded loans	0	0	0	0
Other accounts payable	3 237	0	3 917	0
- including overdue	0	0	0	0
Total, thousand rubles	21 329	0	22 108	0
- including overdue	0	0	0	0

### Information on accounts receivable, thousand rubles

Accounts receivable	Payment deadline			
	30.06.2012		30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts receivable from customers and clients	4 376	0	4 454	0
including overdue	2 222	0	2 222	0
Accounts receivable from bonds	0	0	0	0
including overdue	0	0	0	0
Accounts receivable from participants (founders) on shareholder fee	0	0	0	0
including overdue	0	0	0	0
Accounts receivable from advance paid	150	0	125	0
including overdue	0	0	0	0
Other accounts receivable from	259	0	339	0
including overdue	0	0	0	0
Total, thousand rubles	4 785	0	4 918	0
including overdue	2 222	0	2 222	0

### Income behavior

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Income, thousand rubles	17 671	17 309	12 226	11 051	6 650	<b>1 000</b>
Growth (fall ), %	X	-2	-29	-10	-40	<b>-85</b>

## Expenses dynamics

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Expenses, thousand rubles	12 451	18 147	12 000	8 677	14 194	<b>740</b>
Growth (fall ) in comparison to the previous year, %	X	+45	-34	-29	64	<b>-95</b>

## Revenue mix

	indicator	3 <sup>rd</sup> quarter of 2011	proportio n, %	3 <sup>rd</sup> quarter of 2012	proporti on, %
1	Cattle breeding	2 810	42	0	0
2	Plant cultivation	3 840	58	1 000	100
3	Total	6 650	100	1 212	100

## PSKh Sokolovskoye” JSC

Core activities of the Company are plant cultivation and animal husbandry.

## Results of “PSKh Sokolovskoye” JSC

	Indicator	Unit of measureme nt	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
				Planned	Actual
1.	Revenue from sales of products	Thousand rubles	16752	16359	21882
2.	Products self-cost	Thousand rubles	13670	15817	21177
3.	Sales profit	Thousand rubles	3082	542	705
4.	Balance of miscellaneous income and expenses	Thousand rubles	-117	28	271
5.	Current income tax and other similar payments	Thousand rubles	0		-
6.	Net profit (loss)	Thousand rubles	2965	570	976

In the 3<sup>rd</sup> quarter of 2012, the Company received gross income in the amount of 705 thousand rubles, which is 163 thousand rubles more than planned target. Net income amounted to 976 thousand rubles, the planned 570 thousand rubles.

### Expense structure of “PSKh Sokolovskoye” JSC

Indicator	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
		Planned	Actual
Materials and raw materials, %	35,4	30,3	29,5
Fuel, %	7,5	7,7	7,8
Power, %	3,9	5,9	5,6
Labor costs, %	20	23,0	23,2
Rent fee, %	0,4	0,9	1,0
Allocations for social needs, %	4,0	5,9	6,0
Depreciation of fixed assets, %	21,0	20,0	20,5
Taxes included in self-costs of products, %	0,9	1,0	1,2
Other expenditures, %	5,9	5,3	5,2
obligatory insurance payments, %	1,0	1	0,5
other, %	-	-	-
Total: expenditures for production and selling of products, works, services (self-cost), %	100	100	100
For reference: receipts from the sale of products (works, services) in % to self-cost	123	103	103

### Indicators of business activity

Indicator	6 months of 2012	9 months of 2012
Issuer's net asset value, thousand rubles	132933	133909
Debt to equity ratio, %	7,29	3,07
Short-term liability to equity ratio, %	6,8	2,74
Cover of payments for debt services, %	14,52	95,37
Level of overdue payables, %	0	0
Accounts receivable turnover,	9,86	97,10
Productivity of labour, thousand rubles /employee	88,64	316,57
Depreciation to level of revenue ratio, %	24,8	10,35
Leverage ratio, %	7,29	3,07

## Indicators characterizing profitability and loss ratio

Indicator	6 months of 2012	9 months of 2012
Revenue, thousand rubles	8509	30391
Self-cost, thousand rubles	8580	29757
Net profit, thousand rubles	-704	272
Gross profit, thousand rubles	-71	634
ROE, %	-0,53	0,20
Net profit ratio, %	-8,27	0,90
Product profitability, %	-0,83	2,09
Capital turnover	0,06	0,23
Sum of uncovered loss as of the reporting date, thousand rubles	-29173	-28469
Uncovered loss and total balance ratio	-0,20	-0,21

## Indicators characterizing Company's liquidity

Indicator	6 months of 2012	9 months of 2012
Working capital, thousand rubles	39965	42912
Net fixed assets index	0,70	0,68
Current ratio	5,47	12,80
Quick ratio	0,09	0,20
Equity-assets ratio	0,93	0,97

## Accounts payable, thousand rubles

Accounts payable	Payment deadline			
	Reporting date 30.06.2012		Reporting date 30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts payable to contractors and suppliers	1517	-	1488	-
- including overdue	-	-	-	-
Accounts payable to company's employees	1346	-	1056	-
- including overdue	-	-	-	-
Accounts payable to budget and state non-budgetary funds	357	-	681	-
- including overdue	-	-	-	-



Credits	-	650	-	433
- including overdue	-	-	-	-
Loans, total	4645	-	-	-
- including overdue	-	-	-	-
- including bonded loans	-	-	-	-
- including overdue bonded loans	-	-	-	-
Other accounts payable	1172	-	39	-
- including overdue	-	-	-	-
Total, thousand rubles	9037	650	3264	433
- including overdue	-	-	-	-

### Information on accounts receivable, thousand rubles

Accounts receivable	Payment deadline			
	Reporting date 30.06.2012		Reporting date 30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts receivable from customers and clients	-	200	-	-
including overdue	-	-	-	-
Accounts receivable from bonds	-	-	-	-
including overdue	-	-	-	-
Accounts receivable from participants (founders) on shareholder fee	-	-	-	-
including overdue	-	-	-	-
Accounts receivable from advance paid	36	-	24	-
including overdue	-	-	-	-
Other accounts receivable from	627	-	289	-
including overdue	-	-	-	-
Total, thousand rubles	663	200	313	-
including overdue	-	-	-	-

### Dynamics of growth (decrease) of revenues

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Revenue,	19360	23152	19193	28129	16752	21882

thousand rubles						
Growth (fall ) in comparison to the previous year, %	X	19,6	-17,1	46,6	-40,4	30,6

### Expenses dynamics

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Expenses, thousand rubles	14265	18504	17372	20521	13670	<b>21177</b>
Growth (fall ) in comparison to the previous year, %	X	29,7	-6,1	18,1	-33,4	<b>54,9</b>

### Revenue mix

	indicator	2 <sup>nd</sup> quarter of 2012	proportion, %	3 <sup>rd</sup> quarter of 2012	proportion, %
1	Livestock products	3904	23,3	2686	12,3
2	Plant products	12673	75,7	18892	86,3
3	Other products	175	1,0	304	1,4
	<b>total</b>	<b>16752</b>	<b>100</b>	<b>21882</b>	<b>100</b>

### “Recreation Centre “Energetik” JSC

Basic activity of the Company is health resort services. Company’s activity is of seasonal type. During the inter-season company’s income comes from selling of drinking-water.

### Results of “Recreation Centre “Energetik” JSC activity

	Indicator	Unit of measurement	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
				Planned	Actual
1.	Revenue from sales of products	Thousand rubles	20368,0	23259,0	24894,0

2.	Products self-cost	Thousand rubles	13066,0	11725,4	13366,0
3.	Sales profit	Thousand rubles	7302,0	11534,0	11528,0
4.	Balance of miscellaneous income and expenses	Thousand rubles	-80,0	-54,0	-3057,0
5.	Current income tax and other similar payments	Thousand rubles	1444,0	2296,0	1694,0
6.	Net profit (loss)	Thousand rubles	5778,0	9184,0	6777,0

During the reporting quarter the Company got gross profit (loss) amounting minus 11528.0 thousand rubles, which is less than the planned indicator by 5.4 thousand rubles. Net profit (loss) was 6777.0 thousand rubles, which is 2407.0 thousand rubles less than the planned indicator.

#### Expense structure of “Recreation Centre “Energetik” JSC

Expenses	3 <sup>rd</sup> quarter of 2011	3 <sup>rd</sup> quarter of 2012	
		Planned	Actual
Materials and raw materials, %	37,3	36,39	41,93
Fuel, %	0,1	0,68	0,37
Power, %	5,3	4,26	4,60
Labor costs, %	19,3	20,36	17,18
Rent fee, %	3,0	2,98	6,80
Allocations for social needs, %	6,5	6,92	5,04
Depreciation of fixed assets, %	9,7	10,23	10,00
Taxes included in self-costs of products, %	7,0	7,33	6,68
Other expenditures, %	11,8	10,85	7,40
Materials and raw materials, %	0,3	0,00	0,00
Fuel, %	11,5		
Total: expenditures for production and selling of products, works, services (self-cost), %	100	100	100
For reference: receipts from the sale of products (works, services) in % to self-cost	155,9	198,36	188,11

#### Indicators of business activity

Indicator	1 <sup>st</sup> quarter of 2012	1 <sup>st</sup> half of 2012	9 months of 2012
Issuer's net asset value, thousand rubles	50 862	49 510	56288

Debt to equity ratio, %	237,7	249,64	200,60
Short-term liability to equity ratio, %	237,7	249,64	200,60
Cover of payments for debt services, %			
Level of overdue payables, %	0	0	0
Accounts receivable turnover,	0,2	1,97	9,87
Productivity of labour, thousand rubles /employee	19 778	226 571	907821
Depreciation to level of revenue ratio, %	376,2	48,54	13,20
Leverage ratio, %	0	0	0

### Indicators characterizing profitability and loss ratio

Indicator	1 <sup>st</sup> quarter of 2012	1 <sup>st</sup> half of 2012	9 months of 2012
Revenue, thousand rubles	356	5 517	30412
Self-cot, thousand rubles	4 320	11 068	24434
Net profit, thousand rubles	-3 286	-4 638	2140
Gross profit, thousand rubles	-3 964	-5 551	5978
ROE, %	-6,5	-9,4	3,8
Net profit ratio, %	-923	-84,1	7,04
Product profitability, %	-1 113,5	-100,6	19,66
Capital turnover	0,01	0,11	0,54
Sum of uncovered loss as of the reporting date, thousand rubles	-38 255	-39 607	-32829
Uncovered loss and total balance ratio	-0,22	-0,23	-0,19

### Indicators characterizing Company's liquidity

Indicator	1 <sup>st</sup> quarter of 2012	1 <sup>st</sup> half of 2012	9 months of 2012
Working capital, thousand rubles	-118 397	-118 747	-108937
Net fixed assets index	3,33	3,4	2,94
Current ratio	0,02	0,04	0,035
Quick ratio	0,02	0,03	0,031
Equity-assets ratio	0,3	0,29	0,33

### Information on accounts payable, thousand rubles

Accounts payable	Payment deadline		
	31.03.2012	30.06.2012	30.09.2012

	Up to one year	More than one year	Up to one year	More than one year	Up to one year	More than one year
Accounts payable to contractors and suppliers	2 731	-	2 283	-	1549	-
- including overdue	0	-	0	-	0	-
Accounts payable to company's employees	454	-	611	-	545	-
- including overdue	0	-	0	-	0	-
Accounts payable to budget and state non-budgetary funds	840	-	992	-	909	-
- including overdue	0	-	0	-	0	-
Credits	0	-	0	-	0	-
- including overdue	0	-	0	-	0	-
Loans, total	0	-	0	-	0	-
- including overdue	0	-	0	-	0	-
- including bonded loans	0	-	0	-	0	-
- including overdue bonded loans	0	-	0	-	0	-
Other accounts payable	116 860	-	119 595	-	109732	-
- including overdue	0	-	0	-	0	-
Total, thousand rubles	120 885	-	123 481	-	112735	-
- including overdue	0	-	0	-	0	-

### Information on accounts receivable, thousand rubles

Accounts receivable	Payment deadline					
	31.03.2012		30.06.2012		30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year	Up to one year	More than one year
Accounts receivable from customers and clients	115	-	602	-	401	-
including overdue	0	-	0	-	0	-
Accounts receivable from bonds	0	-	0	-	0	-
including overdue	0	-	0	-	0	-
Accounts receivable from participants (founders) on shareholder fee	0	-	0	-	0	-
including overdue	0	-	0	-	0	-
Accounts receivable from advance paid	954	-	1 650	-	2328	-
including overdue	0	-	0	-	0	-

Other accounts receivable from	555	-	547	-	351	-
including overdue	0	-	0	-	0	-
Total, thousand rubles	1 624	-	2 799	-	3080	-
including overdue	0	-	0	-	0	-

### Income behavior

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Income, thousand rubles	22524	1087	12628	14478	20368	24894
Growth (fall), %	-	-95,2	+1061,7	+14,6	+40,7	+22,22

### Expenses dynamics

	3 <sup>rd</sup> quarter 2007	3 <sup>rd</sup> quarter 2008	3 <sup>rd</sup> quarter 2009	3 <sup>rd</sup> quarter 2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Expenses, thousand rubles	13628	3491	7413	10317	13067	13366
Growth (fall ) in comparison to the previous year, %	-	-74,4	+112,3	+39,2	+26,7	+2,29

### Revenue mix

	indicator	3 <sup>rd</sup> quarter of 2011	proportion, %	3 <sup>rd</sup> quarter of 2012	proportion, %
1	Hotel services	19078	93,7	23400	94,00
2	Water intake	694	3,4	942	3,51
3	Other services	596	2,9	621	2,49
4	<b>Total</b>	<b>20368</b>	<b>100</b>	<b>24963</b>	<b>100</b>

### “Energoservis Yuga” JSC

Core activities of the Company are: technical tests, researches and certifications, development of methods of energy audit, preparation and performing of energy audit, elaboration of energy saving programmes,

financial engineering of projects and programmes, as well as other types of activities allowed by the current legislation.

At the present moment the Company's core activity is preparation and performing of energy audit.

### Results of "Energoservis Yuga" JSC activity in the 3<sup>rd</sup> quarter of 2012

	Indicator	Unit of measurement	3 <sup>rd</sup> quarter of 2011 actual	3 <sup>rd</sup> quarter of 2012	
				Planned	Actual
1.	Revenue from sales of products	Thousand rubles	2 552,2	3 500,0	0,0
2.	Products self-cost	Thousand rubles	732,9	4 569,9	1 289,9
3.	Sales profit	Thousand rubles	1 819,4	-1 069,9	-1 289,9
4.	Balance of miscellaneous income and expenses	Thousand rubles	3,0	-103,6	-51,4
5.	Current income tax and other similar payments	Thousand rubles	241,7	-224,0	-224,0
6.	Net profit (loss)	Thousand rubles	1 574,6	-949,5	-1 117,3

### Expense structure of "Energoservis Yuga" JSC

Indicator	3 <sup>rd</sup> quarter of 2011 actual	3 <sup>rd</sup> quarter of 2012	
		Planned	Actual
Materials and raw materials, %	11	0,0	4,9
Fuel, %	0	0,7	0,0
Power, %	0	0,0	0,0
Labor costs, %	55	40,4	60,4
Rent fee, %	11	1,1	2,2
Allocations for social needs, %	19	13,8	18,0
Depreciation of fixed assets, %	0	1,9	2,3
Taxes included in self-costs of products, %	0	0,5	0,7
Other expenditures, %	4	41,7	11,4
obligatory insurance payments, %	0	0,0	0,0
other, %	4	41,7	11,4

Total: expenditures for production and selling of products, works, services (self-cost),%	100	100,0	100,0
For reference: receipts from the sale of products (works, services) in % to self-cost	347	76,6	0,0

### Indicators of business activity of Energoservis Yuga” JSC

Indicator	1 <sup>st</sup> half of 2012	9 months of 2012
Issuer’s net asset value, thousand rubles	14 897	13 780
Debt to equity ratio, %	10%	5%
Short-term liability to equity ratio, %	10%	5%
Cover of payments for debt services, %	393%	616%
Level of overdue payables, %	0%	0%
Accounts receivable turnover,	0,7	0,9
Productivity of labour, thousand rubles /employee	270	180
Depreciation to level of revenue ratio, %	0,7%	1,0%
Leverage ratio, %	1004,0%	1837,3%

### Indicators characterizing profitability and loss ratio

Indicator	1 <sup>st</sup> half of 2012	9 months of 2012
Revenue, thousand rubles	10 545,2	10 545,2
Self-cot, thousand rubles	3 078,1	4 367,9
Net profit, thousand rubles	5 756,2	4 638,9
Gross profit, thousand rubles	7 467,1	6 177,2
ROE, %	39%	34%
Net profit ratio, %	55%	44%
Product profitability, %	71%	59%
Capital turnover	0,7	0,8
Sum of uncovered loss as of the reporting date, thousand rubles	0,0	0,0
Uncovered loss and total balance ratio	0,0	0,0

### Indicators characterizing Company’s liquidity

Indicator	1 <sup>st</sup> half of 2012	9 months of 2012
Working capital, thousand rubles	14 897	13 780



Net fixed assets index	0,06	0,07
Current ratio	10,39	18,09
Quick ratio	10,39	18,09
Equity-assets ratio	0,91	0,95

### Information on accounts payable, thousand rubles

Accounts payable	Payment deadline			
	Reporting date 30.06.2012		Reporting date 30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts payable to contractors and suppliers	397	-	173	-
- including overdue	-	-	-	-
Accounts payable to company's employees	63	-	94	-
- including overdue	-	-	-	-
Accounts payable to budget and state non-budgetary funds	741	-	10	-
- including overdue	-	-	-	-
Credits	-	-	-	-
- including overdue	-	-	-	-
Loans, total	-	-	-	-
- including overdue	-	-	-	-
- including bonded loans	-	-	-	-
- including overdue bonded loans	-	-	-	-
Other accounts payable	283	-	319	-
- including overdue	-	-	-	-
Total, thousand rubles	1 485	-	750	-
- including overdue	-	-	-	-

### Information on accounts receivable, thousand rubles

Accounts receivable	Payment deadline			
	Reporting date 30.06.2012		Reporting date 30.09.2012	
	Up to one year	More than one year	Up to one year	More than one year
Accounts receivable from customers and clients	13 283	-	10 709	-
including overdue	-	-	-	-
Accounts receivable from bonds	-	-	-	-

including overdue	-	-	-	-
Accounts receivable from participants (founders) on shareholder fee	-	-	-	-
including overdue	-	-	-	-
Accounts receivable from advance paid	40	-	39	-
including overdue	-	-	-	-
Other accounts receivable from	870	-	1 560	-
including overdue	-	-	-	-
Total, thousand rubles	14 193	-	12 308	-
including overdue	-	-	-	-

## Income behavior

	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Income, thousand rubles	2 552,2	<b>0</b>
Growth (fall ), %	-	<b>-100</b>

## Expenses dynamics

	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2012
Expenses, thousand rubles	732,9	<b>1 289,9</b>
Growth (fall ) in comparison to the previous year, %	-	<b>176%</b>

## Revenue mix

	indicator	3 <sup>rd</sup> quarter of 2011	proportion, %	3 <sup>rd</sup> quarter of 2012	proportion, %
1	Organization and performing of energy audit, thousand rubles	<b>0</b>	<b>100%</b>	<b>0</b>	<b>100%</b>
2	<b>Total</b>	<b>0</b>	<b>100%</b>	<b>0</b>	<b>100%</b>

**Review of transactions concluded by “IDGC of the South” JSC and its affiliates (“Astrakhanelektrosetremont” JSC, “Volgogradsetremont” JSC, “Agriculture Enterprise named after Grechko” JSC, “Agriculture Enterprise Sokolovskoye” JSC, “Recreation Centre “Energetik” JSC and “Energoservis Yuga” JSC) in the 3<sup>rd</sup> quarter of 2012**

1. Intra-group and major transactions:

No.	No. and date of the document	Contractors	Sum, rubles	Transaction content	Date and No. of minutes of governing body meeting the transaction was approved at
1.1. With Subsidiaries and Affiliates of “IDGC of the South” JSC:					
Transactions were not concluded					
1.2. With governing bodies’ members of the Subsidiaries and Affiliates with ‘IDGC of the South’ JSC:					
Transactions were not concluded					
1.3. With “IDGC of the South” JSC or its shareholders holding at least 5% of voting shares of “IDGC of the South” JSC:					
Transactions were not concluded					
1.4. Transactions (groups of associated transactions) commitments for which amount to at least 10% of book value of assets of Subsidiaries and Affiliates according to their balance sheet for the previous completed accounting period:					
Transactions were not concluded					
2. Transactions with municipal companies:					
	Document	Contractor	Sum of transaction, rubles	Terms of the transaction	
Recreation centre “Energetik” JSC					
Transactions were not concluded					

### Data on market makers and stock exchange:

Shares of IDGC of the South were admitted to circulation by trade organizers at securities market since 03.07.2008.

Since 16.07.2010 shares were included in quotation list “B” of MICEX Stock Exchange (ticker tape **MRKA** –till 20.11.2011 inclusive, **MRKY** – starting from 21.11.2011)/

Before 19.12.2011 (date of RTS JSc reorganization) shares of IDGC of the South were circulating at RTS without listing procedure in two regimes – “T+0” (ticker - MRKYG) and “RTS Classica” (ticker - MRKY).

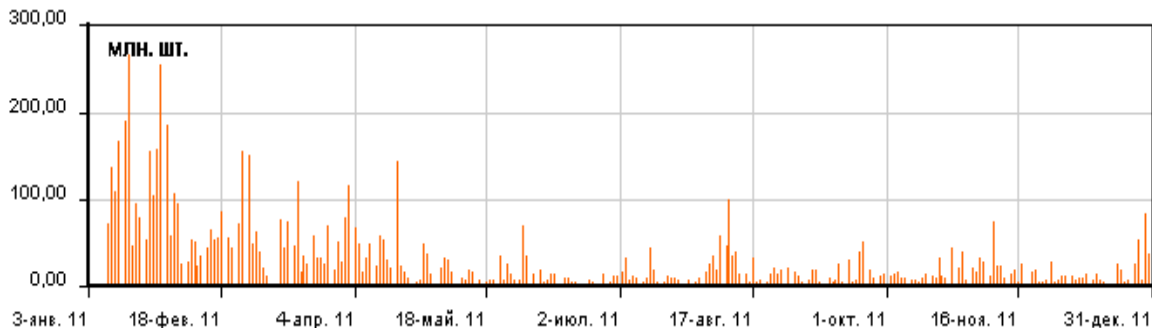
Bonds of the issuer are listed by trade organizers to securities market on 01.09.2009 and are included in quotation list B of MICEX.

Full Company name:	“MICEX Stock Exchange” Closed Joint Stock Company
Short Company Name:	CJSC “MICEX SE”
Location:	13 Bolshoy Kislovskiy per., Moscow, 125009
Website:	www.micex.ru

Stock Exchange License No.:	No.077–10489–000001
Stock Exchange License Issue Date:	August 23, 2007
Stock Exchange License Expiration Date:	Without limits
Authority Responsible for Stock Exchange License Issue	Federal Financial Markets Service

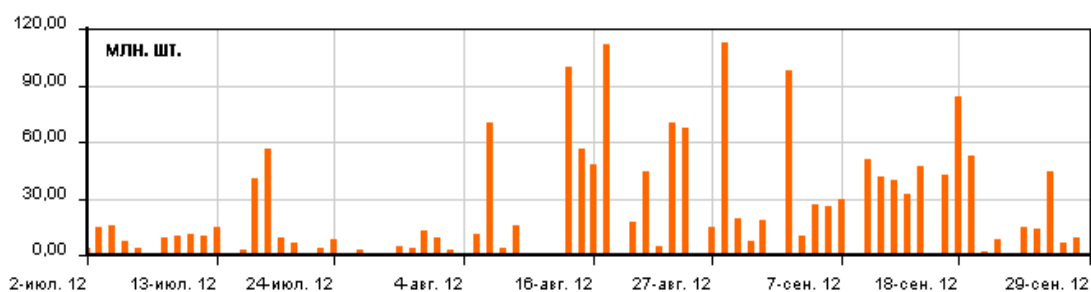
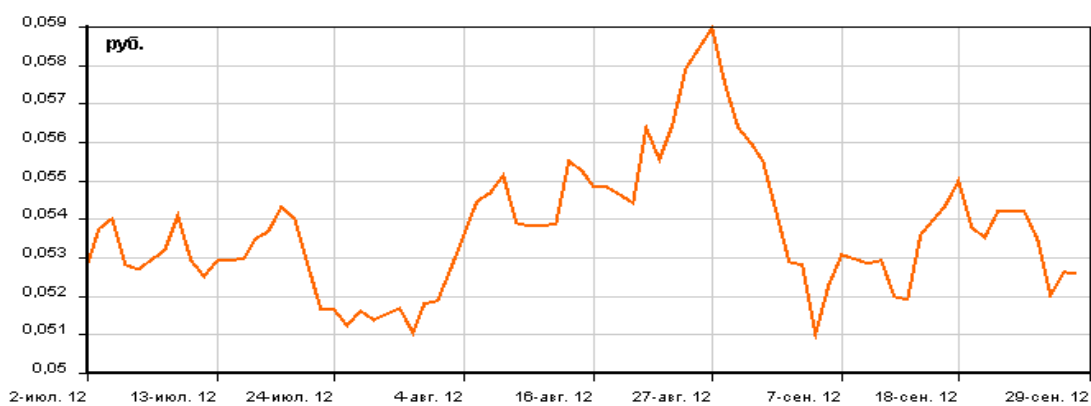
**Information on dynamics of changes in prices on securities of the Company  
for the last financial year:**

changes in prices for 2011 (data by MICEX Stock Exchange).



First closing, rubles	max, rubles	min, rubles	Last closing, rubles	difference, rubles	difference, %
0,1769	0,1842	0,0642	0,0665	-0,1129	-62,94

Changes in prices for Company's shares in 3<sup>rd</sup> quarter of 2012 (data by MICEX Stock Exchange)



First closing, rubles	max, rubles	min, rubles	Last closing, rubles	difference, rubles	difference, %
0,0528	0,0639	0,0443	0,0526	-0,0002	-0,42

**Information on amount and cost of transactions at stock exchange per each month and each quarter:**

2011

Total amount of transactions							
month				quarter			
period	RTS (USD) classical market	RTS (rub) T+0	MICEX	period	RTS (USD) classical market	RTS (rub) T+0	MICEX
January	2	1	20128	1 <sup>st</sup> quarter	4	1	41991
February	2	0	15922				
March	0	0	5941				
April	1	0	4291	2 <sup>nd</sup> quarter	4	0	8885
May	1	0	2560				
June	2	0	2034				
July	0	0	2554	3 <sup>rd</sup> quarter	1	0	11 628
August	1	0	4879				
September	0	0	4195				

October	0	0	192 977 400	4 <sup>th</sup> quarter	0	1	8 509
November	0	0	194 217 355				
December	0	1	340 594 476				
<b>Total:</b>	9	2	2 951 822 717	X	9	2	71 013

Total amount of transactions							
month				quarter			
period	RTS (USD) classical market	RTS (rub) T+0	MICEX	period	RTS (USD) classical market	RTS (rub) T+0	MICEX
January	16300	780	331659531	1 <sup>st</sup> quarter	37 045	780	661 268 781
February	20745	0	189286766				
March	0	0	140322484				
April	5000	0	118162195.8	2 <sup>nd</sup> quarter	70567.6	0	188938216.3
May	8600	0	45166260.4				
June	56967.6	0	25609760.1				
July	0	0	31279414.20	3 <sup>rd</sup> quarter	7 408.39	0	122 348 599.7
August	7408.39	0	61321370.90				
September	0	0	29747814.60				
October	0	0	27997345.90	4 <sup>th</sup> quarter	0	1605	90 980 975.8
November	0	0	34166468.10				
December	0	1605	28817161.80				
<b>Total:</b>	115 020.99	2385	1 063 536 572.8		115 020.99	2385	1 063 536 572.8

period	Total amount of transactions (MICEX)	period	Total amount of transactions (MICEX)
January	1410	<b>1<sup>st</sup> quarter</b>	7 729
February	2226		
March	4093		
April	2378	<b>2<sup>nd</sup> quarter</b>	6188
May	2317		
June	1493		
July	2738	<b>3<sup>rd</sup> quarter</b>	11 398
August	2992		
September	5668		
<b>Total</b>	<b>25 315</b>		<b>25 315</b>

period	Total amount of transactions (MICEX)	period	Total amount of transactions (MICEX)
January	24 815 513,30	<b>1<sup>st</sup> quarter</b>	86 217 935,20
February	23 583 181,40		
March	37 819 240,50		
April	31 419 536,90	<b>2<sup>nd</sup> quarter</b>	69 212 021,50
May	23 438 540,70		
June	14 353 943,90		
July	13 345 941,30	<b>3<sup>rd</sup> quarter</b>	96 552 788.10
August	46 664 021,80		

September	36 542 825,0		
<b>Total</b>	<b>251 982 744,80</b>		<b>251 982 744.80</b>

Market price of IDGC of the South bonds (state registration number - 4-02-34956-E) by the results of trades at MICEX CSJC as of 30.06.2012 (the first date of trades in the second quarter of 2012) was 97.85% of the nominal price.

Market price of IDGC of the South bonds (state registration number - 4-02-34956-E) by the results of trades at MICEX CSJC as of 30.06.2012 the last date of trades in the second quarter of 2012) was 95.25 % of the nominal price.

#### Data on the Company's Market Makers

Full company name	Limited Liability Company "Universal Investment Company "Partner"		
Short company name	"Unikom Partner", LLC		
Location	78-A Krasnoarmeyskaya St., Ekaterinburg, Russia 620026		
Telephone, Fax	telephone: (343) 379-41-65, fax: (343) 379-41-66		
Website	<a href="http://www.unicompartner.ru">http://www.unicompartner.ru</a>		
Number, issuance date and validity term of the license for professional activity at the securities market	License for carrying out the dealer activity No.166-05957-010000 Issuing date April, 19 2002 Validity term: without validity time limitations		
The Authority that issued the specified license (for advisors representing professional participants of the securities market)	Federal Commission for the Securities Market		
Amount of remuneration for the market-maker	"MICEX Stock Exchange ", CJSC (Index of non-listed stock	117 000 rubles (including VAT) per month/ 351 000 rubles per quarter.	
Criteria when market-maker is obliged to tender	From the moment of coming to force of the agreement the market-maker starts to serve the securities circulation caused by holding constant demand of market-maker's application.		

#### MICEX Stock Exchange

1. Spread of double-sided quotation (in pro cents ), less than	3
2. The lowest admissible securities allocation (in rubles), more than	300 000
3. The aggregate volume of transactions closed with securities during	2 100 000

one trading day in the regular regime upon reaching of which a Market Maker is able to sustain only single-sided bid-and-asked quotations (in rubles), more than	
4. Quotation pause (period of times when market maker has right to stop fulfilling duties) (in minutes)	120

### **Data on Evaluator's Service Remuneration Amount**

In the 3<sup>rd</sup> quarter of 2012 the Issuer did not use the service of the evaluator for the following:

- to define market value of securities which are being placed and of securities placed and in circulation (not discharged);
- to define market value of fixed assets of immovable assets of the Issuer, regarding to which the Issue implemented revaluation, indicated in other chapters of quarterly report;
- to define market value of the assets which are the subject to pledge of the bonds collateral being placed by the Issuer or of placed bonds collateral of the Issuer not discharged;
- to provide other evaluation service, connected with securities issue, data on which is indicated in quarterly report.

The Issuer didn't use service of evaluator, considered incorporated investment fund, in the accounting quarter as well.

Remuneration to evaluator in 2007- 2011 was not paid.

### **Methods of assets estimation**

For the purpose of taking the property and obligations on discount the Company should carry out the valuation in money terms. The valuation of property should be performed as follows:

- assets received as contribution to the charter capital is estimated according to the money value, defined by the founders (shareholders) of the Company;
- property, purchased for payment should be evaluated according to the sum of actually incurred charges on hereof acquisition;
- property produced by the subdivisions of the Company should be evaluated according to the manufacturing costs (actual costs connected with the production of property item);
- tangibles left after the write-off of fixed assets that are impossible to be restored or be used at a later date, spare parts coming out of restoring (reconstruction, modernization, repairing) of the fixed assets should be evaluated according to current market value on the date of fixed assets write-off or on the date of taking the spare parts on discount;



- property received without return or property revealed in the course of inventory of assets and obligations should be evaluated according to current market value on the date of taking the property on discount.

Current market value should be regarded as the sum of cash assets which can be received as a result of purchase of specified asset on the date of hereof including for accounting purposes.

Current market value should be calculated in consideration of prices established for this or similar type of property. At the same time the data on the established price should be documented or confirmed by the expert's report.

In the course of estimation of property acquired by any reason, the actual cost hereof should be calculated with the addition of costs incurred by the Company in relation to bringing the property in condition suitable for usage.

The value of property, in which they are included for accounting purposes, should be no subject to alternation with the exception of cases stipulated by the Russian Federation legislation:

- for non-current assets (except for intangible assets) in case of completion, providing with additional equipment, reconstruction, modernization, partial liquidation and revaluation of items of fixed assets
- for current assets in the event that inventories have been obsolescent, have lost completely or partially their initial quality.
- for financial investments on the basis of which it is possible to determine current market value pursuant to the established procedure.

In the course of taking an item of immovable property on discount as an item of fixed assets the sum of actual expenses on the formation hereof recorded as capital investments in this item should determine the initial value of a fixed assets item

Recording of costs connected with the building project should be kept with accrual character from the item construction commencement on the data of reporting periods till the setting of items in operation or complete performance of corresponding works.

#### **8.10 Data on the securities placed and on the Issuer of the securities placed, the property right certified by Russian depositary receipts**

The Issuer is not the Issuer of the securities placed, the property right of which is certified with Russian depositary receipts.

**Annex**  
**to Quarterly report of the issuer of securities**  
**(information on entity that furnished the collateral)**  
**Open joint stock company**  
**“Agriculture enterprise named after Grechko A.A.”**  
**for the 3<sup>rd</sup> quarter of 2012**

Address of the entity that furnished collateral: 21 Teatralnaya st, village Kuibyshevo, Kuibyshevskiy district, Rostov region, Russia

The information of the quarterly report is subject to obligatory disclose in accordance with legislation of the Russian Federation on securities

**I. Brief Data on the Persons Forming Management Authorities of the Entity that Furnished Collateral, Data on Bank Accounts, Auditor, Appraiser and Financial Adviser of the Entity that Furnished Collateral, as well as on Other Individuals Who Signed the Quarterly Report**

**1.1. Persons Forming Management Authorities of the entity that furnished collateral**

**List of Board of Directors of the entity that furnished collateral:**

Name	Year of birth
Kozlov Aleksandr Stanislavovich	1956
Fadeev Mikhail Yurievich	1974
Tregubov Aleksandr Nikolaevich	1955
Kuryshkin Konstantin Mikhailovich	1980
Karpenko Vadim Vladimirovich	1959

**Sole Executive Body of the entity that furnished collateral**

Name	Year of birth
Acting director general Karpenko Vadim Vladimirovich	1959

**The Structure of the Collegiate Executive Body**

Collegiate Executive Body is not stipulated

**1.2. Data on Bank Accounts of the entity that furnished collateral**

No changes occurred in the information of the paragraph

**1.3. Data on Auditor (Auditors) of the entity that furnished collateral**

No changes occurred in the information of the paragraph

**1.4. Data on Appraiser of the entity that furnished collateral**

No changes occurred in the information of the paragraph

**1.5. Data on Advisors of the entity that furnished collateral**

Financial consultant were invited during the period of 12 months

**1.6. Data on Other Individuals who Signed the Quarterly Report.**

There are no other individuals who signed the quarterly report.

## II. Basic Information on Financial and Economic Condition of the entity that furnished collateral

### 2.1. Financial and Economic Performance Indicators of the entity that furnished collateral

Performance indicators that characterize the entity that furnished collateral shown according to the accounting report

Standards (rules) used for making the accounting report – RAS (Russian Accounting Standards)

Unit of measurement for index of performance: rubles/employee

Indicator	2011, 9 months	2012, 9 months
Workforce productivity	67 806	7 229
Debt-to-equity ratio	24.3	47.1
Long-term debt to total sum of debt and equity ratio	0	20.8
Current ratio	-0.4	35.1
Overdue debt, %	0	0

By the decision of the entity that furnished collateral the following indicators are specified - the dynamics of indicators characterizing the business activity of the entity that furnished collateral, calculated on the basis of consolidated accounting report of the entity that furnished collateral: **no**

All indicators are calculated on the basis of recommended methods of calculation: **yes**

Analysis of business activity of the entity that furnished collateral:

Level of credit risk for the past 5 years or reporting the period is insignificant.

Net asset value expresses the value of the assets that are expected to ensure the interests of creditors in the event of worsening of the company's financial situation.

The ratio of debt to equity ratio shows the proportion of use of the borrowed funds relative to equity. Low leverage ratio means the stability and independence of the company's ability to fulfill its obligations for equity.

Indicator of cover of debt service shows whether the enterprise funds are sufficient to cover the debt, debt service, etc.

Indicator of overdue payments shows the company's ability to fulfill its obligations on time.

Accounts receivable turnover is not permanent. Increasing of the coefficient means the reduction in sales, its reduction indicates an increase in the amount of

the loan.

Labour productivity is an important indicator showing the volume of output per worker.

## **2.2. Market Capitalization of the entity that furnished collateral**

Entities that furnished collateral which ordinary shares were not admitted to trades do not provided information on market capitalization

## **2.3. Obligations of the entity that furnished collateral**

### **2.3.1. Accounts Payable**

**9 months of 2012**

Structure of borrowings

In items of rbs

Indicator	
Long-term borrowings	10 000
including:	
Credits	0
Loans, except bonded loans	10 000
bonded loans	0
Short-term borrowings	2 680
including:	
Credits	0
Loans, except bonded loans	2 680
bonded loans	0
Total amount of overdue loan debt	0
including:	
credits	0
Loans, except bonded loans	0
bonded loans	0

Accounts payable

unit of measurement: thousand rubles

Indicator	
Total for accounts payable	9 428
overdue	0
including	

Payable to budget and state off-budget funds	1 709
overdue	0
payable to suppliers and contractors	2 699
overdue	0
payable to staff	1 103
overdue	0
other	3 917
overdue	0

No overdue receivable

Creditors Accounting for at Least 10 % of the Total Payables: no

### **2.3.2. Credit History of the entity that furnished collateral**

The entity that furnished collateral did not have such obligations

### **2.3.3. Obligations of the entity that furnished collateral from Collateral Furnished to Third Parties**

Absent

### **2.3.4. Other Obligations of the entity that furnished collateral**

Other obligations, which were not shown in the balance sheet and seriously influence financial status of the entity that furnished collateral, its cash position sources of financing and terms of their use performance, are absent.

### **2.4. Risks Connected with Purchase of Equity Securities Placed or in the Process of Placement.**

No changes has occurred in the regarding this paragraph

## **III. Detailed Information on the entity that furnished collateral**

### **3.1. Incorporation History and Development of the entity that furnished collateral**

#### **3.1.1. Data on Company Name (Name) of the entity that furnished collateral**

Full company name: **Open Joint Stock Company “Grechko A.A. Agriculture Enterprise”**

Date of introducing the current company name: 17.11.2003

Short company name: “Grechko A.A. PSKh”, JSC

Date of introducing the current company name: 17.11.2003

All previous company names of the entity that furnished collateral, throughout the Company’s lifetime

The name of the entity that furnished collateral has not changed throughout the Company’s lifetime

### **3.1.2. Data on State Registration of the entity that furnished collateral**

Primary State Registration Number of juridical entity: 1036117000798

Date on making an entry on legal entity registered by July 1, 2002 to unified state registry of legal entities: 17.11.2003

Registering company: Regional inspection MNS Russia No.1 in Rostov region, sector 6117 in Kuibyshev district

### **3.1.3. Data on Incorporation and Development of the entity that furnished collateral**

No changes has occurred regarding this paragraph

### **3.1.4. Contact Information**

Location: 21 Teatralnaya st, village Kuibyshevo, Kuibyshevskiy district, Rostov Area, Russia

Location of entity that furnished collateral: 21 Teatralnaya st, village Kuibyshevo, Kuibyshevskiy district, Rostov Area, Russia

Phone: **(86348) 3-19-39**

FAX: **(86348) 3-19-39**

E-mail: **gr\_admin@inbox.ru**

Internet website address (addresses) for information disclosure on the entity that furnished collateral, the securities issued and/ or in the process of issuance:

**rostovenergo.mrsk-**

**yuga.ru/obyazatelnoe\_raskrytie\_informacii\_dzo/oao\_grechko/**

### **3.1.5. Taxpayer Identification Number**

**6117010611**

### **3.1.6. Branches and Regional Offices of the entity that furnished collateral**

The entity that furnished collateral has not branches or representatives offices

## **3.2. Ordinary Economic Activity of the entity that furnished collateral**

### **3.2.1. Company's Industry of the entity that furnished collateral**

According to OKVED.: **01.11.1**

### **3.2.2. Principal Business Activity of the entity that furnished collateral**

Types of business activity (types of activity, types of goods (works, services)), providing not less than 10% of the entity that furnished collateral for the accounting period

In items of thousand rbs

Business activity: **selling of plant production**

indicator	2011, 9 months	2012, 9 months`
Volume of proceeds (income) of the type of	4 437	2 212

business activity		
Share of proceeds volume in the type of activity related to the total volume of the proceeds (income) of the entity that furnished collateral, %	36.8	100

Change of proceeds volume of the entity that furnished collateral from its principal business activity accounts for 10% in comparison with the correspondent reported period: no changes

Seasonal Character of the entity that furnished collateral Principal Economic Activity

The company's activity is of seasonal type

General Structure of Expenses of the entity that furnished collateral

Indicator	9 months of 2012
Store,%	24
Purchased components and intermediates, %	0
Works and production, maintenance and delivery services performed by external agencies, %	0
Fuel, %	13
Power, %	0
Labour costs, %	25
Interest on credits, %	0
Quasi rent, %	3
Fringe benefit expenses,%	7
Capital consumption,%	20
Taxes released to production costs,%	0
Miscellaneous expenses (to be accounted for)	
Intangible assets depreciation, %	0
remuneration for rationalization proposal, %	0
Obligatory insurance paymentes, %	0
hospitality expenditures, %	0
other, %	8
Costs of production and selling (of works, services) (self-cost), %	100
For reference only: product (works, service) proceeding, %	135.2

New Essential Types of Products (Works, Services), Offered by the entity that



furnished collateral on its Principal Activity Market to the Extent Matching Common Information Concerning such Products (Works and Services): new essential types of products (works, services) are absent.

Standards (Regulations) for the Financial Statements to Comply with and Settlements covered by this item of the quarterly report to be Performed

- Federal Law “On Accounting” No. 129-Φ3 dd. November 21, 1996 ;
- Regulation on Accounting Records and Preparation of Accounting Statements of Russian Federation, approved by Order of Russian Ministry of Finance No. 34H dated 29.07.1998;
- Tax Code of the Russian Federation;
- Chart of Accounts, approved by Order of Russian Ministry of Finance No. 94H dd. 31.10.2000 and Its Application Sheet as amended;
- Order of Russian Ministry of Finance “On Forms of Financial Statements in Organizations” No. 66H dated 02.07.2010;
- Accounting and Taxation Standard.

### **3.2.3 Materials, Goods (Raw Materials) and Suppliers of the entity that furnished collateral**

#### **9 months of 2012**

Suppliers of the Issuer sharing not less than 10% of all the materials and goods (raw materials) supplied: no

Data on Change in Prices for More than 10% of Basic Materials and Goods (Raw Materials) during the Accounting Period as Compared with Corresponding Accounting Period of the Previous Year: **no changes occurred during the reporting period**

Share of import in materials and goods supply, import sources availability forecast and potential alternative sources: **There is no import supply.**

### **3.2.4. Commodity Markets of Products (Works, Services) of the entity that furnished collateral**

No changes occurred in the information of this paragraph

### **3.2.5. Data on the Licenses of the entity that furnished collateral**

No changes occurred in the information of this paragraph

### **3.2.6. Additional requirements to the entity that furnished collateral being joint stock investment funds, insurance or lending institutions, mortgage agents**

### **3.2.7. Additional requirements to the entity that furnished collateral which main activity is the extraction of minerals**

Mining is not the core activities of the entity that furnished collateral

### **3.2.8. Additional requirements to the entity that furnished collateral which main activity is the provision of telecommunications services**

Provision of telecommunications services is not the core activities of the entity that furnished collateral

### **3.3. Plans for Future Activity of the entity that furnished collateral**

No changes occurred in the information of this paragraph

### **3.4. Participation of the entity that furnished collateral in Industrial, Bank and Financial Groups, Holdings, Concerns and Associations**

No changes occurred in the information of this paragraph

### **3.5. Organizations of significant importance controlled by the entity that furnished collateral**

No changes occurred in the information of this paragraph

### **3.6. Composition, Structure and Value of the entity's that furnished collateral Fixed Assets, Data on Plans for Acquisition, Replacement, Retirement of Fixed Assets, as well as all the Facts of Encumbrance of the entity's that furnished collateral Fixed Assets.**

#### **3.6.1. Fixed Assets**

As of the end of reporting quarter

In items of rbs

fixed assets	Baste (Replacem ent) cost	Depreciati on Charge
Buildings	30 801	31
Constructions	15	0
Land plots	190	0
Machinery and equipment	5 592	4 526
Transportation equipment	1 581	1 449
Transfer mechanisms	0	0
Productive livestock and working animals	0	0
Inventory	34	19
Other fixed assets	3 227	2 581
Total	41 440	8 606

Data on Methods of Depreciation Charges Accounting for Fixed Assets Item Group: straight-line method

Accounting date: **30.09.2012**

Results of the last fixed assets revaluation and long-term leased fixed assets revaluation carried out for last completed financial year.

For the period pointed out the fixed assets revaluation was not carried out.

Data is pointed out referring to project on acquisition, replacement, and retirement of fixed asset, value of which amounts 10% and more of the the entity that furnished collateral fixed assets value and other fixed assets at the Issuer's option. Data on all facts of fixed assets of the the entity that furnished collateral encumbrance (with indication of encumbrance character, moment of encumbrance its validity term and other conditions at the opinion of the entity that furnished collateral), which exist for the date of the last completed accounting period is indicated as well: such projects do not exist.

#### **IV. Data on Financial and Economic Activity of the entity that furnished collateral**

##### **4.1. Results of Financial and Economic Activity of the entity that furnished collateral**

Business activity dynamics, including company's (un)profitability complied on the basis of accounting report

Standard (rules) applied for accounting (financial report): **RAS (Russian Accounting Standards)**

In items of rubles

Indicator	9 months of 2011	9 months of 2012
Net profit, %	-108	24.6
Return on equity, %	0.1	0.04
Return on assets, %	-10.6	0.7
Ratio of net profit, %	-10.6	0.7
Uncovered loss amount as of the reported date	-2 431	-30 023
Ratio of uncovered loss rate as of the reported date to balance sheet	-0.03	-0.43

All figures are calculated on the basis of the recommended methods of calculation: yes

The economic analysis of profits / losses of the entity that furnished collateral based on the dynamics of the indicators, as well as the reasons which, in the opinion of management, have led to losses / profits the entity that furnished collateral, are shown in the accounting (financial) statements:

Revenue - cash received (the proceeds) companies, firms, entrepreneurs from the sale of goods and services.

Return on assets shows the amount of profit in relation to one ruble of spent assets, i.e. the overall efficiency of the use of funds belonging to the owner of

enterprise and borrowed funds

Return on equity shows the effectiveness of the use of own equity - how many rubles of profit brings every ruble of invested funds.

The profitability of production (sales) shows which profit the company gets from each ruble of sales. In other words, how much is left in the company after covering the cost of production. Return on sales helps to evaluate the share of self-cost in sales.

Capital turnover ratio - the ratio of annual sales to the cost of capital.

Views of management of the entity that furnished collateral on the abovementioned reasons and/or on the degree of their influence on the indicators of financial and economic activities of the Issuer coincide.

None of the members of Board of Directors has dissenting opinion as to the abovementioned reasons and/or to the degree of their influence on the indicators of financial and economic activities of the Issuer.

#### **4.2. Liquidity, Capital and Current Assets Adequacy of the entity that furnished collateral**

The dynamics of indicators liquidity, calculated on the basis of accounting (financial) report.

Standard (rules) applied for making the accounting (financial) report: RAS

In items of thousand rubles

Indicator	2011, 9 months	2012, 9 months
Net fixed assets index	33 670	15 342
Current ratio	3.05	3.01
Quick ratio	0.25	0.39

At the entity's that furnished collateral discretion the additional dynamic of indicators, characterizing Issuer's liquidity, calculated on the basis of consolidated accounting (consolidated financial) report of the entity that furnished collateral, which is included in year report is specified: **No**

All figures are based on the recommended methods of calculations: **Yes**

An economic analysis of liquidity and solvency of entity's that furnished collateral, the capital adequacy ratio for the performance of short-term obligations and meet current operating expenses, based on economic analysis of the dynamics of these indicators with a description of factors that, in the opinion of the entity's that furnished collateral, had the most significant impact on the liquidity and solvency of the entity's that furnished collateral:

Own working capital is a part of the working capital that is assigned to the company in accordance with the approved standards for constant minimum resource requirements.

Fixed asset index reflects the ratio of non-current assets and funds accounted for long-term receivables to equity. The recommended value of the index of permanent asset index is 0.9.

Liquidity and solvency can be assessed using a number of absolute and relative terms.

Current ratio indicates the extent to which current assets cover current liabilities of organization, and allows estimating how much current assets accounted for one ruble of current liabilities.

Quick ratio assesses estimates what proportion of current short-term obligations can repay the company if the situation becomes critical. The optimal value of the index is 0.8 - 1.0.

Equity ratio shows the share of equity from the total amount of assets. As the coefficient approaches the value of 1 the risk of default on its debt obligations reduces. The growth rate shows an increase in the company of financial independence, reducing the risk of financial distress in the future periods, increasing the warranty on Company's obligations. The most widely spread opinion is that the equity ratio should be high. And the lowest limit of the indicator - 0.6.

The opinions of the entity's that furnished collateral administration with respect to the causes or extent of their influence on the results of the financial activities does not match: **No**.

A member of the entity's that furnished collateral Board of the directors (supervisory council) or a member of the Issuer's collegial executive body has a special opinion on the reasons mentioned and / or the degree of their influence on the results of the entity's that furnished collateral financial activities, as reflected in the minutes of the meeting (conference) Board of directors (supervisory council) or the collective executive body, which considered the issues involved, and insists on reflecting this view in the quarterly report: **No**.

#### **4.3. Financial Investments of the entity that furnished collateral**

No changes occurred in this paragraph during the reporting period.

#### **4.4. Intangible Assets of the entity that furnished collateral**

As of the end of the reporting period

The entity that furnished collateral does not have Intangible Assets of

#### **4.5. Data on Policy and Expenditures of the entity that furnished collateral in the Field of Scientific and Technical Development, Concerning Licenses and Patents, New Development and Research**

Information about the policy in the area of scientific and technological development: during the reporting quarter the issuer had no expenditures for R&D activity

Information about creating and obtaining legal protection for the main objects of intellectual property and risk factors: no information

Risk factors related to expiry of validity of the Issuer's patents and licenses for use of the trademarks: the issuer has no patents and licenses for the use of trademarks.

#### **4.6. Analysis of Development Trends Related to the entity's that furnished collateral activity**

No changes occurred in this article during the reporting period.

##### **4.6.1. Analysis of Factors and Conditions Influencing the entity's that furnished collateral activity**

No changes occurred in this article during the reporting period.

##### **4.6.2. Business Competitors of the entity that furnished collateral**

No changes occurred in this article during the reporting period.

### **V. Detailed Data on Members of Management Authorities of the Issuer, Authorities of the Issuer Undertaking Control over Financial and Economic Activities, and Brief Data on the Staff (Employees) of the entity that furnished collateral**

#### **5.1. Data on Structure and Competence of the entity's that furnished collateral Management No changes occurred in this article during the reporting period.**

No changes occurred in this article during the reporting period.

#### **5.2. Data on Members of the entity's that furnished collateral Management Authorities**

##### **5.2.1. Structure of the Board of Directors (Supervisory Body) of the entity**

**that furnished collateral**

Name: **Kozlov Aleksandr Stanislavovich**

Year of birth: **1956**

Education:

**Higher**

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Company	Position
from	till		
2008	2009	YuGK-TKG-8 JSC	Head of department for economic security
2009	2010	Lukoil-Rostovenergo JSC	Head of department for corporate security
2010	now	Rostovenergo branch of IDGC of the South"	Deputy security director

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Name: **Fadeev Mikhail Yurievich** Year of birth: **1974**

Education:

**Higher**

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Company	Position
from	till		
2007	2008	Kubanenergo JSC	Head of sector for corporate rights
2008	Now	IDGC of the South JSC	Head of property management department

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Name: **Tregubov Aleksandr Nikoalevich**

Year of birth: **1955**

Education:

**Higher**

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Company	Position
from	till		
2004	2008	Rostovenergo JSC	Planning and estimating



			manager
2008	2009	Rostovenergo JSC branch of IDGC of the South JSC	Head of sector for business planning and analysis
2009	now	Rostovenergo JSC branch of IDGC of the South JSC	Head of economics department

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Name: **Kuryshkin Konstantin Mikhailovich**

Year of birth: **1980**

Education:

**Higher.**

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Company	Position
from	till		
2006	2008	DKT LLC, RAO UES of Russia JSC (as a part-time job)	Head of sector for interaction with registrars
2008	now	Holding IDGC JSC	Chief specialist of sector for analysis and control of

			corporate management at Department of corporate management and interaction with shareholders at Holding IDGC JSC.
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**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Surname, name, patronymics: **Karpenko Vadim Vladimirovich**

Year of birth: 1959

Education:

Petrozavodsk forestry engineering college, specialization “Equipment of timber procurement enterprises and forestry”.

Leningrad Institute of Finances and Economics named after Voznesenskiy N.A. of Order of the Red Banner of Labour, specialization “National planning”

**Advanced education:**

Professional retraining at Academy of National Economy under the Government of the Russian Federation on program “Management and marketing” , qualification “Top manager”.

Short-term courses at “Corporate educational and scientific centre of UES” on program “Managemnt of technological processes in electric grids and systems”.

**Degree:** Ph.D. in Economics

Positions held in issuing company and other entities in chronological order within the last 5 years and now:

Period		Name of entity	Position
from	to		
2005	2009	Russian Television and Radio Broadcasting Network (RTRS)	Head of land and property resources department
2009	2011	Holding IDGC, JSC	Head of property management department
2011	now	“IDGC of the South”, JSC	Deputy director general in charge of corporate management
2011	now	“IDGC of the South”, JSC	Member of management Board
2011	now	“IDGC of the South”, JSC	Member of Committee for technological connection to electric grids attached to BoD
2012	Now	PSKh Sokolovskoye JSC	Member of the BoD

Доли участия в уставном капитале эмитента/обыкновенных акций не имеет

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Number of shares of the Issuer of each category (class) that may be purchased by the person as a result of exercise of rights for owned options of the issuer: the issue did not issue options

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

### **5.2.2. Information on Sole Executive Body of the the entity that furnished collateral**

Surname, name, patronymics: **Karpenko Vadim Vladimirovich, acting director general**

Year of birth: 1959

Education:

Petrozavodsk forestry engineering college, specialization “Equipment of timber procurement enterprises and forestry”.

Leningrad Institute of Finances and Economics named after Voznesenskiy N.A. of Order of the Red Banner of Labour, specialization “National planning”

#### **Advanced education:**

Professional retraining at Academy of National Economy under the Government of the Russian Federation on program “Management and marketing”, qualification “Top manager”.

Short-term courses at “Corporate educational and scientific centre of UES” on program “Management of technological processes in electric grids and systems”.

**Degree:** Ph.D. in Economics

Positions held in issuing company and other entities in chronological order within the last 5 years and now:

Period		Name of entity	Position
from	to		

2005	2009	Russian Television and Radio Broadcasting Network (RTRS)	Head of land and property resources department
2009	2011	Holding IDGC, JSC	Head of property management department
2011	now	“IDGC of the South”, JSC	Deputy director general in charge of corporate management
2011	now	“IDGC of the South”, JSC	Member of management Board
2011	now	“IDGC of the South”, JSC	Member of Committee for technological connection to electric grids attached to BoD
2012	Now	PSKh Sokolovskoye JSC	Member of the BoD

The person has no participation shares/ordinary shares in authorized capital of the Issuer

Number of shares of the Issuer of each category (class) that may be purchased by the person as a result of exercise of rights for owned options of the issuer: the issue did not issue options

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

The person does not own the specified shares

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

No specified family relations

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

The person was not brought to the specified kinds of responsibility

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

The person did not hold the specified positions

### **5.2.3. Structure of Collegiate Executive Body of the entity that furnished**

## collateral

Collegiate Executive Body is not stipulated

### **5.3. Data on Amount of Remuneration, Benefits and/ or Reimbursement of Expenses of Each Management Authority of the entity that furnished collateral**

Data on the amount of remuneration to each management authority of the the entity that furnished collateral (except for the physical person functioning as sole executive authority of the the entity that furnished collateral): All kinds of remuneration are specified, including wages, bonuses, awards, benefits and (or) reimbursement of expenses and other property advancements discharged by the Issuer for the last completed financial year:

Unit of measurement: rub

#### **Board of Directors**

indicator	2012, 9 months
Remuneration,	147
Wages	0
Bonuses	0
Awards	0
Benefits	0
Reimbursement for expenses	0
Other property advancements	0
Total	147

### **5.4. Data on Structure and Competence of Authorities Undertaking Control over the entity's that furnished collateral Financial and Economic Activities**

No changes occurred in the information of this chapter

### **5.5. Data on Members of Authorities Undertaking Control over the Financial and Economic Activity of the entity that furnished collateral**

The authority controlling financial and economic activity of the entity that furnished collateral: Auditing Committee

Name: **Romanenko Anna Vladimirovna**  
(chaiperson)

Year of birth: **1965**

Education:

## Higher

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Company	Position
from	till		
2004	2007	Krasnodar branch of YuTK	Head of sector for internal audit
2007	2010	IDGC of the South JSC	Deputy head of department for internal control and audit
2010	2012	IDGC of the South JSC	Deputy head of department for internal control and audit risks management
2012	Now	IDGC of the South JSC	Chief specialist of department for internal control and audit risks management

### **The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

### **The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

### **No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

### **The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

### **The person did not hold the specified positions**

Name: **Kozachenko Larisa Borisovna**

Year of birth: **1967**

Education:

**Higher**

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Company	Position
from	till		
2008	2009	BDO Unicom Audit Alliance	Head of sector for accounting and tax consulting
2009	Now	IDGC of the South JSC	Chief specialist of department for internal control and audit risks management

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

Name: **Guseva Yelena Yurievna**

Year of birth: **1970**

Education:



## Higher

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Company	Position
from	till		
2005	2009	IFNS of Russia in Georgievsk	Head of sector
2009	2010	IDGC of the South JSC	Chief specialist of department for internal control and audit
2010	Now	IDGC of the South JSC	Chief specialist of department for internal control and audit risks management

**The person has no participation shares/ordinary shares in authorized capital of the Issuer**

Participation shares of the person in authorized (share) capital (unit investment fund) of subsidiaries and associated companies of the issuer

**The person does not own the specified shares**

Data on character of any family relations with other persons who are members of the management authorities of the issuer and/or authorities auditing the financial and economic activity of the issuer:

**No specified family relations**

Data on bringing the person to administrative responsibility for breaches of law related to finance, taxes and charges, securities market or to criminal responsibility (previous conviction) for crimes referring to economy or crimes against the state power:

**The person was not brought to the specified kinds of responsibility**

Data on positions held by the person in management authorities of commercial entities in periods when stated entities were prosecuted for insolvency and/or insolvency proceedings were started in conformity with the legislation of the Russian Federation on Insolvency (Bankruptcy):

**The person did not hold the specified positions**

**5.6. Data on Amount of Remuneration, Benefits and/ or Reimbursement of Expenses of Authority Undertaking Control over the Business Activity of the entity that furnished collateral**

All kinds of remuneration are specified, including wages, bonuses, awards, benefits and (or) reimbursement of expenses, and other property advancements

paid for the last completed financial year:

Name of the authority undertaking control over the financial and economic activity of the entity that furnished collateral:

Auditing Committee

Remuneration for participation in work of supervisory body

Unit of measurement: rub

Indicator	9 months of 2012
Remuneration	0
Wages	0
Bonuses	0
Awards	0
Benefits	0
Reimbursement for expenses	0
Other property advancements	0
Other	0

Data on current agreements about such payments in the financial year:  
no information

**5.7. Data on Headcount and Generalized Data on Education and Structure of Employees (Staff Members) of the entity that furnished collateral, and also on Headcount Change of the entity that furnished collateral**

Unit of measurement: **thousand rubles.**

Indicator	9 months of 2012
Average number of employees	36
Volume of money transferred for remuneration of labour	2 563
Volume of money transferred for social benefits	66

**5.8. Data on any Obligations of the entity that furnished collateral to Employees (Staff Members) Concerning Possibility of their Participation in the Authorized (Share) Capital (Share Fund) of the entity that furnished collateral**

The entity that furnished collateral has no obligations to employees (staff members) concerning possibility of their participation in the authorized (share)

capital (share fund) of the entity that furnished collateral

**VI. Data on Participants (Shareholders) of the entity that furnished collateral and on Interested Parties Transactions concluded by the entity that furnished collateral**

**6.1. Data on the Total Amount of Shareholders (Participants) of the entity that furnished collateral**

Total number of persons indicated in the register of shareholders of the Issuer as of the expiration date of the last accounting quarter: 1

Total number of nominee shareholders of the entity that furnished collateral: 0

The total number of persons included in the list of last people persons that had (have) the right to participate in the general meeting of shareholders of the entity that furnished collateral (another list of persons drawn up to implement the (sale) of rights on shares of the entity that furnished collateral, and for making of which the nominee holders of shares of the entity that furnished collateral provided data on the persons on whose behalf they owned (own) shares of the entity that furnished collateral): 1

Date of making the list of shareholders included in the up-to-date list of persons entitled to participate in general meeting of shareholders: **28.06.2012**

Holders of ordinary shares of the issue that are subject to inclusion in such list: **1**

No preferred shares: **yes**

**6.2. Data on Participants (Shareholders) of the entity that furnished collateral Holding at least 5 percent of Authorized (Share) Capital (Share Fund) or at least 5 percent of Ordinary Shares, as well as Data on Participants (Shareholders) of the Bodies Holding at least 20 percent of Authorized (Share) Capital (Share Fund) or at least 20 percent of Ordinary Shares**

Participants (shareholders) of the entity that furnished collateral holding at least 5 percent of the Issuer's authorized (share) capital (share fund) or at least 5 percent of ordinary shares

Full company name: **Open joint company "Interregional distribution grid company of the South" JSC**

Abbreviated name: **"IDGC of the South" JSC**

Address:

**49 Bolshaya Sadovaya str., Rostov-on-Don 344002**

**TIN: 6164266561**

PSRN: **1076164009096**

Participation of the entity in authorized capital of Д the entity that furnished collateral, %: **100**

Shares of the entity that furnished collateral owned by the company, %: **100**

**Entities controlling the participant (shareholder) of the entity that furnished collateral**

Full company name: **Open joint company “Holding distribution grid companies” JSC**

Abbreviated name: **Holding IDGC JSC**

Address

**26 Ulanskiy lane, Moscow 117630**

TIN: **7728662669**

PSRN: **1087760000019**

Reason according to which in which the person that controls the participant (shareholder) of the entity that furnished collateral, exercise such control (participation in a legal entity which is a participant (shareholder) of the entity that furnished collateral, contract partnership, contract assignments, the conclusion of the shareholder agreement , the conclusion of an agreement, the subject of which is the realization of the rights certified by shares (shares) of the legal entity that is a member (shareholder) the entity that furnished collateral):

**The entity owns more than 50% of voting shares**

Sign of performing by the person controlling the participant (shareholder) of the entity that furnished collateral such control: the right to dispose of more than 50 percent of votes in the supreme governing body of the legal entity which is a participant (shareholder) of the entity that furnished collateral

Type of control: direct control

Stake of the entity in the authorized (share) capital of the participant (shareholder) of the entity that furnished collateral, %: 51.66

The stake of ordinary shares of the participant (shareholder) the entity that furnished collateral owned by the entity, %: 51.66

Other information specified by the entity that furnished collateral: no other information.

**6.3. Data on State or Municipal Unit Stake in Authorized (Share) Capital (Share Fund) of the entity that furnished collateral, Availability of Special Right (“golden share”)**

Information on municipal organizations holding shares

no

Entities that on behalf of Russian Federation or territorial subject of RF perform functions of participant (shareholder) of the entity that furnished collateral

no

Special right for participation of the Russian Federation, subjects of the Russian Federation, municipal units in management of the Issuer (Joint Stock Company) (“golden share”):

Specified right is not stipulated

#### **6.4. Data on Restrictions to Participation in the Authorized (Share) Capital (Share Fund) of the entity that furnished collateral**

There are no restrictions to participation in authorized (share) capital (share fund) of the entity that furnished collateral.

#### **6.5. Data on Changes in Composition and Amount of Participation of Shareholders (Participants) of the entity that furnished collateral Holding at least 5 percent of Authorized (Share) Capital (Share Fund) or at least 5 percent of Ordinary Shares**

During the last completed financial year and the current year the company had one shareholder (participant) and therefore, the lists of persons entitled to attend the general meeting of shareholders (participants) were not made, because all decisions are taken by the sole shareholder

#### **6.6. Data on the Interested parties Transactions Concluded by entity that furnished collateral**

Such transactions were not concluded

#### **6.7. Data on the Amount of Accounts Receivable**

**As of the end of the reporting quarter**

Unit of measurement: **thousand rubles**

Type of accounts receivable	
Accounts receivable from buyers and customers	4 454
including overdue	2 222
Accounts receivable from bills	0
including overdue	0
Accounts receivable from participants (founders) on payments to share capital	0
including overdue	0
Other accounts receivable	464

including overdue	0
Total	4 918
including overdue	2 222

Debtors which share is at least 10% from total sum of accounts receivable as of the reporting period: no

## **VII. Accounting Report of the entity that furnished collateral and Other Financial Information**

### **7.1. Annual Accounting Report of the entity that furnished collateral**

Is not specified for this reporting quarter

### **7.2. Quarterly Accounting Report of the entity that furnished collateral, за последний**

#### **Accounting balance as of 30.09.2012**

		Code
Form No. 1 as per Russian National Classification of Management Documentation (RNCMD)		0710001
	Date	31.09.2012
Organization: Open joint stock company “Agriculture Enterprise named after Grechko A.A.”	as per <a href="#">Russian</a> National Classifier of Business Organizations (RNCBO)	3675767
Taxpayer Identification Number	TIN	6117010611
Type of activity:	as per Russian National Classifier of Economic Activities (RNCEA)	01.11.1
Legal form of organization / form of ownership: <u>open joint stock company</u>	as per Russian National Classifier of Forms of Incorporation (RNCFI)/ Russian National Classifier of Forms of Ownership (RNCFO)	47 / 16
Unit of measurement: ths.rub./mln.rub (delete as applicable)	as per Russian National Classifier of Measurement Units (RNCMU)	384

Location (address)

21 Teatralnaya str., Kuibyshevo village,  
Kuibyshevskiy district, Rostov region 346940

Notes	Assets	Line	30.09.2012	31.12.2011.	31.12.2010
1	2	3	4	5	6
	<b>I. Non-current assets</b>				
	Intangible assets	1110			
	Results of researches and projects	1120			
	Non-matrical exploration assets	1130			
	Matrical exploration assets	1140			
	Fixed assets	1150	32 688	33 800	47 847
	Income-bearing investments in tangible assets	1160			
	Financial investments	1170			
	Deferred tax assets	1180			
	Other non-current assets	1190			
	Total for section I	1100	32 688	33 800	47 847
	<b>II. Current assets</b>				
	Stocks	1210	33 047	27 990	45 059
	Input value added tax	1220			
	Accounts receivable	1230	4 918	4 688	4 506
	Financial investments (except monetary assets)	1240			
	Cash and cash equivalents	1250	0	51	18
	Other current assets	1260			
	Total for sector II	1200	37 965	32 729	49 583
	Balance	1600	70 653	66 529	97 430

Notes	Liabilities	Line	30.09.2012	31.12.2011	31.12.2010.
1	2	3	4	5	6
	<b>III. Shareholder's funds</b>				
	Authorized capital (share capital, authorized fund, partners' investments)	1310	77 686	77 686	77 686
	Reacquired stock	1320			
	Reappraisal of fixed assets	1340			
	Capital surplus (without reappraisal)	1350			

	Reserve funds	1360	367	367	327
	Undistributed profit (uncovered loss)	1370	-30 023	-30 567	3 418
	Total for section III	1300	48 030	47 486	81 431
	IV. Long-term liabilities				
	Borrowed funds	1410	10 000	0	0
	Deferred tax	1420			
	Provisions for indirect liabilities	1430			
	Other liabilities	1450			
	Total for section IV	1400	10 000	0	0
	V. Short –term liabilities				
	Borrowed funds	1510	2 680	2 680	2 680
	Accounts payable	1520	9 428	15 680	12 873
	Deferred revenues	1530			
	Provisions for future expenses	1540	515	683	446
	Other liabilities	1550			
	Total for section IV	1500	12 623	19 043	15 999
	BALANCE (liabilities)	1700	70 653	66 529	97 430



## Profit and Loss Statement, 9 months of 2012

		Code
Form No. 2 as per Russian National Classification of Management Documentation (RNCMD)		0710002
		Date
		31.09.2012
Organization: Open joint stock company “ <b>Agriculture Enterprise named after Grechko A.A.</b> ”	as per Russian National Classifier of Business Organizations (RNCBO)	80380011
Taxpayer Identification Number	TIN	6164266561
Type of activity:	as per Russian National Classifier of Economic Activities (RNCEA)	40.10.2
Legal form of organization / form of ownership: <u>open joint stock company</u>	as per Russian National Classifier of Forms of Incorporation (RNCFI)/ Russian National Classifier of Forms of Ownership (RNCFO)	47 16
Unit of measurement: ths.rub./mln.rub (delete as applicable)	as per Russian National Classifier of Measurement Units (RNCMU)	384
Location (address)	21 Teatralnaya str., Kuibyshevo village, Kuibyshevskiy district, Rostov region 346940	

Notes	Indicator	Line	9 months of 2012.	9 months of 2011
1	2	3	4	5
	Profit	2110	2 212	12 072
	Cost of sales	2120	-2 593	-26 251
	Gross profit (loss)	2100	-381	-14 179
	Business expenses	2210		
	Management expenses	2220		
	Profit (loss) from sales	2200	-381	-14 179
	Participation capital	2310		
	Interest receivable	2320		
	Interest payable	2330		
	Other revenues	2340	4 390	2 787
	Other expenses	2350	-3 456	-2 622
	Profit (loss) before the taxation	2300	553	-14 014
	Current income tax	2410		
	Including tax liabilities (assets)	2421		

	Changes in deferred tax liabilities	2430		
	Changes in tax asset	2450		
	Other	2460	-9	-57
	Net profit (loss)	2400	544	-14 071
	For reference:			
	Balance from revaluation of non-current assets, that is not included in net profit (loss) of the period	2510		
	Balance from other activities that is not included in net profit (loss) of the period	2520		
	Total financial result of the period	2500	544	-14 071
	Basic profit (loss) per share	2900		
	Diluted profit (loss) per share	2910	0.007	-0.18

### **7.3. Consolidated accounting reports of entity that furnished collateral for the last completed fiscal year**

### **7.4. Information about the accounting policy of entity that furnished collateral.**

No changes occurred in this paragraph during the reporting quarter

### **7.5. Data on total export amount and on export share in total amount of sales**

The entity that furnished collateral does not export products (goods, work, services)

### **7.6. Data on cost of real estate of the entity that furnished collateral, and essential changes which occurred in structure of property of the entity that furnished collateral, following the end date of the last completed financial year**

Data of essential changes in the property of the entity that furnished collateral, occurred during the last 12 months up to the date of end of reporting quarter: essential changes did not occur

### **7.7. Data on the Participation of Entity that Furnished Collateral in Litigations if such Participation May Have a Significant Impact on the Issuer's Financial and Economic Activities**

The entity that furnished collateral did not/does not participate in lawsuits that may influence the business activity within the period from the beginning of the last accomplished financial year up to the end of the reporting quarter

## **VIII. Additional Data on the entity that furnished collateral and Equity Securities Placed by the entity that furnished collateral**

### **8.1. Additional Data on the entity that furnished collateral**

#### **8.1.1. Data on Amount and Structure of the Authorized (Share) Capital (Share Fund) of the entity that furnished collateral**

Amount of the entity's that furnished collateral, authorized (share) capital (share fund) as of termination date of the last accounting quarter, rub: **77 686 000**

Ordinary shares

Total nominal value: **77 686 000**

Stake in authorized capital, %: **100**

Preferred

Total nominal value: **0**

Stake in authorized capital, %: **0**

**Information on correspondence of the amount of authorized capital to the amount specified in the paragraph should be specified:**

The amount of authorized capital specified in the paragraph corresponds to constituting documents of the Company

**8.1.2. Data on Adjustment of the Amount of the Authorized (Share) Capital (Share Fund) of the entity that furnished collateral**

Changes in authorized capital did not occur.

**8.1.3. Data on Order of Convening and Holding the Meeting of the Supreme Management Body of the entity that furnished collateral**

During the specified period no changes have occurred

**8.1.4. Data on the commercial entities in which the entity that furnished collateral holds at least 5 percent of authorized (share) capital (share fund) or at least 5 percent of ordinary shares**

Such entities are absent

**8.1.5. Data on important transactions closed by the entity that furnished collateral**

**For the accounting quarter**

In the accounting period the Issuer did not make such transactions

**8.1.6. Data on credit ratings of the entity that furnished collateral**

During the specified period no changes have occurred

**8.2. Data on each category (type) of the shares of the entity that furnished collateral**

During the specified period no changes have occurred

**8.3. Data on previous issues of securities of the entity that furnished collateral except for shares of the entity that furnished collateral**

### **8.3.1. Data on issues all securities of which were repaid (cancelled)**

During the specified period no changes have occurred

### **8.3.2. Data on issues securities on which are in circulation**

During the specified period no changes have occurred

### **8.4. Information about the Person (Persons) that Provided Security for the Issued Bonds**

**The entity that furnished the collateral did not register the securities prospectus**

#### **8.4.1. Conditions of fulfillment of obligations on mortgage-backed bonds**

The entity that furnished the collateral did not place mortgage-backed bonds liabilities on which were not executed

### **8.5. Information on entities recording the rights to the issued securities of the entity that furnished collateral**

During the specified period no changes have occurred

### **8.6. Data on the acts regulating issues of import and export of capital that can influence distribution of dividends, interest and other payments to nonresidents**

During the specified period no changes have occurred

### **8.7. Description of taxation scheme for the revenue on the securities that were placed and are in the process of placement**

During the specified period no changes have occurred

### **8.8. Data on the declared (accrued) and paid dividends under the shares of the entity that furnished collateral and also on revenue under the Issuer's bonds**

**8.8.1. Data on the declared (accrued) and paid dividends under the shares of the entity that furnished collateral for 5 last completed financial years or for each complete financial year if the entity carries out the activity less than 5 years.**

During the specified period no decisions were taken on payment of dividends.

**8.8.2. Issue of bonds on which for 5 last completed financial years preceding the date of the last reporting quarter termination and if the issuer carries out the activity fewer than 5 years – for each completed financial year preceding the date of termination of the last reporting quarter, the yield was paid**

The entity that furnished collateral did not issue bonds

### **8.9. Other Data**

**No data**

**8.10 Data on the securities placed and on the entity owning the securities placed, the property right certified by Russian depositary receipts**

**The entity that furnished collateral is not the Issuer of the securities placed, the property right of which is certified with Russian depositary receipts**