

**Corporate action statement on adopting a decision to place securities/Disclosure of insider information**

1. General information	
1.1. Full company name of the issuer	Public Joint Stock Company “Interregional Distribution Grid Company of the South”
1.2. Short company name of the issuer	“IDGC of the South” PJSC
1.3 Location of the issuer	Rostov-on-Don, Russian Federation
1.4 PSRN of the issuer	1076164009096
1.5 TIN of the issuer	6164266561
1.6 Unique issuer’s code assigned by the registration authority	34956-E
1.7 Internet website address used by the issuer for information disclosure	<a href="http://www.mrsk-yuga.ru;">http://www.mrsk-yuga.ru;</a> <a href="http://www.e-disclosure.ru/portal/company.aspx?id=11999">http://www.e-disclosure.ru/portal/company.aspx?id=11999</a>
2. Statement content	
<p>2.1. Issuer’s management body that adopted the decision on placement of securities and the way the decision was taken (type of general meeting – annual or extraordinary) in the event that the issuer’s management body that took the decision to place securities is the general meeting of the issuer’s participants (shareholders), as well as the form of voting (joint presence or absentee voting): extraordinary general meeting of shareholders of IDGC of the South PJSC, held in absentee voting.</p> <p>2.2. Date, place, time of holding general meeting of issuer’s shareholders: On 7 April 2017 the filled-in voting ballots were sent to the following addresses: IDGC of the South PJSC, 49 Bolshaya Sadovaya St., Rostov-on-Don 344002; Registrar R.O.S.T., 18/13 Stromynka St., Moscow 107996</p> <p>2.3. Date of preparing and number of minutes of meeting of the authorized management body of the issuer where the decision was made to place securities: Minutes of the extraordinary general meeting of shareholders of IDGC of the South PJSC No.16</p>	

dated 12.04.2017.

2.4. Quorum and the results of voting on the decision to place securities:

Number of the votes owned by the persons from the list of persons entitled to participate in general meeting	<b>61 178 139 417</b>
Number of the votes which fell on the Company voting shares on this issue, determined with due regard to the provisions of clause 4.20 of the Regulation on the additional requirements to the procedure of preparation, convocation and holding of a General Shareholders' Meeting, approved by the Order of FFMS on 02.02.2012 No. 12-6/ПЗ-Н	<b>61 178 139 417</b>
Number of the votes owned by the persons that participated in discussion of this item	<b>49 676 598 123</b>
Quorum (%)	<b>81.1999</b>

Quorum on this item was present. The voting was held by poll #1.

Voting option	Amount of votes	% from participants in the voting
FOR	<b>37 184 864 220</b>	<b>74.8539</b>
AGAINST	12 490 041 467	25.1427
ABSTAINED	1 692 436	0.0034
Did not vote		0
Votes that were not accounted as they were considered as invalid (including voting on this item) –		0

2.5. The resolution proposed on this item was adopted.

The resolution adopted by the General meeting of shareholders on this item:

To increase the authorized capital of the Company by placing additional registered uncertified shares in the amount of 13 015 185 446 (thirteen billion fifteen million one hundred eighty five thousand four hundred forty six) shares with a par value of 10 (ten) kopecks each for total net value of 1 301 518 544 (one billion three hundred one million five hundred eighteen thousand five hundred forty four) rubles 60 kopecks, on the following conditions:

- method of placement: open subscription;
- price of placement of one additional ordinary registered uncertified share (including persons included in the list of persons having the preemptive right to acquire additional shares): 10 (ten) kopecks;
- form of payment: additional ordinary registered uncertified shares of the Company are paid for in rubles of the Russian Federation in non-cash form.

2.6. The fact of providing to shareholders or (and) other persons/entities with pre-emptive right to purchase the shares: According to article 40 of Federal law “On joint stock companies” Issuer’s shareholders have preemptive right to purchase additional shares of the Issuer in the amount proportional to the amount shares held by the shareholder.

2.7. In the event that during the issue of securities it is intended to register (submit to the exchange) a prospectus of securities, information about this event shall be specified: state registration of additional issue is followed by registration of Prospectus.

### 3. Signature

3.1 Head of Department – Corporate Secretary \_\_\_\_\_ Pavlova Ye.N.  
(attorney dd 30.12.2016 No.215-16) (signature)

3.2. Date 12 April 2017