

# QUARTERLY REPORT

**“Interregional Distributive  
Grid Company of the South”,  
Joint Stock Company**

<b>Issuer's code:</b>	<b>3</b>	<b>4</b>	<b>9</b>	<b>5</b>	<b>6</b>	<b>-</b>	<b>E</b>
-----------------------	----------	----------	----------	----------	----------	----------	----------

**For quarter II, 2009**

**Location: 49 Bolshaya Sadovaya Str., 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

<b>Acting General Director Of IDGC of South, JSC Date: 13 August 2009</b>	<hr/> signature	<b>V.V. Brizhan</b>
<b>Deputy chief accountant (accounting and reporting) of IDGC of South Date: 13 August 2009</b>	<hr/> signature LS.	<b>A.Ye. Karazhova</b>

Contact person: Principal specialist of Corporate Management and Reforming section  
Kuznetsova Larisa Nikolaevna  
Telephone: (861) 279 85 54  
Fax: (861) 279 85 54  
E-mail: [kuznecovaln@mrsk-yuga.ru](mailto:kuznecovaln@mrsk-yuga.ru)  
Internet website used by the Issuer for the information disclosure: [www.mrsk-yuga.ru](http://www.mrsk-yuga.ru)

## TABLE OF CONTENTS

### Introduction

<b>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</b>	<b>9</b>
<b>1.1 MEMBERS OF ISSUER’S MANAGEMENT AUTHORITIES</b>	<b>9</b>
<b>1.2 DATA ON BANK ACCOUNTS OF THE ISSUER</b>	<b>11</b>
<b>1.3 DATA ON THE AUDITOR (AUDITORS) OF THE ISSUER</b>	<b>13</b>
<b>1.4 DATA ON THE APPRAISER OF THE ISSUER</b>	<b>16</b>
<b>1.5 DATA ON THE ADVISERS OF THE ISSUER</b>	<b>17</b>
<b>1.6 DATA ON OTHER INDIVIDUALS WHO SIGNED THE QUARTERLY REPORT</b>	<b>17</b>
<b>II Main information on financial and economic condition of the Issuer</b>	<b>18</b>
<b>2.1 FINANCIAL AND ECONOMIC PERFORMANCE INDICATORS OF THE ISSUER</b>	<b>18</b>
<b>2.2 MARKET CAPITALIZATION OF THE ISSUER</b>	<b>21</b>
<b>2.3 ISSUER’S OBLIGATIONS</b>	<b>22</b>
2.3.1 Accounts payable	22
2.3.2 Credit history of the Issuer	23
2.3.3 Obligations of the Issuer with regard to collaterals furnished to third parties	23
2.3.4 Other obligations of the Issuer	23
<b>2.4 PURPOSES OF ISSUE AND LINES FOR APPLICATION OF FINANCES OBTAINED AS A RESULT OF PLACING ISSUE SECURITIES</b>	<b>23</b>
<b>2.5 RISKS CONNECTED WITH PURCHASE OF ISSUE SECURITIES BEING PLACED (ALREADY PLACED)</b>	<b>23</b>
2.5.1 Industry risks	24
2.5.2 Country and regional risks	26
2.5.3 Financial risks	27
2.5.4 Legal risks	28
2.5.5 Risks connected with the Issuer’s activity	29

### **III Detailed information on the Issuer \_\_\_\_\_ 32**

#### **3.1 ISSUER’S INCORPORATION AND DEVELOPMENT BACKGROUND \_\_\_\_\_**

3.1.1 Data on the company name (name) of the Issuer \_\_\_\_\_

3.1.2 Data on state registration of the Issuer \_\_\_\_\_

3.1.3 Data on incorporation and development of the Issuer \_\_\_\_\_

3.1.4 Contact information \_\_\_\_\_ 37

3.1.5 Taxpayer Identification Number \_\_\_\_\_ 38

3.1.6 Branches and regional offices of the Issuer \_\_\_\_\_ 38

#### **3.2 ORDINARY ECONOMIC ACTIVITIES OF THE ISSUER \_\_\_\_\_ 38**

3.2.1 Company’s industry of the Issuer \_\_\_\_\_ 38

3.2.2 Ordinary economic activities of the Issuer \_\_\_\_\_ 39

3.2.3 Materials, goods (raw materials) and suppliers of the Issuer \_\_\_\_\_ 47

3.2.4 Commodity markets of products (works, services) of the Issuer \_\_\_\_\_ 47

3.2.5 Data on Issuer’s licenses \_\_\_\_\_ 48

3.2.6 Joint activity of the Issuer \_\_\_\_\_ 50

#### **3.3 PLANS FOR FUTURE ACTIVITY OF THE ISSUER \_\_\_\_\_ 51**

#### **3.4 PARTICIPATION OF THE ISSUER IN INDUSTRIAL, BANK AND FINANCIAL GROUPS, HOLDINGS AND ASSOCIATIONS \_\_\_\_\_** Ошибка! Закладка не определена.

#### **3.5 ISSUER’S SUBSIDIARIES AND AFFILIATED COMPANIES \_\_\_\_\_**

#### **3.6 COMPOSITION, STRUCTURE AND COST OF THE FIXED ASSETS OF THE ISSUER, INFORMATION ON PLANS FOR THE FIXED ASSETS PURCHASE, REPLACEMENT, RETIREMENT, AS WELL AS ON ALL FACTS OF THE ISSUER’S FIXED ASSETS CHARGING \_\_\_\_\_ 74**

3.6.1 Fixed assets \_\_\_\_\_ 74

### **IV Data on financial and economic activities of the Issuer \_\_\_\_\_ 103**

#### **4.1 RESULTS OF FINANCIAL AND ECONOMIC ACTIVITY OF THE ISSUER \_\_\_\_\_ 103**

4.1.1 Profit and loss \_\_\_\_\_ 103

4.1.2 Factors that influenced the change of the Issuer’s sales revenue from goods, products, works, services and the change of Issuer’s profit (loss) on ordinary activities \_\_\_\_\_ 104

<b>4.2 ISSUER’S LIQUIDITY, CAPITAL AND CURRENT ASSETS ADEQUACY</b>	<b>105</b>
<b>4.3 ISSUER’S CAPITAL AND CURRENT ASSETS AMOUNT AND ADEQUACY</b>	<b>106</b>
4.3.1 Issuer’s capital and current assets amount and adequacy	106
4.3.2 Financial investments of the Issuer	108
4.3.3 Intangible assets of the Issuer	110
<b>4.4 DATA ON THE POLICY AND EXPENSES OF THE ISSUER IN THE FIELD OF SCIENTIFIC AND TECHNICAL DEVELOPMENT, CONCERNING LICENSES AND PATENTS, NEW DEVELOPMENT AND RESEARCH</b>	<b>110</b>
<b>4.5 ANALYSIS OF DEVELOPMENT TRENDS IN THE SPHERE OF ISSUER’S ORDINARY ACTIVITY</b>	<b>110</b>
4.5.1 Analysis of factors and conditions influencing the Issuer’s activity	111
4.5.2 Business competitors of the Issuer	113
<b>V Detailed data on the members of management authorities of the Issuer, bodies of the Issuer undertaking control over its financial and economic activities, and brief data on the staff (employees) of the Issuer</b>	<b>86</b>
<b>5.1 DATA ON THE STRUCTURE AND COMPETENCE OF THE ISSUER’S MANAGEMENT AUTHORITIES</b>	<b>115</b>
<b>5.2 INFORMATION ON THE MEMBERS OF THE ISSUER’S MANAGEMENT AUTHORITIES</b>	<b>126</b>
<b>5.3 DATA ON THE AMOUNT OF REMUNERATION, PRIVILEGES AND/ OR COMPENSATION FOR EXPENSES OF EACH MANAGEMENT AUTHORITY OF THE ISSUER</b>	<b>142</b>
<b>5.4 DATA ON THE STRUCTURE AND COMPETENCE OF THE BODIES UNDERTAKING CONTROL OVER THE ISSUER’S FINANCIAL AND ECONOMIC ACTIVITIES</b>	<b>144</b>
<b>5.5 INFORMATION ON MEMBERS OF BODIES UNDERTAKING CONTROL OVER ISSUER’S FINANCIAL AND ECONOMIC ACTIVITIES</b>	<b>149</b>
<b>5.6 DATA ON AMOUNT OF REMUNERATION, PRIVILEGES AND/ OR COMPENSATION FOR EXPENSES OF EACH BODY UNDERTAKING CONTROL OVER THE ISSUER’S FINANCIAL AND ECONOMIC ACTIVITIES</b>	<b>Ошибка! Закладка не определена.</b>
<b>5.7 DATA ON THE HEADCOUNT AND GENERALIZED DATA ON EDUCATION AND STRUCTURE OF THE ISSUER’S STAFF (EMPLOYEES), AND ALSO ON THE HEADCOUNT CHANGE OF THE ISSUER</b>	<b>155</b>
<b>5.8 DATA ON ANY OBLIGATIONS OF THE ISSUER TO THE STAFF (EMPLOYEES) CONCERNING THE POSSIBILITY OF THEIR PARTICIPATION IN THE AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OF THE ISSUER</b>	<b>155</b>

<b>VI Data on participants (shareholders) of the Issuer and the interested parties transactions closed by the Issuer</b>	<b>157</b>
<b>6.1 DATA ON THE TOTAL AMOUNT OF SHAREHOLDERS (PARTICIPANTS) OF THE ISSUER</b>	<b>157</b>
<b>6.2 DATA ON PARTICIPANTS (SHAREHOLDERS) OF THE ISSUER OWNING AT LEAST 5 PERCENT OF AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OR AT LEAST 5 PERCENT OF ORDINARY SHARES, AS WELL AS DATA ON THE PARTICIPANTS (SHAREHOLDERS) OF SUCH BODIES HOLDING AT LEAST 20 PERCENT OF AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OR AT LEAST 20 PERCENT OF ORDINARY SHARES</b>	<b>157</b>
<b>6.3 DATA ON THE STATE OR MUNICIPAL UNIT PARTICIPATION IN THE AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OF THE ISSUER, SPECIAL RIGHT (“GOLDEN SHARE”)</b>	<b>160</b>
<b>6.4 DATA ON RESTRICTIONS TO PARTICIPATION IN THE AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OF THE ISSUER</b>	<b>161</b>
<b>6.5 DATA ON CHANGES IN THE COMPOSITION AND AMOUNT OF PARTICIPATION OF SHAREHOLDERS (PARTICIPANTS) OF THE ISSUER HOLDING AT LEAST 5 PERCENT OF ITS AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OR AT LEAST 5 PERCENT OF ITS ORDINARY SHARES</b>	<b>161</b>
<b>6.6 DATA ON THE ISSUER’S INTERESTED PARTIES TRANSACTIONS</b>	<b>162</b>
<b>6.7 DATA ON THE AMOUNT OF ACCOUNTS RECEIVABLE</b>	<b>164</b>
<b>VII Accounting reports of the Issuer and other financial information</b>	<b>166</b>
<b>7.1 ANNUAL ACCOUNTING REPORTS OF THE ISSUER</b>	<b>166</b>
<b>7.2 QUARTERLY ACCOUNTING REPORT OF THE ISSUER FOR THE LAST COMPLETED ACCOUNTING QUARTER MADE IN ACCORDANCE WITH THE LEGISLATION OF THE RUSSIAN FEDERATION</b>	<b>166</b>
<b>7.3 SUMMARY ACCOUNTING REPORTING OF THE ISSUER FOR THE LAST COMPLETED FINANCIAL YEAR</b>	<b>166</b>
<b>7.4 DATA ON THE ACCOUNTING POLICY OF THE ISSUER</b>	<b>166</b>
<b>7.5 DATA ON TOTAL EXPORT AMOUNT AND ON EXPORT SHARE IN THE TOTAL AMOUNT OF SALES</b>	<b>167</b>
<b>7.6 DATA ON COST OF REAL ESTATE OF THE ISSUER AND THE ESSENTIAL CHANGES WHICH OCCURRED IN THE STRUCTURE OF PROPERTY OF THE ISSUER AFTER THE END DATE OF THE LAST COMPLETED FINANCIAL YEAR</b>	<b>167</b>
<b>7.7 DATA ON PARTICIPATION OF THE ISSUER IN LITIGATIONS IF SUCH PARTICIPATION CAN HAVE SIGNIFICANT EFFECT ON THE FINANCIAL AND ECONOMIC ACTIVITIES</b>	<b>167</b>
<b>VIII Additional data on the Issuer and on the issue securities placed</b>	<b>169</b>

<b>8.1 ADDITIONAL DATA ON THE ISSUER</b>	<b>169</b>
8.1.1 Data on the amount, structure of the authorized capital of the Issuer	169
8.1.2 Data on the change of the Issuer's authorized (share) capital (share fund) amount	169
8.1.3 Data on formation and use of the reserve fund and other funds of the Issuer	170
8.1.4 Data on the order of convocation and holding of the meeting (proceedings) of the supreme management authority of the Issuer	171
8.1.5 Data on the commercial organizations in which the Issuer holds at least 5 percent of the authorized (share) capital (share fund) or at least 5 percent of ordinary shares	174
8.1.6 Data on the important transactions closed by the Issuer	176
8.1.7 Data on credit ratings of the Issuer	176
<b>8.2 DATA ON EACH CATEGORY (TYPE) OF THE ISSUER'S SHARES</b>	<b>176</b>
<b>8.3 DATA ON THE PREVIOUS ISSUES OF SECURITIES OF THE ISSUER EXCEPT FOR THE SHARES OF THE ISSUER</b>	<b>178</b>
8.3.1 Data on the issues all securities of which were repaid (cancelled)	178
8.3.2 Data on the issues securities of which are in circulation	178
8.3.3 Information on issues in which the Issuer did not fulfill obligations on the securities (default)	178
<b>8.4 INFORMATION ABOUT THE PERSON (PERSONS) WHO PROVIDED SECURITY FOR THE ISSUED BONDS</b>	<b>179</b>
<b>8.5 CONDITIONS OF SURETY FOR THE FULFILLMENT OF OBLIGATIONS ON THE ISSUED BONDS</b>	<b>179</b>
<b>8.6 INFORMATION ON THE ORGANIZATIONS RECORDING THE RIGHTS TO THE ISSUED SECURITIES OF THE ISSUER</b>	<b>179</b>
<b>8.7 DATA ON THE ACTS REGULATING ISSUES OF IMPORT AND EXPORT OF THE CAPITAL THAT CAN INFLUENCE DISTRIBUTION OF DIVIDENDS, INTEREST, AND OTHER PAYMENTS TO NONRESIDENTS</b>	<b>180</b>
<b>8.8 DESCRIPTION OF THE TAXATION SCHEME FOR THE REVENUE ON THE ISSUER'S SECURITIES THAT HAVE BEEN PLACED AND ARE BEING PLACED</b>	<b>181</b>
<b>8.9 DATA ON THE DECLARED (ACCRUED) AND PAID DIVIDENDS UNDER THE ISSUER'S SHARES AND ALSO ON REVENUE UNDER THE ISSUER'S BONDS</b>	<b>184</b>
<b>8.10 OTHER DATA DISCLOSED IN THE QUARTERLY REPORT ACCORDING TO REQUIREMENTS OF THE REGULATIONS ON THE INFORMATION POLICY OF “IDGC OF THE SOUTH”</b>	<b>185</b>
<b>8.11. DATA ON THE PRESENTED SECURITIES AND THE ISSUER OF PRESENTED SECURITIES, THE PROPERTY RIGHT TO WHICH ARE CERTIFIED BY THE RUSSIAN</b>	

<b>DEPOSITARY RECEIPTS</b>	<b>220</b>
----------------------------	------------

Appendix	165
----------	-----

## Introduction

Joint stock company “Interregional Distribution Grid Company of the South” discloses information in the form of quarterly report according to sub-clause a) of clause 5.1 of section V “Information Disclose in the Form of Quarterly Report” of “Regulations on the Information Disclosure by Issue Securities Issuers” approved by Order of FFMS of the RF as of 10.10.2006 N 06-117/пз-н (the securities prospectus of IDGC of South, JSC, was registered).

**The present quarterly report contains 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 its 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 of the Issuer’s activity in the future can differ from those predicted for many reasons. Purchase of securities of the Issuer is fraught with the risks described in the present quarterly report.**

On disclosing information in the form of the quarterly report, the Company is not limited by only disclosing information on essential events in the life of the Company for the accounting period, but also analytical opinions/ comments are presented concerning the mentioned events, which enables any interested person to get full understanding of the Company’s view of the on the specified events and actions.

The present report contains additional information, requirements on disclosing of which are established in the “Regulations on the Information Policy of IDGC of the South, JSC”, approved by the Board of Directors of IDGC of South, JSC on 30.08.2007 (Minutes as of 3.09.2007 No.2/2007).

Full text of the Regulations on the information policy of “IDGC of the South”, JSC is available at the corporate website of the Company at: <http://www.mrsk-yuga.ru/rus/management/documents/index.shtml>.



## **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**

Management authorities of the Issuer are:

- 1 The supreme management authority - General Shareholders Meeting;
- 2 Board of Directors;
- 3 Collegial executive body – Management Board;
- 4 Sole executive body – General Director.

#### **Structure of the Board of Directors “IDGC of the South”:**

	<b>Surname, first name, patronymic</b>	<b>Year of birth</b>
1	<b>Okley Pavel Ivanovich – Chairman of the Board of Directors</b>	1970
2	<b>Zimin Aleksey Vladimirovich – Deputy chairman of the Board of Directors</b>	1976
3	<b>Dorofeev Andrey Vasilievich</b>	1964
4	<b>Gavrilov Alexander Ilyich</b>	1973
5	<b>Yezimov Sergey Sergeevich</b>	1982
6	<b>Ilienکو Vladimir Vasilievich</b>	1950
7	<b>Maslov Aleksey Viktorovich</b>	1975
8	<b>Nikulov Aleksandr Yevgenievich</b>	1967
9	<b>Ptitsin Igor Vasilievich</b>	1968
10	<b>Popovskiy Sergey Nikolaevich</b>	1971
11	<b>Shogenov Valery Mukhamedovich</b>	1981

#### **Structure of the Management Board of “IDGC of the South”:**

	<b>Surname, first name, patronymic</b>	<b>Year of birth</b>
1	<b>Gavrilov Aleksandr Ilyich – Chairman of the Management Board</b>	1973
2	<b>Kostetskiy Vyacheslav Yurievich – Deputy chairman of the Management Board</b>	1974
3	<b>Alayev Timur Ulyumdzhevich</b>	1971
4	<b>Bibin Yevgeny Alekseevich</b>	1964
5	<b>Brizhan Vitaliy Vasilyevich</b>	1974
6	<b>Golovakha Lyudmila Alekseevna</b>	1955
7	<b>Kopanev Vladimir Nikolaevich</b>	1954
8	<b>Lunev Igor Anatolievich</b>	1969
9	<b>Pestov Dmitry Vladimirovich</b>	1967

<b>10</b>	<b>Savin Grigory Grigorievich</b>	<b>1952</b>
<b>11</b>	<b>Skorikov Sergey Vladimirovich</b>	<b>1976</b>
<b>12</b>	<b>Stolyarov Mikhail Nikolaevich</b>	<b>1953</b>
<b>13</b>	<b>Sultanov Georgy Akhmedovich</b>	<b>1954</b>

**General Director of “IDGC of the South”**

<b>Surname, first name, patronymic</b>	<b>Year of birth</b>
<b>Gavrilov Alexander Ilyich</b>	<b>1973</b>

## 1.2 DATA ON BANK ACCOUNTS OF THE ISSUER

Item No	Full company name of the credit institution	Short company name of the credit institution	Location of the credit institution	TIN/ TCC of the credit institution	Number and type of the bank account	RCBIC	Correspondent account number
1	“Alpha-Bank”, Joint stock company, “Rostov” branch	“Rostov”branch of “ALPHA-BANK”, JSC	33 Voroshilovskiy prospect, Rostov-on-Don 344002	7728168971/ 775001001	40702810100180001123 (settlement)	046015207	30101810500000000207
2	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str., Rostov-on-Don	7707083893/ 616502002	40702810952000000006 (settlement)	046015602	30101810600000000602
3	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str., Rostov-on-Don	7707083893/ 616502002	40702810552000000008 (settlement)	046015602	30101810600000000602
4	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str., Rostov-on-Don	7707083893/ 616502002	40702810252000000007 (settlement)	046015602	30101810600000000602
5	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str., Rostov-on-Don	7707083893/ 616502002	40702810852000000009 (settlement)	046015602	30101810600000000602
6	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str., Rostov-on-Don	7707083893/ 616502002	40702810252000000010 (settlement)	046015602	30101810600000000602
7	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str., Rostov-on-Don	7707083893/ 616502002	40702810552000000011 (settlement)	046015602	30101810600000000602
8	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str. , Rostov-on-Don	7707083893/ 616502002	40702810852000000012 (settlement)	046015602	30101810600000000602
9	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str. , Rostov-on-Don	7707083893/ 616502002	40702978952000000003 (foreign currency)	046015602	30101810600000000602
10	Southwestern bank of the Savings bank of the Russian Federation, Rostov-on-Don	Southwestern bank of the SB of the RF, Rostov-on-Don	116 Pushkinskaya Str., Rostov-on-Don	7707083893/ 616502002	40702978252001000003 (transit)	046015602	30101810600000000602
11	“Alpha-Bank”, Joint stock company, “Rostov” branch	“Rostov”branch of “ALPHA-BANK”, JSC	33 Voroshilovskiy prospect, Rostov-on-Don 344002	7728168971/ 231002001	40702810200180001146 (settlement)	046015207	30101810300000000570
12	Krasnodar branch of	CB “National Business	74/1 Suvorova Str.,	7720035987/	40702810100011008501	040349564	30101810400000000564

“Interregional Distribution Grid Company of the South”, Joint Stock Company

TIN 616426656111

	commercial bank “National Business Development Bank Co. Ltd” (OOO)	Development Bank Co. Ltd” (OOO)	Krasnodar 350033	231002002	(expense)		
13	Commercial bank “Center-Invest”, Joint stock company	CB “Center-Invest”, JSC	62 Prospect Sokolova, Rostov-on-Don 344010	6163011393/ 616501001	40702810100000012623 (expense)	046015762	30101810100000000762
14	Branch of Gazprombank, Joint stock company, Rostov-on-Don	Branch of Gazprombank, JSC, Rostov-on-Don	20 Voroshilovskiy prospect, Rostov-on-Don 344006	7744001497/ 616502001	40702810000210001483 (expense)	046015968	30101810700000000968
15	Southwestern bank of the Savings bank of the Russian Federation, Oktyabrskoye branch of the Savings bank No.5410/056	Oktyabrskoye branch of the Savings bank No.5410/056	121 Shevchenko Str., Shakhty, Rostov area 346500.	7707083893/6 12502001	40702810652060144082 (proceeds)	046015602	30101810600000000602
16	Southwestern bank of the Savings bank of the Russian Federation, Oktyabrskoye Kamenskoye branch of the Savings bank No.1801	Kamenskoye branch of the Savings bank No.1801	49 Lenina Str., Kamensk-Shakhtinskiy, Rostov area 347800.	7707083893/6 14702001	40702810052030000002 (proceeds)	046015602	30101810600000000602
17	Astrakhan branch of Joint stock company “Rosbank”, Joint stock commercial bank	Astrakhan branch of JSC JSCB “ROSBANK”	Pr. Gubernatora Anatoliya Guzhvina, Astrakhan 414014.	7730060164/3 01502001	40702810022000000104 (expense)	041203786	30101810400000000786
18	Branch of Gazprombank, Joint stock company, Astrakhan	Branch of Gazprombank, JSC, Astrakhan	12 prospect Vorobjova, Astrakhan	7744001497/3 01502001	40702810400130000129 (expense)	041203709	30101810500000000709
19	Southwestern bank of the Savings bank of the Russian Federation, Mikhailovskoye branch of the Savings bank No.4006	Mikhailovskoye branch of the Savings bank No.4006	1 Poperechnaya Str., Mikhailovka 403300.	7707083893/3 43702001	40702810711050100910 (proceeds)	041806647	30101810100000000647
20	Southwestern bank of the Savings bank of the Russian Federation, Mikhailovskoye branch of the Savings bank No.4006	Mikhailovskoye branch of the Savings bank No.4006	1 Poperechnaya Str., Mikhailovka 403300.	7707083893/3 43702001	40702810011050100911 (expense)	041806647	30101810100000000647
21	Southwestern bank of the Savings bank of the Russian Federation, Volzhskoye branch of the Savings bank No8553	Volzhskoye branch of the Savings bank No8553	71 Mira Str., Volzhskiy 404131	7707083893/3 43502001	40702810911160103296 (proceeds)	041806647	30101810100000000647

### 1.3 DATA ON THE AUDITOR (AUDITORS) OF THE ISSUER

1.3.1 Data on the auditor who carried out social audit of financial statements and financial (accounting) reports for the completed accounting years

Full company name: “**Fineart-Audit**”, Limited Liability Company

Short company name: **Fineart-Audit LLC**

Location: **60 Udaltsova Str., Moscow 119607**

Telephone numbers: **(495) 431-99-70; (499)726-91-12; (499)726-91-13**

Fax numbers: **(495) 431-99-70; (499)726-91-12**

E-mail: **office@fineart-audit.ru**

**Data on the auditing license**

License issued by: **Ministry of Finance of the Russian Federation**

Number: **No.E 006407**

Date of issue: **07.09.2004**

Term of validity: **5 years, until September 07, 2009**

**Data on the auditor’s membership in collegiate organs, associations or other professional units (organizations):**

- Member of Moscow Auditor Chamber, certificate No.1531 of 15.11.2006

Accounting years within which social audit of the Issuer’s financial statements and financial (accounting) reports was carried out by the auditor: **2007, 2008**

Actual amount of fee paid by the Issuer to the Auditor “Fineart-Audit Ltd”, for each accounting year when social audit of the Issuer’s financial statements and financial (accounting) reports was carried out by the auditor:

Name of the auditor	Accounting year	Subject of the contract	Size of the fee (including VAT), rubles.
“Fineart-Audit Ltd”	2007	Carrying out audit of financial (accounting) reports of the Issuer	<b>354 000</b>
“Fineart-Audit Ltd”	9 months of the year 2007	Attestation of the Issuer’s financial (accounting) reports indicators presented in Issuer’s security issue prospectus	<b>150 000</b>
“Fineart-Audit Ltd”	I quarter of the year 2008	Attestation of Issuer’s financial (accounting) reports indicators presented in Issuer’s security issue prospectus	<b>150 000</b>
“Fineart-Audit Ltd”	II quarter of the year 2008	Attestation of Issuer’s financial (accounting) reports indicators presented in Issuer’s security issue prospectus	<b>354 000</b>
“Fineart-Audit	2008	Carrying out audit of financial (accounting)	<b>9 763 910</b>

Ltd”		reports	
------	--	---------	--

The Issuer does not have any deferred or overdue payments for the services rendered by the auditor “Fineart-Audit Ltd”.

1.3.2 For the purpose of auditing financial statements and financial (accounting) reports for the year 2009 Board of Directors has recommended (Minutes of 08.05.2009 No.26/2009) and appointed on June 19, 2009, by the decision of the annual General Shareholders Meeting of the Company (Minutes of June 22, 2009 No2) “Nexia Pacioli Ltd” as the auditor of the Company.

Full company name: **“Nexia Pacioli”, Limited liability company**

Short company name: **“Nexia Pacioli” Ltd**

Location: **2 Malaya Polyanka, Moscow, 119118**

Telephone: **(495) 780-62-50**

Fax: **(495) 431-99-70**

E-mail: **pacioli@pacioli.ru**

#### **Data on the auditing license**

License issued by: **Ministry of Finance of the Russian Federation**

Number: **No.E 000733**

Date of issue: **25.06.2002**

Term of validity: **10 years, until June 25, 2012.**

#### **Data on the auditor’s membership in collegiate organs, associations or other professional units (organizations):**

- member of the international association of audit firms “Nexia International”;
- member of the Institute of professional auditors of Russia;
- member of the Russian society of appraisers;
- member of the Russian bank association;
- member of the Russian union of industrialists and entrepreneurs.

Accounting year within which social audit of the Issuer’s financial statements and financial (accounting) reports will be carried out by the auditor: **2009.**

Procedure of nomination of the auditor for probation by the shareholders' meeting, including the responsible management authority, using method of tender for selection, and its main terms

According to articles 47, 49, 54 and 88 of the Federal Law “On Joint-Stock Companies”, sub-clause 11 of clause 10.2, clause 11.1 of the article 11, clause 24.8 of the article 24 of the Charter of JSC “IDGC of the South” for auditing and confirmation of annual financial (accounting) reports of the Company, General meeting probates the Company's auditor.

Federal Law “On Joint-Stock Companies” does not fix any date or terms of nominating candidate auditors for entering them in the list for voting on the issue of approbation as the Company's auditor, besides, the abovementioned law does not empower shareholders to nominate candidate auditors.

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.

Recommendations about the auditor candidate are directed to the Company by “IDGC Holding”, JSC (holds 51,66% of the Company's authorized capital), who conducts competitive selection of auditors for its branches in accordance with local statutes in force.

For participation in the Competition, the 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 (in relation to the Company and affiliated entities of RAO UES of Russia) enlisted in clause 1 of article 12 of the Federal Law “On the Auditor's Activity”.

The auditor of the issuer carries out audit of financial and economic activity of the

issuer in conformity with requirements of the legislation of the Russian Federation on the basis of the corresponding contract on rendering auditor services.

Order of determining the amount of auditor's fee

In accordance with clause 24.9 of article 24 of the Charter of “IDGC of the South”, JSC, the size of provision for the rendered auditor's services is determined by the Company's Board of Directors.

Cost of the services and order of payment to the auditor are fixed in the contract between the Company and the auditor.

Total fee for the provision of services of the auditor of “IDGC of the South” (“Nexia Pacioli” Ltd) concerning audit of the 2009 financial (accounting) reports of “IDGC of the South” will be determined by the resolution of the Board of Directors of “IDGC of the South”.

Information on the works conducted by the auditors as part of special auditor tasks: such works were not conducted in the accounting period.

**The auditors “Fineart-Audit Ltd” and “Nexia Pacioli” Ltd, and the Issuer are (were) not involved any close business relations. The Issuer did not extend any borrowings to the audit companies (executives of the audit companies). The auditors “Fineart-Audit Ltd” and “Nexia Pacioli” Ltd (their executives) do not have (did not have) any stakes in the authorized capital of the Issuer. The Issuer's executives do not simultaneously occupy positions as executives of the abovementioned auditors, neither they are relatives of the auditors.**

#### **1.4 DATA ON THE APPRAISER OF THE ISSUER**

In the accounting period the Issuer did not engage appraiser for:

- valuation of market prices of securities in the process of placement and placed securities that are in circulation (obligations under which are not executed);
- valuation of market prices (of Issuer's fixed assets and real estate which were revalued) represented in other sections of the quarterly report;
- valuation of market prices of the property which is under pledge on Issuer's security bonds or under pledge on Issuer's security bonds obligations on which are not executed;
- rendering other appraiser services (connected with security issue) information on which is contained in the quarterly report.

In the accounting period the Issuer did not engage a joint-stock investment fund as an appraiser either.

**Information disclosed additionally in accordance with “Regulations on the information policy of the “IDGC of the South”:** appraiser fee for the services listed above in this clause of the quarterly report was not paid for the years 2007, 2008 and the first half of the year 2009.



## **1.5 DATA ON THE ADVISERS OF THE ISSUER**

There are No.stock market financial advisers or other individuals who rendered advisory service to the Issuer in connection with securities issue and signed this report.

## **1.6 DATA ON OTHER INDIVIDUALS WHO SIGNED THE QUARTERLY REPORT**

Surname, name, patronymic: **Karazhova Alla Yevgenjevna.**

Year of birth:**1961**

Organization: **“IDGC of the South”, JSC**

Position: **Deputy chief accountant (accounting and reporting) of the Department of financial statements and financial reports.**

## II Main information on financial and economic condition of the Issuer

### 2.1 FINANCIAL AND ECONOMIC PERFORMANCE INDICATORS OF THE ISSUER

Item description	Indicator value as of:
	quarter II of 2009
Net asset worth of the Issuer, rubles in thousands	20 845 444
Raised funds to equity and reserves ratio, %	45,5
Short-term liabilities to equity and reserves ratio, %	46,6
Debt service payment coverage, %	15,06
Past due debt rate, %	22,34
Receivables turnover	0,91
Dividend payout ratio, %	0
Labour productivity, rubles/person	352,00
Depreciation to earnings ratio, %	11

For calculation of indicators the procedure recommended in the “Regulations on the Information Disclosure by Issue Security Issuers” approved by Order of FFMS of the RF as of 10.10.2006 N 06-117/пз-н “On Approval of Regulations on Information Disclosure by Issue Security Issuers” was used.

Solvency and finance condition analysis on the basis of economic analysis of indicators behaviour in comparison with the same period a year ago

Net asset worth indicator is used for estimating Issuer's financial stability, its financial reliability level. Thus, net asset shows to what extent the company's assets exceed liabilities (both short-term and long-term), which allows to estimate the company's solvency level.

In fact, net asset can be identified with the size of internal capital, as it reflects the level of organization's internal asset backing of raised funds.

Issuer's finance reports analysis shows that net asset worth as of June 30, 2009, reduced compared to the same period of the year 2008 by 220 723 thousand rubles which can be explained by the Company's loss sustained as the result of performance during six months of 2009. Variations in net asset worth are not essential for the

Company, in spite of serious total assets growth. It is caused by the fact of similarity between liabilities and assets structure and behaviour, which is the result of decrease in receivables turnover.

Raised funds to equity and reserves ratio characterizes the level of raised funds and shows the degree of their use in the total amount of committed facilities. In comparison with quarter II of 2008 this indicator grew by 39,6% because of short-term liabilities growth, whereas the most part of the liabilities are restructured accounts payable.

Indicator “Short-term liabilities to equity and reserves ratio” demonstrates the percent of short-term liabilities in the Issuer’s internal funds and tends to increase by 27,15% compared with the same accounting period of 2008.

Debt service payment coverage shows how many rubles from the internal resources there are for each ruble of liabilities due to payment in the accounting period. Thus, the Issuer can pay current debts from net profit.

Indicator of receivables turnover characterizes number of times accounts receivable are paid, converted to cash assets in the accounting period. By the end of quarter II of 2009 this value fell as there appeared more insolvent counterparts, buyers’ and customers’ payments were deferred, and other problems of sales arose, which is in general connected with the crisis in all spheres of the country’s economy and manifests itself in solvency decrease.

Past due debt rate shows the rate of overdue receivables in the total amount of the company’s liabilities, and by 30.06.2009 it grew more than thrice on the previous accounting period, which is direct consequence of receiving less revenue than was due from the counterparts.

Labour productivity coefficient shows that there was 352 thousand rubles of revenue for each person as of June 30, 2009.

Depreciation to earnings ratio as of quarter II of 2009 shows that there was little change in depreciation charges compared with the previous accounting period.

In general, the Issuer’s financial and economic condition can be estimated as rather steady.

### **Information disclosed additionally in accordance with “Regulations on the Information Policy of “IDGC of the South, JSC”**

Behaviour of indicators influencing financial result of the Company, rubles in thousands:

<b>Indicators</b>	<b>Quarter I of 2009</b>	<b>Quarter II of 2009</b>
Sales revenue	4 446 171	4 679 574
Cost of production	4 356 617	3 759 755
Net profit	89 553	919 819
Pre-tax profit	-589 988	125 325
Net asset	-561 540	23 053

Structure of expenses, rubles in thousands:

Item No	Items of expenditure	Quarter I of 2009	Quarter II of 2009
1.	Tangible costs, including	1 236 472	712 359
1.1.	Purchased power	1 056 348	541 459
1.2.	Purchased power for manufacturing and economic needs	70 386	22 696
1.3.	Raw materials and supplies	109 738	148 204
2.	Production works and services	1 447 487	1 454 878
3.	Labour costs	752 517	706 783
4.	Unified social tax	190 853	174 452
5.	Non-state pension provision	4 126	2 385
6.	Depreciation	511 713	504 164
7.	Other	213 448	204 734
7.1.	including		
7.2.	Service fee of outside organizations	86 207	86 189
7.3.	Insurance expense	43 662	18 150
7.4.	Taxes and receipts	23 097	23 981
8.	Production and sales-related costs	4 356 617	3 759 755

Cost behaviour:

Item No	Production and sales-related costs	Rubles, in thousands	Rate of increase, % Quarter II of 2009 / Quarter I of 2009
1	Quarter I of 2009	4 356 617	86,3
2	Quarter II of 2009	3 759 755	

Cost cutting in quarter II of 2009 compared with quarter I of 2009 (by 596 862 thousand rubles or by 13,7%) originated from energy saving and, correspondingly, purchased power cost, services of FGC of the UES of Russia (Federal Grid Company of the Unified Energy System of Russia), adjacent grid companies (AGCs), included into the anticrisis plan. Costs were cut both in branches and in the executive office of “IDGC of the South”, JSC.

Performance indicators, %

Indicators	Quarter II of 2009
ROE, return on equity	-2,58
ROA, return on assets	-1,41
ROTA, return on total assets	-1,41

Debt-equity ratio (at the end of the period):

2008	Quarter I of 2009	Quarter II of 2009
0,68	0,76	0,84

Debt-equity ratio in a certain way reflects financial independence of the Company, and at the same time it manifests the use of “financial leverage”. Optimal value of the indicator is 0,5.

At the end of accounting period debt-equity ratio made 0,84. Growth of the indicator is temporary, and it is connected with increase in the number of accounts payable to contractors and suppliers.

Income increase (decrease):

Item No	Revenues from sales	Rubles, in thousands	Rate of increase, % Quarter II of 2009 / Quarter I of 2009
1	Quarter I of 2009	4 446 171	105,2
2	Quarter II of 2009	4 679 573	

Increase in sales revenues in quarter II of 2009 is characterized by the structural growth in the income from power transmission by 3,3%, and revenues from technological connection services – by 14% compared to quarter I of 2009. This dynamics is caused by implementing anticrisis activities in the company, practising client-centred approach and fulfilling the Company’s main goals and the mission.

Revenue structure by business lines, rubles in thousands:

Item No	Items	Quarter I of 2009	Quarter II 2009
1	<b>Total product (service) sales revenue (net), including</b>	4 446 171	4 679 574
1.1	<b>Products (services) of ordinary activity, total</b>	4 440 983	4 674 308
	including:		
1.1.1	- grid services	4 414 995	4 581 723
1.1.1.1	from the service of grid power transmission	4 221 255	4 360 770
1.1.1.2	from the services of technological connection	193 741	220 952
1.1.4.	- other services connected with ordinary activity	25 988	92 585
1.2	<b>Products (services) of nonoperating activities</b>	5187	5 266

## 2.2 MARKET CAPITALIZATION OF THE ISSUER

Issuer's shares are listed by the organizers of the stock market on 03.07.2008.  
(as of the end of the corresponding accounting period)

Period		RTS (USD) (classical market)	RTS (RUB) stock market	MICEX (RUB)
Year	Quarter	Capitalization	Capitalization	Capitalization
2008	Quarter III	567 846 495,00	11 954 663 055,36	14 011 861 322,80
	Quarter IV	99 622 192,00	8 999 370 725,88	2 485 573 693,59
2009	Quarter I	64 754 425,00	8 703 990 926,22	2 988 665 763,84
	Quarter II	214187713,10	8467886330,88	6062010390,98

**Note:** Market capitalization is calculated by the stock market organizers in accordance with “Order of Issue Securities and Investment Units of Investment Funds Listed by Stock Market Organizers Market Price Valuation” approved by the decision N 03-52/nc of FSEC (Federal Securities and Exchange Commission) as of December 24, 2003. In the periods when market capitalization of the Company’s shares was not calculated by the stock market organizers because of low number of transactions completed with “IDGC of the South” shares, market capitalization was calculated in the Company by way of multiplying the share quotations by the amount of shares issued.

## 2.3 ISSUER'S OBLIGATIONS

### 2.3.1 Accounts payable

Data on the amount of Issuer's accounts payable for quarter II of 2009, rubles in thousands:

Name of the account payable	Maturity	
	Less than one year	More than one year
Accounts payable to suppliers and contractors	6 398 797	65 282
including overdue accounts	3 611 445	65 282
Accounts payable to the personnel of the organization	161 244	
including overdue accounts	-	
Accounts payable to the budget and state extrabudgetary funds	351 427	
including overdue accounts	-	
Credits	2 113 075	7 322 104
including overdue credits	-	-
Total loans	-	-
including overdue loans	-	-
including bond loans	-	-
including overdue bond loans	-	-
Other accounts payable	556 729	166
including overdue accounts	262 527	166
Total	9 581 272	7 387 552
including overdue accounts	3 873 972	65 448

Behaviour of accounts payable in quarter II of 2009, rubles in thousands

Accounts payable	As of 31.03.2009	As of 30.06.2009	Changes
<b>1. Long-term loans and credits:</b>			
including:	7 115 346	7 322 104	206 758
<b>2. Short-term credits:</b>			
including:	2 113 106	2 113 075	-31
<b>3. Other accounts payable</b>	<b>4 838 353</b>	<b>6 652 084</b>	<b>1 813 731</b>
3.1. other (more than 1000 rubles in thousands)	3 973 528	7 014 539	3 041 011
3.2. other (more than 500 rubles in thousands)	6 764	3 345	-3 419
3.3. other (less than 500 rubles in thousands)	858	2 722	1 864
<b>4. Prepayment</b>	<b>559 746</b>	<b>368 890</b>	<b>-190 856</b>
4.1. For technological connection	513 220	302 230	-210 990
4.2. Other prepayment	46 526	66 660	20 134
<b>4. Salaries payable</b>	<b>181 398</b>	<b>161 244</b>	<b>-20 154</b>
<b>5. Deferred tax liability</b>	<b>272 420</b>	<b>277 042</b>	<b>4 622</b>
<b>6. Taxes, including:</b>	<b>259 051</b>	<b>351 427</b>	<b>92 376</b>
6.1. taxes restructured	-		
6.2. accounts payable to the budget and state extrabudgetary funds	64 115	59 715	-4 400
6.3. taxes and dues payable	194 936	291 712	96 776
<b>7. Dividends payable to participants (founders)</b>	<b>12 558</b>	<b>12 496</b>	<b>-62</b>
<b>Total:</b>	<b>15 351 978</b>	<b>17 258 362</b>	<b>1 906 384</b>

The Issuer has No.creditors who hold 10 percent or more of the total accountables payable for the last completed accounting period.

### **2.3.2 Credit history of the Issuer**

For the lifespan of “IDGC of the South” JSC (since 28.06.2007) up to the end of the accounting period the Issuer has not made any credit and loan agreements with principal debt size amounting to 5 % or more of book value assets.

By the end of quarter II of 2009 the Issuer’s debt service obligations on credits and loans made up 9 435 179 thousand rubles, including credit charge of 16 265 thousand rubles and bill debt which equals 312 900 thousand rubles.

These obligations mostly arose as a result of transforming “Rostovenergo” JSC, “Volgogradenergo” JSC, “Astrakhanenergo” JSC, “Kalmenergo” JSC, in the form of affiliation to “IDGC of the South” JSC in 2008 as well as making new credit agreements in 2009.

Agreement liabilities in quarter II of 2009 were discharged by the Issuer in full. The Issuer has No.overdue accounts payable on credit agreements.

The Issuer did not issue bonds.

### **2.3.3 Obligations of the Issuer with regard to collaterals furnished to third parties**

For the lifespan of the Company up to the end of the accounting period “IDGC of the South”, JSC, did not have obligations with regard to collaterals furnished to third parties, including pledge or warranty obligations amounting to 5 percent or more of book balance of assets.

Obligations of the Issuer with regard to collaterals furnished to third parties as of 30.06.2009 totaled 32 714 thousand rubles, which is less than 5 percent of book balance of Issuer’s assets.

### **2.3.4 Other obligations of the Issuer**

As of 30.06.2009 the Issuer has No.agreements (including time transactions not represented in the accounting balance-sheet) which can seriously influence the Issuer’s finance condition, its liquidity, sources of funds and terms of their use, performance results and expenses.

## **2.4 PURPOSES OF ISSUE AND LINES FOR APPLICATION OF FINANCES OBTAINED AS A RESULT OF PLACING ISSUE SECURITIES**

In the accounting period the Issuer did not place issue securities.

## **2.5 RISKS CONNECTED WITH PURCHASE OF ISSUE SECURITIES, PLACED OR IN THE PROCESS OF PLACEMENT**

Issuer’s policy in the sphere of risk management

Policy of “IDGC of the South” in the sphere of risk management involves timely identification and preventing of possible risks with the purpose of financial and other loss reduction.

Trends of the Company’s activities on management of certain risks are specified further.

As the Company at present only operates at the internal market of the Russian Federation and does not plan to expand abroad, the risks specified further are characterized singularly from the point of view of the domestic market.

### **2.5.1. Industry risks**

#### **Risk of influence of possible deterioration of the situation in the Issuer’s industry on the Issuer’s activity and on fulfilling obligations on the securities**

The Issuer operates in electric power industry.

Electric power industry development must outrun the growth rates of other economy branches of the Russian Federation, forming reserve and acting as a kind of driving force for the heavy industry and design institutes among the others.

In order to provide sales gain the Company invests heavily into reconstruction of electric grids and setting up new connection points in the capacities under formation.

In the Issuer’s opinion, there appeared a risk of electric power industry management efficiency loss after distribution of regulatory functions and as a consequence of wholesale and retail market liberalization. The cost of electric power hedge buying increases, which results in the growth of the Company’s expenses not included on tariffs. The Company is subject to this risk along with other participants of the electric power market.

#### **Operational risks**

Fixed assets consumption can lead to negative changes in the industry, such as loss of service security. In order to reduce this risk the Company renovates the operating electric grids and constructs new grids, besides, fixed assets are technically re-equipped.

#### **Technical industrial risks**

- the risk of switching to operation with inadvertent acceptable emergency power interchange;
- the risk of sharp non-recurrent off-schedule load increase in connection with natural disasters;
- technical risks connected with equipment operation, caused by such factors as equipment operation with limit deviations from normative technical requirements; operating employees’ mistakes; dispatch schedule and discipline violations.

The Company’s activities on reducing these risks:



- analyzing probable risk situations with the purpose of risk prediction in the process of production schedule performance and taking risk protection measures;
- commercial property, dangerous industrial objects, transportation vehicles, civil responsibility insurance, personnel accident and sickness insurance;
- carrying out measures on power system reliability improvement, which includes continuous fuel, spare parts and materials supply replenishment.

Effect of potential aggravation of the Issuer's industry condition can be estimated as moderate, as the Issuer will implement the measures specified in this clause.

Risks connected with possible variations in prices for raw materials, services used in the Issuer's operations (independently on the internal and external markets) and their impact on the Issuer's operation and execution of obligations under securities

Electric power transportation via grids which are not part of Unified National (all-Russia) Electric Grid (UNEG) – lower than 220 kW - is among the Issuer's ordinary activities.

This kind of activities is linked to the necessity in materials and equipment procurement and disposition of outsourced services for repair works, technical support and own electric power transmission lines construction.

Probability of price growth is mainly caused by inflation processes. Essential increase in prices for materials and equipment and outsourced services will require planned expenditure updating and modifying investment programme plans.

In order to reduce the mentioned risks the Issuer buys materials and equipment, and selects service providers by way of competitive or restricted buys of raw materials, equipment, producer and other services.

Risks connected with possible variations in prices for the Issuer's products and/ or services (independently on the internal and external markets) and their impact on the Issuer's operation and execution of obligations under securities.

The Issuer's principal income is receipt of funds for electric power transmission services and technological connection.

The Company's activity as natural monopoly holder is fraught with the risk of improper state tariff regulation. JSC “IDGC of the South” electric power transmission service tariffs set at present in general correspond to the economically based level.

To reduce the specified risks, the Issuer permanently works in coordination with regional tariff authorities at stating the justified tariff level and introducing new advanced methods of tariff-building. Nevertheless the Issuer's sphere of influence on decisions made by federal and regional executive authorities is limited, and the Issuer cannot ensure situation improvement ensuing the measures aimed at coping with emerging negative changes.

Influence of risks connected with possible variations in prices for raw materials, services used by the Issuer in its operation on the internal market on execution of obligations under securities: these risks will not influence execution of obligations under securities as the Issuer will take measures specified in this clause.

## **2.5.2 Country and regional risks**

Risks connected with the political and economic situation in the country and the region where the Issuer is registered as a taxpayer and/ or carries out its ordinary activities

The Company is registered in the city of Rostov-on-Don and carries out its operating activities on the territory of Astrakhan, Volgograd, Rostov areas and the Republic of Kalmykia of the Southern federal district of the Russian Federation. JSC “IDGC of the South” fulfills functions of managing organization of JSC “Kubanenergo” carrying out its operating activities on the territory of the Krasnodar region and the republic of Adyghea.

The regions mentioned are politically stable, practically without the risk of military conflicts and emergency situations. But there is a risk of terrorist attack for reducing which all the industrial safety measures are taken.

Social environment in the regions mentioned can be characterized as quiet, without pronounced ethnic conflicts, religious extremism enables to fulfill economic operations at minimum social and political risks.

In case political or economic situation in Russia or in a certain region destabilizes, the Company will take a number of measures of anticrisis management with the purpose of maximum decrease of the negative impact of the situation on JSC “IDGC of the South”, including cutting costs and other expenditures, reducing investment plans.

Expected actions of the Issuer in case if negative impact of the changed situation in the country (countries) and the region on its operation:

In case political or economic situation in Russia or in a certain region destabilizes, the Company will take a number of measures of anticrisis management with the purpose of maximum decrease of the negative impact of the situation on JSC “IDGC of the South”, including cutting costs and other expenditures, reducing investment plans.

Risks connected with possible military conflicts, imposing emergency rule and strikes in the country and the region where the Issuer is registered as a taxpayer and/ or carries out its ordinary activities:

Military conflicts and emergency rule imposing in the Issuer's operating country and regions is highly improbable. If military conflicts emerge, the Issuer risks crippling its fixed assets.

Risks connected with the geographic features of the country and the region where the Issuer is registered as a taxpayer and/ or carries out its ordinary activities, including the heightened danger of natural disasters, possible discontinuance of transportation owing to remoteness and/ or inaccessibility etc:

The risks associated with geographic features of the regions where the Issuer carries out its activities can include the danger of suffering a loss because of unfavourable weather conditions. The Issuer's actions on reducing the influence of these factors consist in designing the electric power transmission lines with regard to the regional climate peculiarities as well as insurance against the corresponding risks.

The Issuer's operating regions have well developed transport infrastructure and are unexposed to risks connected with transportation discontinuance because of remoteness and/ or inaccessibility.

### **2.5.3 Financial risks**

Risks caused by interest rates variation, exchange rate changes in connection with the Issuer's operation or hedging practised by the Issuer for mitigation of negative consequences of the specified risks' effects:

In the course of carrying out its ordinary activities the Issuer uses borrowed funds, which makes the Issuer subject to risks connected with credit and loan interest rate changes. But the Issuer, on account of constant analysis of its own financial condition, floating interest rate behaviour, considers this risk to be insignificant. To reduce debt portfolio service costs the Company aims at using credits and loans with fixed interest rate.

The Issuer does not resort in its activities to hedging as a financial risks management tool.

The Issuer fulfills its ordinary activities on the territory of the Russian Federation, does not have investments in foreign companies the cost of whose net assets is at risk of exchange rate shift, has no receipts or expenditure expressed in foreign currency. Risks based on minor exchange rate variations do not have direct influence on Issuer's financial and economic performance and are estimated by the Issuer as unimportant.

Susceptibility of the Issuer's financial state, liquidity, sources of finance, performance results etc to shifts in exchange rate (exchange risks):

Assets and liabilities of the Issuer are expressed in national currency. In this connection the Issuer's financial state, sources of finance, performance results are almost independent on the exchange rate shift. Besides, the Issuer now carries out its activity only domestically and does not plan to operate on the foreign market, that is why the effect of the national currency exchange rate to foreign currency (US dollar, euro) variations on the Issuer's financial state is estimated as inconspicuous.

Expected actions of the Issuer in case of negative impact of the exchange and interest rate shifts on the Issuer's activity:

The Issuer is subject to risk of interest rate change. Along with interest rate growth, the commercial bank credit interest payments increase and the Company's profit falls.

If significant negative changes of interest rates take place, the Issuer will aim at making short-term external borrowings, the Company's investment programme will be modified.

In case of negative influence of exchange rate shift on the financial and economic activity the Issuer plans to analyze risks and take proper decision in each separate case.

Influence of inflation on security interest payments. Inflation levels considered critical by the Issuer, and expected Issuer's actions on the specified risk's mitigation:

The present inflation rate does not bear significant influence on the Issuer's condition. Inflation values as they are predicted must not have critical influence on the Issuer's solvency, including security interest payments.

Financial reporting indicators which are most of all exposed to change under the influence of the specified financial risks. Risks, their probability and pattern of change in the reporting:

Accounts receivable indicator of the Issuer's reporting is most of all subject to the risks specified, it occurs as a result of contractors' economic incapacity to pay for the Issuer's services. Probability of occurrence of this risk is low and originates from the overall situation in the country, inflation, exchange rate alterations, and the effect of these factors on Russia's economy in general. Deterioration of the national operating environment can cause electric power transmission via the Issuer's grid expense growth, which (on retention of the present schedule charge) will lead to reduction in profits.

#### **2.5.4 Legal risks**

Legal risks connected with the Issuer's operations on the internal market:

Legal risks management is based on improving the process of legal documents implementation and the Company's operation legal support. To reduce legal risks, any business process of the Company exposed to risk are subject to obligatory legal examination.

The Issuer (along with all the other joint Stock companies operating on the territory of the Russian Federation) is at risk of changes to legislation (Federal Laws and subordinate legislation) on corporate relationship.

Risks connected with currency legislation changes:

Risks connected with currency legislation changes will have but slight influence on the Issuer's activity, as the Issuer does not operate and does not intend to operate outside the Russian Federation.

Risks connected with tax law changes:

Tax law changes, in part of taxation rate increase or changes in payment order, maturity date and tax (fee) payment terms can result in the Issuer's net profit decrease.

To minimize the risks of improper tax assessment and/ or payment caused by ambiguous treatment of tax legislation, the Company continuously works on optimizing the patterns of taxation base calculation in strict adherence to the current legislation of the Russian Federation.

Risks connected with changes in the rules of customs control and duties:

Changes in the rules of customs control and duties do not put the Issuer's operation at risk since the Issuer does not plan to export services outside the Russian Federation.

Risks connected with change of requirements on the Issuer's ordinary activity licensing or licensing of rights for use of objects with limited recourse (including natural resources)

Change of requirements on the Issuer's ordinary activity can lead to longer terms of document preparation for license renewal, as well as the necessity to conform to the given requirements. Nevertheless, this risk should in general be viewed as insignificant, except for the cases when license renewal or carrying out licensed activity will presuppose requirements that are inappropriate for the Company or will be connected with excess expenditure, which can incite termination of this kind of activity.

If license regulation changes, the Company will conform to the principles of new legislation.

Risks connected with changes in judiciary law on matters that concern the Issuer's activity (including license regulation) which can have negative impact on the Issuer's performance, as well as the results of the current litigations of the Issuer.

Probability of changes in judiciary law on matters concerning the Issuer's activity (including license regulation) is considered to be low and will not have serious impact on the operation.

## **2.5.5 Risks connected with the Issuer's activity**

Risks connected with the current litigations of the Issuer

As a consequence of the Issuer's restructuring in the form of accession of JSC “Rostovenergo”, JSC “Astrakhanenergo”, JSC “Kalmenergo”, JSC “Volgogradenergo” (further referred to as DGCs), the Issuer in accordance with procedural succession replaced the accessed companies in the juridical disputes that already exist. Besides, limitation periods of the accessed companies' obligations are not over for the present, in which connection claims can be presented on the Issuer as legal successor by universal title. Thus, the most fundamental risk is probability of assigning negative litigation and obligations nonperformance (or improper performance) consequences to the Issuer, whereas the processes were outside the Issuer's control before the moment of the specified companies' accession.

At present, the Issuer takes part in a number of juridical disputes connected with contestation of the so called “last mile” lease contracts, among them contracts on the use of electric power grid facilities included on the Unified national (all-Russia) electric grid (UNEG). Unfavourable legal decisions taken are fraught for the Issuer with shortfall in income the amount of which can affect the Issuer’s financial and economic performance in a negative way.

Alongside with that, the existing legal precedents in this category of cases permit Issuer-positive forecast of the specified disputes turnout.

Risks connected with impossibility of the Issuer’s license renewal for a certain kind of activity or use of objects with limited recourse (including natural resources):

On creating the joint operating company JSC “IDGC of the South” by accession of DGCs to it, necessity appeared to re-issue licenses for ordinary activity, with procedural succession.

In accordance with Government of the Russian Federation Decree dd 20.03.2006 No.151, legal successors founded on reorganizing Russian Open Joint Stock Company of Electric Power and Electrification “UES of Russia”, its subsidiaries and affiliated joint stock companies of electric power and electrification, as well as other subjects of natural monopoly in the electric power industry by accession, division or extraction have a right to fulfill activities subject to licensing under Federal Law “On Licensing Certain Activities”, based on the licenses issued earlier to the juridical bodies reorganized pursuant to the terms and procedure set forth in the specified Federal Law, but not longer than six months after the date of state registration of the newly emerged juridical bodies. The decree also regulates the terms and procedure of informing the licensing authorities about reorganization. By the present moment, the Issuer has fulfilled all the required procedures on obtaining licenses, both for its ordinary activity and for other activities practised by the Issuer and subject to licensing.

Thus, risks connected with re-issuance of licenses are estimated as insignificant.

Risks connected with possible responsibility of the Issuer under the debts of third parties, including the Issuer’s subsidiaries:

At present the Issuer is not exposed to liability under debts of third parties.

Risks connected with possible responsibility of the Issuer under the debts of third parties are estimated by the Issuer’s management as unimportant.

Attachment for debts of JSC “Kubanenergo” powers of the sole executive body on which are delegated to JSC “IDGC of the South” can only take place on the basis and in order stated by the current legislation of the RF, namely art. 71 of Federal Law dd 26.12.1995 No208-Φ3 “On Joint-Stock Companies”. Moreover, indispensable condition of prosecuting JSC “IDGC of the South” is presence of guilty actions (omission). Probability of such risks occurrence is low.

Risks connected with possibility to lose customers turnover with whom makes at least 10 percent of the total product (works, services) sales revenue of the Issuer:

As the outside organizations have no alternative grid equipment and qualified personnel (for its maintenance and repairs), this risk can be estimated as insubstantial.

### III Detailed information on the Issuer

#### 3.1 ESTABLISHMENT HISTORY AND DEVELOPMENT OF THE ISSUER

##### 3.1.1 Data on the company name (name) of the Issuer:

Full company name of the Issuer:

-in Russian: **Открытое акционерное общество “Межрегиональная распределительная сетевая компания Юга”**

-in English: **“Interregional Distributive Grid Company of South”, Joint Stock Company.**

Short company name of the Issuer:

- in Russian: **ОАО “МРСК Юга”**,

- in English: **“IDGC of the South”, JSC.**

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

- 1) “Interregional Distributive Grid Company of the Centre and Privolzhie”, Joint Stock Company (“IDGC of the Centre and Privolzhie”, JSC);
- 2) “Interregional Distributive Grid Company of the Urals”, Joint Stock Company (“IDGC of Urals”, JSC);
- 3) “Interregional Distributive Grid Company of Volga”, Joint Stock Company (“IDGC of Volga”, JSC);
- 4) “Interregional Distributive Grid Company of the Centre”, Joint Stock Company (“IDGC of the Centre”, JSC);
- 5) “Interregional Distributive Grid Company of the Northern Caucasus”, Joint Stock Company (“IDGC of the Northern Caucasus”, JSC);
- 6) “Interregional Distributive Grid Company of Siberia”, Joint Stock Company (“IDGC of Siberia”, JSC);
- 7) “Interregional Distributive Grid Company of the Northwest”, Joint Stock Company (“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 Privolzhie, the Urals, Volga, the Northern Caucasus, Siberia,



the Northwest.

Besides, it became known from the Internet information that the Issuer's name is similar to short names of other juridical bodies, namely “IRIC”, JSC<sup>1</sup> (Interbank Regional Insurance Company”), Limited liability company (OOO) “MPCK”<sup>2</sup>. In order not to confuse the Issuer's name with that of other companies, one must pay attention to the companies' form of incorporation and full company names.

The Issuer's company name has not been registered as trademark or service mark.

The Issuer's full and short company names as well as its legal organizational form have not changed throughout the company's lifetime.

### 3.1.2 Data on state registration of the Issuer

Primary state registration number of a corporate body (PSRN)	<b>1076164009096</b>
Date of state registration	<b>June 28, 2007</b>
Name of the registering authority in accordance with the data fixed in the certificate on making an entry in the Unified state register of legal entities	<b>Federal Tax Service Office in the Leninskiy district, Rostov-on-Don</b>

### 3.1.3 Data on establishment and development of the Issuer

The Issuer's lifetime from the registration date till the end of the accounting period: **2 (two) years**.

The Issuer is established without limitation as to time.

Short establishment history and development of the Issuer

Restructuring process in the electric power industry began in 2000 with working out the strategy of reforming by “RAO UES of Russia”, JSC.

Goals and objectives of reorganization in the electric power industry are determined by Executive order of the Government of the Russian Federation dated 11.07.2001 No.526 “On Reforming Electric Power System of the Russian Federation”. The goals and objectives with reference to subsequent changes in the regulatory environment are further specified in the “Strategic Framework of JSC RAO “UES of Russia” for 2005-2008 “5+5” approved by Board of Directors of JSC RAO “UES of Russia” (Minutes of meeting dd 23.05.2003 No.143).

Strategic objective of the industry's restructuring consists in turning the electric power industry to steady growth on the basis of using advanced technologies and market approach to performance, and thus providing reliable, economically effective

---

<sup>1</sup> Translator's note: In Russian spelling the company names coincide: “MPCK”, OAO

<sup>2</sup> Translator's note: Spelt in Russian.

satisfaction of payable demand for electric and thermal power both in the short and the long terms.

Electric power enterprises efficiency enhancement and creating conditions for the industry's development on the basis of private investment made key goals of the industry's restructuring.

In April of 2007 Board of Directors of RAO “UES of Russia” (Minutes of meeting dd 27.04.2007 No.250) decided to approve the structure of Interregional Distributive Grid Companies (IDGCs), determined composition of the distribution grid companies (DGCs) forming IDGC structure and the level of RAO “UES of Russia”, JSC participation in three newly established IDGCs, including “IDGC of the South”, JSC.

**On June 28, 2007 JSC “IDGC of the South” was registered on the basis of the decision of the sole founder – JSC RAO “UES of Russia” (Executive order of JSC RAO “UES of Russia” dd 22.06.2007 No192p).**

Following the decision of Board of Directors of JSC RAO “UES of Russia” (Minutes of meeting dd 27.04.2007 No.250), JSC, RAO “UES of Russia” and JSC “FGC UES” (“Federal Grid Company Unified Energy Systems) issued a joint Executive order dd 29.06.2007 No203p/217p on assignment of responsibility to General Directors of IDGCs for operation of subordinate juridical bodies.

JSC “IDGC of the South” Chief Executive Officer was assigned responsibility by the executive order for operation of the following DGCs: JSC “Astrakhanenergo”, JSC “Volgogradenergo”, JSC “Kubanenergo”, JSC “Rostovenergo”, JSC “Kalmenergo”.

In August and September of 2007, with the purpose of management efficiency upgrading in the abovementioned DGCs ensuing the decisions of extraordinary General Shareholders Meetings, JSC “IDGC of the South” was delegated the functions of the DGCs' sole executive authorities.

On December 25, 2007 Management Board of JSC RAO “UES of Russia” fulfilling functions of an extraordinary General Shareholders Meeting of JSC “IDGC of the South” (Minutes No1795np/6), made the following decision: to reorganize JSC “IDGC of the South” in the form of incorporating JSC “Astrakhanenergo”, JSC “Volgogradenergo”, JSC “Kubanenergo”, JSC “Rostovenergo”, JSC “Kalmenergo”; to approve the agreement on joining of JSC “Astrakhanenergo”, JSC “Volgogradenergo”, JSC “Kubanenergo”, JSC “Rostovenergo”, JSC “Kalmenergo” to JSC “IDGC of the South”; to increase authorized capital of JSC “IDGC of the South” by placing supplement ordinary shares totaling 80 789 200 000 shares with nominal value 10 kopecks each for the total sum of 8 078 920 000 rubles at nominal value, placement method – conversion to the shares of companies incorporated.

On January 18, 2008 ensuing extraordinary General Shareholders Meetings of the five mentioned DGCs, decisions were taken to restructure the companies in the form of joining JSC “IDGC of the South”.

On March 31, 2008 restructuring of JSC “IDGC of the South” in the form of accession of JSC “Volgogradenergo”, JSC “Kalmenergo”, JSC “Rostovenergo”, JSC

“Astrakhanenergo” was concluded; records were made in the Unified State Register of Legal Entities on termination of activities of affiliated companies.

Since March 31, 2008 JSC “IDGC of the South” began functioning as a joint operating company.

Restructuring of JSC “Kubanenergo” was ceased.

On March 06, 2008 the shareholder of JSC “Kubanenergo” “Neft-Aktiv”, LLC, brought suit against JSC “Kubanenergo”, its registrar “CMD” (“Central Moscow Depositary”), JSC, and “IDGC of the South”, JSC.

By the decision of Moscow arbitration court as of 11.06.2008 confirmed by acts of higher courts, the claims are partly satisfied (a number of documents are nullified), namely: the decision of the extraordinary General Shareholders Meeting of JSC “IDGC of the South” as of January 18, 2008, agreement as of December 03, 2007 in part of accession of JSC “Kubanenergo” to JSC “IDGC of the South”, and delivery and acceptance act on delegation of rights and obligations of JSC “Kubanenergo” to JSC “IDGC of the South” as of 03.12.2007.

At present, the Company fulfills functions of the sole executive body in relation to JSC “IDGC of the South”.

Key strategic goal of JSC “IDGC of the South” consists in enhancing operational efficiency of the distributive electric grid complex, its development, providing customer power supply of maximum reliability, increasing the Company's market capitalization, improving its investment attractiveness.

**To achieve this, the following principal strategic sectors are singled out:**

- distributive electric grid complex operational reliability and quality improvement;
- business value enhancement of JSC “IDGC of the South”;
- practising client centred approach in activities of JSC “IDGC of the South”;
- providing technological business process organization efficiency on the level of world-best experience;
- building a unified integrated high-tech management system of JSC “IDGC of the South”;
- upgrading the overall human resources management system of JSC “IDGC of the South”.

The Issuer's goals in the spheres of quality, ecology, health care and labour security for 2009:

1. To bring the Company's management system to conformity with international standards ISO 9001:2008 (GOST R ISO (national standard) 9001-2001), ISO

14001:2004 (GOST R ISO (national standard) 14001-2007), OHSAS 18001:2007. In quarter II of 2009 strategic standards of the organization and procedure rules of the main business processes were approved.

2. To increase the level of customer satisfaction by way of improving service maintenance through setting up at least 5 new customer service centres.

3. To improve customer power supply reliability through:

- investment programme fulfillment assurance;
- equipment repair schedules implementation;
- upgrading the level of the Company personnel's professional competence.

4. Reducing the annual level of professional traumatism and illness of the Company's personnel through:

- identifying and assessing health care and labour security risks in accordance with requirements of the standard OHSAS 18001;
- working out and implementing the Programme on predicting and mitigating risks in the spheres of health care and labour security;
- assessment of workplaces with respect to working conditions and further vetting the works as for work safety;
- providing necessary individual protection gear, special clothes and footwear for the Company's personnel;
- sanitary and residential, medical and preventive provision of the Company's personnel in accordance with sanitary and hygienic norms and labour safety rules;
- carrying out medical examinations, vaccinations.

5. To reduce negative influence on the environment by carrying out activities aimed at cutting back hazardous waste formation;

6. To improve management of environment protection through introducing ecological management system and instructing the personnel;

7. To conform to the requirements of the present environmental legislation of the RF through obtaining authorizations in due time, paying fee for negative impact on the environment, carrying out ecological operational control, monitoring and internal auditing.

**The main goal of JSC “IDGC of the South” operations is gaining profit, which is possible to achieve for the Company with the following priority areas of activity and strategic objectives, given current conditions:**

- demand satisfaction and accumulation of reserve of electric powers within the scope of economic development for 3-5 years;
- lowering the Company's facilities run-out to the level of world leaders;
- providing quality and reliable customer electric power supply;
- providing the Company's operational efficiency indicators at the level of world market leaders among similar electric grid companies;
- providing stable profitability the level of the Russian Federation resident companies with similar market risks by 2015;
- providing the Company's capitalization growth up to the level of similar companies from countries of the same stage of economic development;
- increasing investment attractiveness of JSC “IDGC of the South” securities.

In order to provide reliable power supply services, JSC “IDGC of the South” carries out works on capital construction, technological re-equipment, renovation and repairs of the Company's electric power facilities.

Mission of JSC “IDGC of the South” consists in the living standards increase of JSC “IDGC of the South” electric grid complex service zone population, by way of sustainable long-term electric power demand satisfaction on the basis of reliable, safe and ecofriendly power supply with minimum loads on natural resources.

Acknowledging the responsibility, the Company's management determines its aim in the field of creating an efficient management system as achieving sufficient level of service rendered on transmitting electric power to satisfy customer requirements and provide stable profits allocated at securing the Company's shareholders' and personnel demands, with corresponding health care and labour safety assurance, for making the environment-friendly output expansion.

#### **3.1.4 Contact information**

The Issuer's location: **49 Bolshaya Sadovaya Str., Rostov-on-Don, Russian Federation, 344002**

Postal address: **327 Severnaya Str., Krasnodar, Russian Federation, 350015**

Telephone: **(861) 279-85-29**

Fax: **(861) 279-85-54**

E-mail address: **[kuznecovaln@mrsk-yuga.ru](mailto:kuznecovaln@mrsk-yuga.ru)**

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

Data on the Issuer's specialized division for shareholders: **Securities and shareholders division of the Corporate Management Department of JSC “IDGC of the South”.**

Location: **Room 627, 327 Severnaya Str., Krasnodar, Russian Federation, 350015**

Contact persons: **head of the section Yurchenko Anna Ivanovna**

Telephone/ fax number: **(861) 279-85-38**

E-mail address: **yurchenkoai@mrsk-yuga.ru**

Specialist of the section: **Luneva Olga Sergeevna**

Telephone/ fax number: **(861) 279-85-36**

E-mail address: **lunevaos@mrsk-yuga.ru**

### **3.1.5. Taxpayer's Identification Number: 6164266561**

### **3.1.6 Branches and regional offices of the Issuer**

<b>Branch name</b>	<b>Opening date of branch office</b>	<b>Location of the branch</b>	<b>Name of the branch manager</b>	<b>Terms of warrant of the branch managers</b>
JSC “IDGC of the South” branch – “Astrakhanenergo”	31.03.2008	32 Krasnaya Naberezhnaya Str., Astrakhan, 414000	Stolyarov Mikhail Nikolaevich	since 22.12.2008 until 31.12.2009
JSC “IDGC of the South” branch – “Volgogradenergo”	31.03.2008	15 prospekt Lenina, Volgograd, 400066	Bibin Yevgeny Alekseevich	since 22.12.2008 until 31.12.2009
JSC “IDGC of the South” branch – “Kalmenergo”	31.03.2008	Northern industrial zone, Elista, Republic of Kalmykia, 358007	Alayev Timur Ulyumdzhievich	since 15.12.2008 until 31.12.2009
JSC “IDGC of the South” branch – “Kubanenergo”	Not in operation	2 Stavropolskaya Str., Krasnodar, Russian Federation, 350033	Pestov Dmitry Vladimirovich	since 22.12.2008 until 31.12.2009
JSC “IDGC of the South” branch – “Rostovenergo”	31.03.2008	49 Bolshaya Sadovaya Str., Rostov-on-Don, 344002	Skorikov Sergey Vladimirovich	since 22.12.2008 until 31.12.2009

## **3.2 ORDINARY ECONOMIC ACTIVITIES OF THE ISSUER**

### **3.2.1 Company's industry of the Issuer**

Code numbers of the main sectors of the Issuer's activity according to the Russian national classifier of economic activities (RNCEA):

**40.10.2 - electric power transmission;**

**40.10.3 - electric power distribution;**

**40.10.5 - activities on providing electric grids operability;**

**74.14 - consulting on matters of commercial activity and management;**

**74.15.2 – management activities of holding companies;**

**64.20.11 – activities in telephony.**

**3.2.2 Ordinary economic activities of the Issuer**

JSC “IDGC of the South” carries out the following activity which provides at least 10 percent of the Issuer’s revenue (profits) for each accounting period:

Item description	Quarter II of 2008	Quarter II of 2009
Electric power transmission		
Profit on electric power transmission service, rubles in thousands	3 381 119	4 360 770
Share in total profit, %	91,3	93,2

The Issuer’s ordinary economic activity is not seasonal.

**Structure of cost of production of the Issuer**

Items of expenditure	Quarter I of 2009	Quarter II of 2009
Raw materials and supplies, %	2,5	3,9
Purchased component parts, intermediates, %	1,7	3,0
Production works and services from outside organizations, %	33,2	38,7
Fuel expenses, %	0,9	1,0
Power, %	26,0	15,0
Labour costs, %	17,3	18,8
Rent, %	0,3	0,4
Social expenses, %	4,4	4,6
Fixed assets depreciation, %	11,7	13,4
Taxes included on production cost, %	0,5	0,6
Other expenses, , %, inclusive:	4,1	4,6
intangible assets depreciation, %	0,0	0,0
remuneration for rationalization proposals, %	0,0	0,0
obligatory insurance payments, %	0,01	0,1
expenses representation, %	0,00	0
other, %	4,0	4,5
Total: production and sales-related costs (works, services) (cost of production), %	100,0	100,0
For reference: Sales revenue (works, services) to production cost ratio, %	102,1	124,5

**Accounting reporting on the basis of which calculations were made conforms to the current accountancy requirements of the Russian Federation:**

- Federal Law of the Russian Federation “On Book Keeping” as of 21.11.1996 No129-Φ3;
- Regulations on conducting book keeping and accounting reporting in the Russian Federation approved by order of the Ministry of Finance of the Russian Federation as of 29.07.1998 No.34H;

- Tax Code of the Russian Federation;
- Chart of accounts for book keeping on financial and economic activity of the enterprises approved by order of the Ministry of Finance of Russia as of 31.10.2000 No.94H, and instruction on its implementation, revised and expanded;
- Order of the Ministry of Finance of the Russian Federation as of 22.07.2003 No.67H “On forms of book keeping reports in organizations”;
- Standards on book keeping and taxation.

**Indicators disclosed additionally in accordance with “Regulations on the information policy of the “IDGC of the South”**

Installed capacity and asset characteristics (data on transformer plants (TPs) and electric power transmission lines) as of 30.06.2009

Indicator	Measurement unit	Total	JSC “IDGC of the South” branch – “Astrakhanenergo”	JSC “IDGC of the South” branch – “Volgogradenergo”	JSC “IDGC of the South” branch – “Kalmenergo”	JSC “IDGC of the South” branch – “Rostovenergo”
Number and capacity of TPs 35-220 kWt, total	pcs	1 217	135,0	396	117,0	569
	MVA	18 178,2	2 031,8	6 482,4	1 111,0	8 553
incl. TPs 220 kW	pcs	4	0	2	2,0	
	MVA	516,5	0,0	126,0	390,5	
TPs 110 kW	pcs	635	89	260,0	46,0	240
	MVA	14 412,3	1675	5 565,6	511,0	6660,7
TPs 35 kW	pcs	578	46	134	69,0	329
	MVA	3 259,1	356,8	790,8	209,5	1902,0
Length of HVL, total	km	156 974,0	19 995	45 845,0	18 904,03	72 230,0
Length of HVL 35-220 kW	km	27 559,9	3 029,6	8 899,0	4 154,3	11 477,0
incl. HVL 220 kW	km	386,2		141,0	245,2	
HVL 110 kW	km	15 693,9	2 439,5	5 987,0	1 955,4	5 312,0
HVL 35 kW	km	11 479,8	590,1	2 771,0	1 953,7	6 165,0
Length of HVL 0,38-10 kW	km	129 413,2	16 965,4	36 946,0	14 748,8	60 753,0
incl. HVL 10 kW	km	72 684,8	9 717,8	21 298,0	11 885,0	29 784
HVL 6 kW	km	3 867,1	1 101,1	927,0	0,0	1 839,0
HVL 0,38 kW	km	52 861,3	6 146,5	14 721,0	2 863,8	29 130,0
Length of CL, total	km	1 670,5	814,3	368,6	0,93	486,7
incl. CL 110-35 kW	km	84,7	0,0	0,0	0,0	84,7
CL 10-0,38 kW	km	1 585,8	814,3	368,6	0,93	402,0
Number and capacity of TS 6,10/0,38 kW	pcs	30 985	3 622	10 460,0	3 110,0	13 793
	MVA	4 868,6	757,05	1 822,0	311,27	1978,3

**Information on electric power transmission tariffs and fees for technological connection to distributive grid**

By order of Federal tariff service of the Russian Federation as of June 16, 2008



No.208-э, JSC “IDGC of the South” is included on the register of natural monopoly holders in the fuel and energy complex subject to state regulation and control by way of electric power transmission and customer technological connection to electric power grid service tariff setting.

### Information electric power transmission services

In accordance with the current legislation of the Russian Federation, electric power transmission services tariff rate is set individually by regulatory authorities in each region:

#### Tariffs for JSC “IDGC of the South” branch - “Rostovenergo”

Tariffs		High voltage	Medium voltage-1	Medium voltage -2	Low voltage
“Boiler” tariffs approved by decree of Regional tariffs service No.14/3 as of 26.12.2008	Rate (tariff) for electric power grids maintenance (rub/MW/months)	252 085,98	391 628,90	414 019,97	437 422,70
	Rate (tariff) for technological consumption (losses) of electric power at transmission via grid (rub/MWh)	628,24	589,07	113,15	380,82
	TOTAL, rub/MWh	1 027,77	1 681,45	952,10	1 303,10

#### Tariffs for JSC “IDGC of the South” branch - “Volgogradenergo”

Tariffs		High voltage	Medium voltage-1	Medium voltage -2	Low voltage
“Boiler” tariffs set by Decree of Regional directorate for tariffs of the Volgograd area administration as of 24.04.2009 No.12/2	Rate (tariff) for electric power grids maintenance (rub/MW/months)	268 963,11	533 217,85	638 340,93	907 151,25
	Rate (tariff) for technological consumption (losses) of electric power at transmission via grid (rub/MWh)	21,33	113,45	132,18	478,3
	TOTAL, rub/MWh	413,52	843,89	1835,45	2081,76
	Population				
	TOTAL, rub/MWh	355,95	355,95	355,95	355,95

#### Tariffs for JSC “IDGC of the South” branch - “Kalmenergo”

Tariffs	High voltage	Medium voltage-1	Medium voltage-2	Low voltage	Low voltage-urban populat. VAT inclusive	Low voltage-rural populat. VAT inclusive
---------	--------------	------------------	------------------	-------------	--	--

“Boiler” tariffs set by Order of Regional tariffs service, Regional committee as of 16.12.2008 No.88-п/э	Rate (tariff) for electric power grids maintenance (rub/MW/months)	655 666,06	842 754,17	862 573,17	1 089 702,67	500 201,76	173 681,98
	Rate (tariff) for technological consumption (losses) of electric power at transmission via grid (rub/MWh)	1 259,28	1 618,61	1 656,66	2 092,90	1 133,62	393,62
	Rate (tariff) for technological consumption (losses) of electric power at transmission via grid (rub/MWh)	52,97	93,64	165,59	269,35	317,84	317,84
	TOTAL, rub/MWh	1 312,25	1 712,25	1 822,25	2 362,25	1 451,46	711,46

**Tariffs for JSC “IDGC of the South” branch - “Astrakhanenergo”**

Tariffs		High voltage	Medium voltage-1	Medium voltage -2	Low voltage
“Boiler” tariffs set by Decree of Regional directorate for tariffs of the Astrakhan area administration as of 16.10.2008 No79	Rate (tariff) for electric power grids maintenance (rub/MW/months)	126 178,62	163 657,87	321 658,57	471 240,12
	Rate (tariff) for technological consumption (losses) of electric power at transmission via grid (rub/MWh)	192,9	228,45	278	109,5
	TOTAL, rub/MWh	427,74	548,56	853,96	995,92

In 2009, the unified (“boiler”) method of electric power transmission service tariff calculation is used in the service area of the Issuer’s branches

In order to put the “boiler” system (top-down “boiler”, bottom-up “boiler”) to practice, basic models of cooperation between grid organizations and consumers of all levels are implemented (supply companies, guarantee suppliers).

Peculiarity of the “boiler” consists in providing all users (supply companies, guarantee suppliers) of the same voltage class with unified tariff electric power transmission regardless of the organization of their grid attachment.

Since the beginning of 2009, long-term electric power transmission service tariffs are used on the territory of the Astrakhan and Rostov areas, calculated on the basis of RAB method (invested capital profitability estimate).

**“Boiler” pattern in JSC “IDGC of the South” branches approved by regulatory authorities in 2009**

Item number	Branch names of JSC “IDGC of the South”	“Boiler” pattern	“Boiler” description
1	“Astrakhanenergo”	Top-down “boiler”	“Boiler” holder – “Astrakhanenergo”. “Astrakhanenergo” accumulates the whole of required gross revenue (RGR) of the grid from all PSCs of the region and pays for

			transfer via TGO grid.
2	“Volgogradenergo”	Distributing “boiler”	Since 01.05.2009 an new “boiler” model is in operation in the region. According to the new scheme of relationship between energy market subjects, JSC “IDGC of the South” branch “Volgogradenergo” and several other grid companies are recognized as revenue recipients. JSC “IDGC of the South” branch “Volgogradenergo” receives grid revenues from key consumers (or their supply companies) for productive supply of end-users, from JSC “Volgogradenergosbyt” – for productive supply of its end-users and for productive supply of JSC “Rusenergosbyt” at “boiler” tariffs regardless of the organizations of their attachment, from Common-receiver point grid (Municipal unitary industrial enterprise “Volgograd Interdistrict Electric Power Grid”) for supply from the grid of JSC “IDGC of the South” branch “Volgogradenergo”, exclusive of net power flow to another grid, at individual tariffs.
3	“Kalmenergo”	Bottom-up “boiler”	“Kalmenergo” receives revenue for productive supply of JSC “Kalmenergosbyt” users attached to “Kalmenergo” grid and for supply at individual tariffs from “Kalmenergo” grid in TGOs.
4	“Rostovenergo”	Top-down “boiler”	Two “boilers”. There are two significant grid companies “boiler”-holders in the region: “Rostovenergo” and JSC “Donenergo”. “Rostovenergo” accumulates its part of grid “boiler” from all PSCs and JSC “Donenergo” and then transfers part of the grid revenue to its subordinate AGOs at individual tariffs. JSC “Donenergo” accumulates its part of the grid “boiler” and transfers part of the revenue to “Rostovenergo” and subordinate TGOs at individual tariffs.

**Abbreviations used:** PSC – Power supply company; TGO – Territorial grid organization; AGO – Associated grid organization.

Data on electric power transmission for quarter II of 2009:

Branch names of JSC “IDGC of the South”	Grid output	Productive supply	General power loss	
	kWh in thousands	kWh in thousands	kWh in thousands	%
“Astrakhanenergo”	802 546	647 523	155 023	19,32
“Volgogradenergo”	3 371 802	3 244 075	127 727	3,79
“Kalmenergo”	99 720	83 332	16 388	16,43
“Rostovenergo”	2 996 080	2 780 933	215 147	7,18
<b>TOTAL in JSC “IDGC of the South”</b>	<b>7 270 148</b>	<b>6 755 863</b>	<b>514 285</b>	<b>7,07</b>

**Note:** Grid output – electric power volume delivered to the electric grid 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.

As the result of JSC “IDGC of the South” activities in quarter II of 2009 with grid output of **7 270,1** mln kWh productive output achieved **6 755,9** mln kWh. Actual loss in quarter II of 2009 equaled **514,3** mln kWh or **7,07 %** from the grid output.

**Total of services rendered in quarter II of 2009:**

Item number	Indicator	Measurement units	Plan for quarter II of 2009	Actual for quarter II, 2009	Deviations, %
1	Total of services rendered, including:	KWh in mln	7 337,6	6 723,7	-8,4
	“Astrakhanenergo”	kWh in mln	707,0	647,5	- 8,7
	“Volgogradenergo”	kWh in mln	3 625,9	3 237,9	-10,7

	“Kalmenergo”	kWh in mln	83,0	83,3	0,4
	“Rostovenergo”	kWh in mln	2 921,7	2 755,0	-5,7
<b>2</b>	<b>Revenues, including:</b>	<b>rubles in thousands</b>	<b>4 391 794,8</b>	<b>4 360 770,3</b>	<b>-0,7</b>
	“Astrakhanenergo”	rubles in thousands	630 642,7	489 586,4	- 22,4
	“Volgogradenergo”	rubles in thousands	1 592 879,0	1 881 403,2	18,1
	“Kalmenergo”	rubles in thousands	96 015,7	93 827,9	-2,3
	“Rostovenergo”	rubles in thousands	2 072 257,4	1 895 952,8	-8,5

In quarter II of 2009 electric power transmission services rendered in branches of JSC “IDGC of the South” totaled **6 723,8** mln kWh, which is lower than the plan figure of **7 337,6** mln kWh by **8,4%**. It is connected with the reduction in electric power consumption of the key industrial users caused by the economic situation in the country.

Transmission sales revenue for quarter II of 2009 was **4 360,8** rubles in mln.

According to accounting data for quarter II of 2009, the Issuer has **42** service users on service contracts for power transmission, with the following structure: “Astrakhanenergo” – 4, “Volgogradenergo” – 19, “Kalmenergo” – 10, “Rostovenergo” – 9. The key users are:

1. Power supply companies – wholesale and retail market agents who carry out activities on electric power sales to end-users connected to power grid of the Company's branches and other grid organizations' networks (“Astrakhan Power Supply Company”, JSC, “Volgogradenergosbyt”, JSC, “Kalmenergosbyt”, JSC, “Energosbyt Rostovenergo”, JSC, “Nizhnovatomenergosbyt”, JSC, “Rusenergosbyt”, LLC and others);
2. A number of independent regional generation companies (isolated generating plants) (isolated generating plants) (“Novocherkassk Synthetics Enterprise”, JSC (generator), “Wholesale Electric Company”, JSC, “Kaustik”, JSC, “Lukoil-Nizhnevolzhskneft”, LLC, “Volgogradtransgaz”, LLC);
3. Local grid organizations – retail market agents (“Donenergo”, JSC; “VIPG” (Volgograd interdistrict power grid) MUE (Municipal unitary enterprise), “Volgogradoblelectro” JSC, “VIPG” MFE (Municipal fiscal enterprise) since 01.05.2009).

The Company's receivers of technological connection to grid branches service are any juridical or physical persons interested in technological connection to the Company's grid branches who applied for technological connection specifications.

## Information on technological connection tariffs

In accordance with the current legislation of the Russian Federation, the amount of fee for technological connection is set by the regulation authorities independently for each region. As there is no unified methodology, the order of technological connection tariff implementation as well as tariff differentiation criteria, the Company's branches differ in the form of tariffs differentiation.

### Tariff menu of technological connection

Branch names of JSC “IDGC of the South”	Date of tariff decision	Connection category		Fee, rub. For 1 kV, without VAT
		Power range, kW	Voltage level in the point of connection, kV	
Branch of JSC “IDGC of the South” – “Volgogradenergo”	Decree of Regional directorate for tariffs of the Volgograd area administration as of 04.06.2008 No.17/3 (amended by Decree of Regional directorate for tariffs of the Volgograd area administration as of 22.07.2009 No20/1)	For connecting the users’ power receivers if it is technically possible		
		“City zone” (Volgograd)		
		lower than 100 kW	0,4	1778,23
		higher than 100 kW	0,4	93,17
		lower than 100 kW	6-10	544,23
		from 100 to 750 kW	6-10	211,54
		higher than 750 kW	6-10	93,98
		“Area zone” (the Volgograd area, except for Volgograd)		
		lower than 100 kW	0,4	1847,99
		higher than 100 kW	0,4	90,43
		lower than 100 kW	6-10	510,09
		from 100 to 750 kW	6-10	192,76
		higher than 750 kW	6-10	110,82
		For connecting the users’ power receivers in view of necessity to construct new feeders and modernize the existing feeders of the Grid organization if it is technically impossible		
		“City zone” (Volgograd)		
		other users of the technological connection services		3834,69
		“Area zone” (the Volgograd area, except for Volgograd)		
		other users of the technological connection services		2119,62
		For connecting the users’ power receivers in view of necessity to construct new feeders and modernize the existing feeders of the Grid organization if it is technically impossible		
		“City zone” (Volgograd)		
		lower than 100 kW	0,4	2312,85
		higher than 100 kW	0,4	9206,63
		lower than 100 kW	6-10	3340,04
		from 100 to 750 kW	6-10	5297,58
		higher than 750 kW	6-10	5519,84
		“Area zone” (the Volgograd area, except for Volgograd)		
		lower than 100 kW	0,4	2 925,3
		higher than 100 kW	0,4	7 543,86
		lower than 100 kW	6-10	3 470,74
		from 100 to 750 kW	6-10	5 565,46
		higher than 750 kW	6-10	5 531,62
		For the physical and juridical persons’ consumption for public living needs with connection capacity of at least 15 kW	For connection	466,1
		Fee rates for technological connection to electric power grids of subordinate associated TGOs if it is technically possible		
		Municipal fiscal enterprise “Volzhskiy interdistrict electric power grids”	Applicants for technical attachment to TGO grid with connection load higher than 15 kW	102,27
		JSC “Volgogradoblectro”		102,27
		Municipal unitary industrial enterprise “Volgograd interdistrict electric power grids”		220,6
Fee rates for technological connection to electric power grids of subordinate associated TGOs if it is technically impossible in view of necessity to construct new feeders and modernize the existing feeders				
Municipal fiscal enterprise “Volzhskiy interdistrict electric power grids”	Applicants for technical attachment to TGO grid with connection load higher than 15 kW	2 119,62		
JSC“Volgogradoblectro”		2 119,62		
Municipal unitary industrial enterprise “Volgograd interdistrict electric power grids”		3 834,69		

<b>“Astrakhanenergo” Branch of “IDGC of the South”, JSC –</b>	Decree of Tariff service as of 10.09.2008 No.25 (amended by Decree as of 15.04.2009 No.9)	from 16 to 30	fewer than 1	240
		from 30 to 100	fewer than 10	67
		from 100 to 750	6-35	19
		higher than 750	6-36	4
		For applicants – juridical bodies (noncommercial organizations) for supply of citizens-members of this organization, calculated by common meter at switching over *		466,1*N
<b>“Kalmenergo” Branch of “IDGC of the South”, JSC –</b>	Order of Regional tariffs service, Regional committee as of 17.02.2006 No.23-п/э, renewed by order No.29-п/э as of 08.04.2008	Applicant for tech. connection with maximum connection capacity of 15 kW or less	For connection	466,1
		For physical persons with connection load higher than 15 kW, and juridical bodies connected at 0,4-10 kW – fee rate for technical connection to electric power grid	0,4-10 kW	126,98
	Order of Regional tariffs service, Regional committee as of 21.07.2009 No.56-п/э	For applicants with maximum capacity of 15 kW or less (with regard to capacity of earlier connections in this connection point) and the distance from the Applicant's borders to the power grid facilities of “Kalmenergo” branch of “IDGC of the South”, JSc not more than 300 metres in cities and urban settlements and not more than 500 metres in rural areas	0,4-10 kW	466,1
<b>“Rostovenergo” Branch of “IDGC of the South”, JSC –</b>	Decree of Regional tariffs service in the Rostov area as of 27.05.2009 No.7/1	3 reliability category	Medium voltage 2 (6-10 kW)	14 615,4
			Low voltage (0,4 kW)	18 639,33
		For applicants – juridical bodies (noncommercial organizations) for supply of citizens-members of this organization, calculated by common meter at switching over		466,1*N
		Applicant for tech. Connection with maximum connection capacity not more than 15 kW	For connection	466,1

\*N – number of members (subscribers) of the organization, if connected

Data on technological connection of users to electric grid.

For quarter II of 2009, 3 808 applications were accepted for technological attachment to electric power grid of JSC “IDGC of the South” branches “Astrakhanenergo”, “Volgogradenergo”, “Rostovenergo” and “Kalmenergo” with total capacity of 205 764,92 kW.

Contracts concluded for technological connection - 2 739 pcs., with total capacity of 76 174,71 kW.

Attachments made - 2 254, with total capacity of 39 840,40 kW.

Branches of JSC “IDGC of the South”	Application accepted, pcs.	Total capacity, kW	Contracts concluded, pcs	Total capacity, kW	Attachments made, pcs	Total capacity, kW
<b>“Astrakhanenergo”</b>	814	30 315	461	15 982,40	623	15 961,70
<b>“Volgogradenergo”</b>	650	32 125,37	650	32 125,37	187	10 277,07
<b>“Kalmenergo”</b>	97	1 157,24	97	1 157,24	38	192,50

“Rostovenergo”	2 247	142 167,31	1 531	26 909,70	1 406	13 409,13
<b>Total in JSC “IDGC of the South”</b>	<b>3 808</b>	<b>205 764,92</b>	<b>2 739</b>	<b>76 174,71</b>	<b>2 254</b>	<b>39 840,40</b>

#### Quarterly operational results forecast and commentary

Repair-and-maintenance programmes of JSC “IDGC of the South” branches will be accomplished in accordance with approved working plans and schedules for quarter III. In accordance with business-plan for quarter III, the following costs are planned for repairs:

Branches of JSC “IDGC of the South”	TOTAL repairs of own property, rubles in thousands	Incl. overhaul, rubles in thousands	Incl. current repairs, rubles in thousands
“Astrakhanenergo”	57 512	49 757	7 755
“Volgogradenergo”	79 558	72 553	7 005
“Kalmenergo”	10 979	9 052	1 928
“Rostovenergo”	167 829	148 094	19 735
<b>Total for “IDGC of the South”</b>	<b>315 878</b>	<b>279 456</b>	<b>36 423</b>

#### 3.2.3 Materials, products (raw materials) and suppliers of the Issuer

The Issuer’s supplier who performed at least 10 percent of total supply in quarter II of:

Name: **Production commercial firm “Energosvyaz”;**

Location: **10 Radiatorny per., Rostov-on-Don, 344064.**

Percent in total supply: **22,54%.**

Changes of price for main materials and products (raw materials) in quarter II of compared to quarter II of 2008 did not go beyond 10%.

Percent of import in the Issuer material and product supply for the accounting quarter: less than 0,01 %.

Information on availability of materials (products, raw materials) in the future, and alternative sources

All the materials (goods, raw materials) purchased by JSC “IDGC of the South” in quarter II of 2009 are available, there exist alternative sources of all materials (goods, raw materials), at least 5 (five) suppliers for each item.

#### 3.2.4 Commodity markets of products (works, services) of the Issuer

Basic markets of the Issuer’s operation

The Company operates on the territory of 6 (six) constituent territories of the Russian Federation: the Astrakhan, the Volgograd, the Rostov areas, the Krasnodar region and the Republics of Adyghea and Kalmykia.

Issuer’s ordinary activity is rendering services of electric power transmission and technological connection of power receivers (electric power plants) of juridical and physical persons to electric power grid.

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 the 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 of JSC “IDGC of the South” branches are used by participants of wholesale and retail electric power markets. According to accounting data of quarter II of 2009, there 6 guarantee suppliers, 14 independent electric power supply companies, 12 “direct” users, 10 associated grid organizations. To ensure undiscriminated user access to the Company’s electric power transmission services and develop customer base, for 2009 campaigns are planned on closing direct contracts with users for transporting electric power.

General changes to legislation basis and absence of regional development programmes can possibly have negative impact on the volume and quality of services on technological connection of power receivers (electric power plants).

To reduce the impact of these factors, the Issuer conforms its development plans with development plans in the regions of its service area.

### 3.2.5 Data on the Issuer’s licenses

Activity for which the license was issued	License No.	Date of license issue	Term of license validity	Issuance authority
License to repair measurement devices	004288-P	24.01.2008	24.01.2013	Federal technical regulation and metrology agency
Construction of buildings and structures of the I and the II importance levels in accordance with the federal standard*	ГC-3-61-01-27-0-6164266561-020770-1	19.09.2008	19.09.2013	Federal state institution “Rosstroy” (Russian federal agency for construction) federal licensing centre (Branch in Southern federal district)
Design of buildings and structures of the I and the II importance levels in accordance with the federal standard*	ГC-3-61-01-26-0-6164266561-020771-1	08.09.2008	08.09.2013	Federal state institution “Rosstroy” (Russian federal agency for construction) federal licensing centre” (Branch in Southern federal district)
<b>License for the right to use subsurface mineral resources</b>				
Ground waters extraction for service-utility and production needs, planted land watering Transformer plant Kalinin of Sredneakhtubinskiy district	ВЛГ No.01549BЭ	26.05.2008	30.06.2011	Territorial administration for subsurface mineral resources in the Volgograd area
Ground waters extraction for service-utility and production needs, planted land watering workers settlement Log of Ilovipskiy district	ВЛГ No.01540BЭ	16.05.2008	01.01.2033	Territorial administration for subsurface mineral resources in the Volgograd area
Ground waters extraction for service-utility and production needs, planted land watering Transformer plant “Danilovka”	ВЛГ No.01550BЭ	26.05.2008	31.12.2010	Territorial administration for subsurface mineral resources in the Volgograd area
Purpose and class of work: Ground waters extraction for service-utility and production needs, planted land watering workers settlement Yelan of the Volgograd area	ВЛГ No.01547BЭ	26.05.2008	31.12.2010	Territorial administration for subsurface mineral resources in the Volgograd area
Industrial ground waters extraction for manufacturing facility technological supply from the well in khutor Novokuznetsov of Milyutinskiy district of the Rostov area	PCT 01958	29.12.2008	30.09.2012	Federal agency for subsurface use Department for surface use in Southern federal district
Technical ground waters extraction for public living needs of power engineering facilities from the well at the south-western end of the village Klyuchnikova Balka of Neklinovskiy district of the Rostov area	PCT 01956	29.12.2008	31.12.2010	Federal agency for subsurface use Department for surface use in Southern federal district
Underground potable water extraction for manufacturing facility public supply from the	PCT 01955	29.12.2008	31.12.2009	Federal agency for subsurface use Department for surface use in Southern



**“Interregional Distribution Grid Company of the South”, Joint Stock Company**

*TIN 616426656111*

well at the north-western end of the village Bolshaya Martynovka o Martynovskiy district of the Rostov area				federal district
Underground potable water extraction for manufacturing facility public supply from the well at the northern end of the village Zavetnoje of Zavetrinskiy district of the Rostov area	PCT 01953	29.12.2008	31.12.2009	Federal agency for subsurface use Department for surface use in Southern federal district
Underground potable water extraction for manufacturing facilities technological supply from the well in Volgodonsk of the Rostov area	PCT 01952	29.12.2008	28.12.2013	Federal agency for subsurface use Department for surface use in Southern federal district
Industrial ground waters extraction for manufacturing facility technological supply from the well in stanitsa Kalitvenskaya of Kamenskiy district of the Rostov area	PCT 01962	29.12.2008	31.10.2012	Federal agency for subsurface use Department for surface use in Southern federal district
Industrial ground waters extraction for manufacturing facility technological supply from the well in khutor Staraya Stanitsa of Kamenskiy district of the Rostov area	PCT 01957	29.12.2008	30.09.2012	Federal agency for subsurface use Department for surface use in Southern federal district
Industrial ground waters extraction for manufacturing facility technological supply from the well in khutor Golubinka of Belokalitvenskiy district of the Rostov area	PCT 01961	29.12.2008	31.10.2012	Federal agency for subsurface use Department for surface use in Southern federal district
Industrial ground waters extraction for manufacturing facility technological supply from the well khutor KolushkiNo.of Tarasovskiy district of the Rostov area	PCT 01960	29.12.2008	30.09.2012	Federal agency for subsurface use Department for surface use in Southern federal district
Industrial ground waters extraction for manufacturing facility technological supply from the well 2,5 km west from the periphery of Volgodonsk fo the Rostov area	PCT 01954	29.12.2008	31.12.2009	Federal agency for subsurface use Department for surface use in Southern federal district
Industrial ground waters extraction for manufacturing facility technological supply from the well in stanitsa Tatsinskaya of Tatsinskiy district of the Rostov area	PCT 01959	29.12.2008	30.09.2012	Federal agency for subsurface use Department for surface use in Southern federal district
<b>Licenses to carry out works connected with using data classified as state secret (related to DGC)</b>				
Carrying out works connected with using data classified as state secret in JSC “IDGC of the South” – “Astrakhanenergo”	191	03.02.2006-	Before obtaining license by JSC “IDGC of the South”.	Federal security service of the Russian Federation in the Astrakhan region
Carrying out activities and/ or rendering services on protecting data classified as the state secret in JSC “IDGC of the South” – “Astrakhanenergo”	232	09.02.2007	Before obtaining license by JSC “IDGC of the South”.	Federal security service of the Russian Federation in the Astrakhan region
Carrying out works connected with using data classified as state secret in JSC “IDGC of the South” – “Volgogradenergo”	205-П3	28.11.2000	Before obtaining license by JSC “IDGC of the South”.	Federal security service of the Russian Federation in the Volgograd region
Carrying out works connected with using data classified as state secret in JSC “IDGC of the South” – “Kalmenergo”.	63	13.02.2004	Before obtaining license by JSC “IDGC of the South”.	Federal security service of the Russian Federation in the Republic of Kalmykia
Carrying out works connected with using data classified as state secret in JSC “IDGC of the South” – “Kalmenergo”.	1052	17.08.2007	Before obtaining license by JSC “IDGC of the South”.	Federal security service of the Russian Federation in the Rostov region
<b>Licenses to provide communication services</b>				
Providing lease of communication channels in “Rostovenergo” branch of “IDGC of the South”, JSC	27261	23.10.2003	License is in the process of renewal	Federal Service for Supervision in the Sphere of Mass Communication, Communications and the Protection of Cultural Heritage
Services of local telephone communication, except for services of local telephone communication via public telephones and	52053	20.08.2007	License is in the process of renewal	Federal Service for Supervision in the Sphere of Mass Communication, Communications and the Protection of

electronic-sharing capabilities in “Rostovenergo” branch of “IDGC of the South”, JSC				Cultural Heritage
Providing lease of communication channels in “Volgogradenergo” branch of “IDGC of the South”, JSC	52443	31.08.2007	License is in the process of renewal	Federal Service for Supervision in the Sphere of Mass Communication, Communications and the Protection of Cultural Heritage
Services of local telephone communication, except for services of local telephone communication via public telephones and electronic-sharing capabilities in “Volgogradenergo” branch of “IDGC of the South”, JSC	43346	16.08.2006	License is in the process of renewal	Federal Service for Supervision in the Sphere of Mass Communication, Communications and the Protection of Cultural Heritage

\*- In connection with implementation of Federal Law “On Self-Regulatory Entities” No.315 –ФЗ dd 01.12.2007, licences are terminated on 31.12.2009.

At present the Company works at obtaining license to carry out activities with processing hazardous wastes.

The Issuer has all the licenses necessary for carrying out economic activity. In most licenses provision is made for license withdrawal in case of failure to fulfill license requirements, taxes and duties are not paid in time, regular information nonpresentation or any other obligations envisaged by the licenses are not observed.

In quarter II of 2009, there was no expenditure connected with obtaining software licenses.

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 connected with the Issuer’s operation.

### 3.2.6 Joint activity of the Issuer

As of 30.06.2009, long-term investments to joint activity amounted to **46 341** thousand rubles, including:

- according to contract No.28 dd 15.09.1993 JSC RAO RAO “UES” – legal successor JSC “IDGC Holding” - (construction and operation of Elistinskaya gas and steam turbine power station) - **39 318** thousand rubles;

- according to contract No.29 dd 15.09.1993 with JSC “Irganskaya Hydroelectric Power Station” – legal successor JSC “Rusgidro” (construction and operation of Kalmytskaya wind power station) - **7 023** thousand rubles.

Joint activity participant	Amount of investment as of 30.06.2009, rubles in thousands	Investment purpose (gaining profit, other purposes)	Financial result of the accounting quarter
JSC “Rusgidro”	<b>7 023</b>	Construction of generating capacities – experimental Kalmytskaya wind power station; Providing the Republic of Kalmykia with own power capacities; Using innovative renewable energy sources; Electric power energy production and gaining profit (income) from the sales	Construction was not completed
JSC “IDGC	<b>39318</b>	Construction of generating capacities –	Construction was not

Holding”		experimental Elistinskaya gas and steam tribune power station with capacity of 320 MV Electric power energy production and gaining profit (income) from the sales	completed
----------	--	--	-----------

Financial result gained: construction of Elistinskaya Gas and Steam Tribune Power Station and Kalmytskaya Wind Power Station was not completed, in which connection the Issuer gained no profit in the accounting period.

### 3.3 PLANS FOR FUTURE ACTIVITY OF THE ISSUER

Brief description of plans of JSC “IDGC of the South” concerning future activity and sources of future income, including plans for organizing new production, expanding or reducing production, updating and reconstructing fixed assets:

Plans of the Issuer’s future activity are determined by the goals and objectives of electric power grid complex of the Russian Federation. In 2006, Strategy of Distributive Grid Complex of Russia Development up to 2015 was started, its major goal being attraction of substantial investment to the distributive grid complex in view of impossibility to satisfy regional grid companies’ investment demands in the framework of the current regulating system.

Goals of the distributive grid complex reforming in part of providing power supply reliability:

- By 2015 – to reduce grid deterioration to the level of more mature economies: 50% (at present 70%);
- By 2015 – to accumulate reserve of electric powers so as to advance economy development for 3-5 years;
- By 2010 – to introduce economic responsibility of distributive grid companies for conforming to guaranteed reliability and service quality standards.

Goals of the distributive grid complex reforming in part of efficiency

- By 2015 – to bring distributive grid companies’ parameters of operational efficiency to the level of more mature economies with the help of economic incentives;
- By 2015 – to bring distributive grid companies to stable profitability at the level of the RF companies with the comparable market risks.

Goals of the distributive grid complex reforming in part of long term investment attractiveness:

- By 2010 – to increase distributive grid companies’ capitalization up to the level of companies carrying out similar activities in countries of the similar stage of economic development;
- By 2015 – bring the market value of distributive grid companies’ funds to the level of market value of companies carrying out similar activities in countries of the comparable

stage of economic development.

In order to achieve these goals, it is planned to make a number of changes in the operation of distributive grid complex in 2007-2009. First of all, it concerns building competitive market environment in the distributive grid complex for objective regulation of 11 operational IDGCs comparable in size. Second comes creating and implementing the system of regulation based on international experience (RAB-management). The third part is working out more effective mechanisms of the state control over such parameters of grid companies' work as reliability and quality of service.

Strategy of distributive grid complex of Russia development will be coherent with General Scheme of Electric Power Industry Objects Accommodation up to 2020 which stipulates creation of grid infrastructure providing full-fledged participation of the power companies in the market of electric power and capacity, and also strengthening of the intersystem connections that guarantee reliability of energy and power exchange among the regions of the Russian Federation.

Data on plans for ordinary service production of JSC “IDGC of the South”

New production organization, developing new product types, ordinary activity change are not planned by the Issuer.

The Company's electric power facilities develop in accordance with the approved scheme of perspective electric grid development and the requirements of specifications on organizing technological connection of the users to the Company's electric grid.

Data on plans for technological connection for new electric power users

The aim of activities on the Issuer's technological connection in the nearest future is satisfying the needs of South of Russia's growing economy in power capacities, transfer to the unified scheme of technological connection fee forming and implementing, and achieving the goal of common interest in setting users' technological connection to electric grid fee.

The following pilot projects on development of enterprises producing construction materials, goods and structures are being fulfilled in JSC “IDGC of the South” responsibility zone:

- Construction of building industry centre including an aircrete production plant, a silicate plant, a dry pack mortar plant (Ust-Labinsk, the Krasnodar region);
- Olympic objects construction;
- Construction of technological cement production line (JSC “Verkhnebakanskiy Cement Mill”, the Krasnodar region);
- On the territory of the Krasnodar region two projects on creating special economic zones are being carried out – SEZ “New Anapa” and SEZ “Azov City”;
- As part of carrying out of the social economic development programme, it is planned to

build up Novoaleksandrovskaya industrial zone and South-Eastern social zone of Azov in the Rostov area;

- In Rostov-on-Don a pilot project is in progress in the framework of the national project “Affordable and comfortable housing for the citizens of Russia” as part of the Federal special-purpose programme (FSPP) “Housing” for 2002-2010. Under the FSPP “Affordable housing” two plots are designated for the residential area “Leventsovskiy” which will include 11 urban districts;
- Under the auspices of the Federal special-purpose programme “Affordable housing”, the following programmes of gated community construction are being fulfilled in the Rostov area: in the Neklinovskiy district, village B. Martynovka, khutor Novomirskiy, village Peshkovo, village Kugey, stanitsa Yegorlykская, settlement Krasnogornyskiy.
- Technical re-equipment of long-panel construction industrial complex in Rostov-on-Don.

For each branch of JSC “IDGC of the South”, capital cost volumes are set for operations on substation construction, renovation and expansion of the existing substations with power transformers replacement, construction and renovation of high voltage electric power transmission lines in the framework of the investment programme.

Planned volume of JSC “IDGC of the South” investment for 2009-2013 is as follows:

Name of JSC “IDGC of the South” branch	Investments, rubles in thousands					
	2009	2010	2011	2012	2013	2009-2013
“Astrakhanenergo”	1 010 189	656 602	420 542	484 003	633 693	3 205 029
“Volgogradenergo”	672 768	1 185 323	771 571	870 779	1 079 694	4 580 135
“Rostovenergo”	32 898	70 796	64 592	64 592	64 592	297 470
“Kalmenergo”	3 553 426	4 490 103	1 779 777	1 912 846	2 260 029	13 996 181
Executive office	262 144	2 274	2 437	2 613	2 801	272 269
<b>Total for JSC “IDGC of the South”</b>	<b>5 531 425</b>	<b>6 405 098</b>	<b>3 038 919</b>	<b>3 334 833</b>	<b>4 040 809</b>	<b>22 351 084</b>

The programme should be realized according to the technical policy accepted by JSC “IDGC of the South” which in the field of electric grids is defined by the key strategic development goals of the unified national energy systems:

- building up grid and technological infrastructures enabling efficient functioning of the competitive electric power market inside the Russian Federation and ensuring international power market integration;
- overcoming fixed assets and electric grid facilities deterioration through scaling-up range of work on their renovation and technical restructuring (substations upgrading,

high voltage electric power transmission lines reconstruction, data infrastructure modernizing and developing).

#### Data on investment projects

The following table represents actual assimilation of capital investments and new fixed assets input for quarters I and II of the current year in the course of 2009 JSC“IDGC of the South” investment programme fulfillment:

Name of JSC “IDGC of the South” branch	Actual for quarter I of 2009				Actual for quarter II of 2009							
	Assimilation rubles in thousands	Input			Assimilation		Input					
		rub. in thousands	MVA	km	rub. in thousands	%	rub. in thousands	%	MVA	%	km	%
“Astrakhanenergo”	22 949	3 283	0,880	1,020	94 788	413	57 710	1758	10,780	1225	12,198	1196
“Volgogradenergo”	66 369	47 834	2,750	4,668	57 228	86	4 695	10	0,000	0	0,000	0
“Kalmenergo”	1 320	371	0,000	0,000	1 115	84	344	93	0,000	0	0,000	0
“Rostovenergo”	112 612	6 281	0,000	0,600	238 900	212	120 359	1916	0,000	0	32,134	5356
Executive office	10 062	2 197	0,000	0,000	14 453	144	179 864	8187	0,000	0	0,000	0
<b>Total for JSC“IDGC of the South”</b>	<b>213 312</b>	<b>59 966</b>	<b>3,630</b>	<b>6,288</b>	<b>406 484</b>	<b>191</b>	<b>362 972</b>	<b>605</b>	<b>10,780</b>	<b>297</b>	<b>44,332</b>	<b>705</b>

#### PARTICIPATION OF THE ISSUER IN INDUSTRIAL, BANK AND FINANCIAL GROUPS, HOLDINGS AND ASSOCIATIONS.

The Issuer does not participate in any industrial, bank and finance groups, concerns and associations.

The Issuer is part of the group of companies headed by “**IDGC Holding**”, JSC.

Term of participation of “IDGC of the South”, JSC in the group of companies: **since 01.07.2008.**

Place of the Issuer in the group of companies: **branch of “IDGC Holding”, JSC.**

Functions of the Issuer in the group of companies:

- Implementation of the uniform energy policy on the regional level;
- Providing power network complex of subordinated regions functioning reliability;
- Implementation of the long-term investment programs in power industry.

In case if the results of the Issuer’s finance and economic activity depend much on other participants of industrial, bank, finance group, holding, concern, association, this situation is pointed out and the character of such dependable condition is described in detail:

The Issuer's activity is considered to be naturally monopolistic, state-controlled, electric power transmission through distributive grid service tariffs, as well as the amount of charge for technological connection to electrical grid, are regulated by state tariff bodies.

### **3.5 ISSUER'S SUBSIDIARIES AND AFFILIATED COMPANIES**

As of 30.06.2009, “IDGC of the South”, JSC, holds 100 percent voting shares of 5 subsidiaries and affiliated companies (further - SACs): “Astrakhanelektrosetremont” (JSC), “Volgogradsetremont” (JSC), “Grechko A.A. PSKh” (JSC), “Sokolovskoye PSKh” (JSC), “Recreation Centre “Energetik” (JSC).

The Company' relationships with the SACs correspond to the legislation of the Russian Federation, Charter of JSC “IDGC of the South” and “Order of Interaction of “IDGC of the South”, JSC with Economic Entities whose Shares (Interest) “IDGC of the South” Holds” approved by Board of Directors of “IDGC of the South”, JSC (Minutes of 06.03.2009 No.24/2009). In the period when “IDGC of the South” holds 100 percent voting shares, the decisions falling within the competence of the General Shareholders Meeting are taken by Management Board of “IDGC of the South”, JSC.

### Information on subsidiaries and affiliated companies of the Issuer:

Full company name	Short company name	Location	Basis for company's recognition as the Issuer's subsidiary	Stake held by the subsidiary in the authorized capital of the Issuer	Percentage of ordinary shares the Issuer owned by the subsidiary	Main kind of activity of the subsidiary and its importance for Issuer's functioning
In Russian: <b>Открытое акционерное общество “Астраханьэлектросетьремонт”</b> In English: <b>Joint Stock Company “Astrakhanelektrosetremont”</b>	In Russian: <b>ОАО “Астраханьэлектросетьремонт”</b> ; In English: <b>JSC “Astrakhanelektrosetremont”</b>	204 Kramatorskaya Str., Astrakhan, Russian Federation	Due to prevailing participation in the authorized capital of “Astrakhanelektrosetremont”, “IDGC of the South” has an opportunity to determine the decisions made by JSC “Astrakhanelektrosetremont”	0 %	0%	Activities on general and running maintenance of the equipment, transfer devices, buildings and facilities, modernization, reconstruction and service of power grid. The company has a right to fulfill other activities not prohibited by law.
In Russian: <b>Открытое акционерное общество “Волгоградсетьремонт”</b> In English: <b>Joint Stock Company “Volgogradsetremont”</b>	In Russian: <b>ОАО “Волгоградсетьремонт”</b> ; In English: <b>JSC “Volgogradsetremont”</b>	1a Granovitaya Str., Volgograd, Russia	Due to prevailing participation in the authorized capital of “Volgogradsetremont”, “IDGC of the South” has an opportunity to determine the decisions made by JSC “Volgogradsetremont”	0 %	0%	Activities on service, general and running maintenance of power grid, transfer devices, buildings and facilities, on modernization and reconstruction. The company has a right to fulfill other activities not prohibited by law.
<b>“Grechko A.A. PSKh (Agricultural enterprise)”, Joint Stock Company</b>	<b>“Grechko A.A. PSKh”, JSC</b>	21 Teatralnaya Str., Kuibyshevskiy district, village Kuibyshevo, Rostov area, Russia	Due to prevailing participation in the authorized capital of “Grechko A.A. PSKh”, “IDGC of the South” has an opportunity to determine the decisions made by JSC “Grechko A.A. PSKh”	0 %	0 %	Manufacturing, processing and selling agricultural products (crop production and livestock breeding). The company has a right to fulfill other activities not prohibited by law.
<b>“Sokolovskoye PSKh (Agricultural enterprise)”, Joint Stock Company</b>	<b>“Sokolovskoye PSKh”, JSC</b>	32 Kurskaya, village Sokolovo-Kurdyuchenskiy, Noshakhtynsk, Russia	Due to prevailing participation in the authorized capital of “Sokolovskoye PSKh”, “IDGC of the South” has an opportunity to determine the decisions made by JSC “Sokolovskoye PSKh”	0 %	0 %	Manufacturing, processing and selling agricultural products (crop production and livestock breeding). The company has a right to fulfill other activities not prohibited by law.
<b>“Recreation Centre “Energetik”, Joint Stock Company</b>	<b>“Recreation Centre “Energetik”, JSC</b>	3 Shkolnaya Str., village Shepsi, Tuapsinskiy district, Krasnodar region, the	Due to prevailing participation in the authorized capital of “Recreation Centre “Energetik”, “IDGC of the South” has an opportunity to determine the	0 %	0 %	Activities of a health resort on medical maintenance and rehabilitation (recreation) of adults, parents with children (from the age of 5) and organized groups of schoolchildren, rendering personal tourist-excursion services, as well as



		Russian Federation	decisions made by JSC “Recreation Centre “Energetik”			cultural and recreational services. The company has a right to fulfill other activities not prohibited by law.
--	--	--------------------	--	--	--	---

## Information on members of management authorities of Issuer’s subsidiaries and affiliated companies:

### “Astrakhanelektrosetremont”, JSC:

Item number	Surname, first name, patronymic, year of birth, citizenship of the member of the Issuer's subsidiary or affiliated company management	Data on education	Positions held by the member of the Issuer's subsidiary or affiliated company management within the last five years and now	Stake held by the Issuer's subsidiary or dependent company in the Issuer's authorized capital /  the Issuer's ordinary shares held by the person and his affiliates	Stake held by the Issuer in the authorized capitals of the Issuer's subsidiary or dependent company/  Ordinary shares of the Issuer's subsidiary or dependent company held by the Issuer	Number of shares of the Issuer's subsidiary or dependent company which can be obtained by the person in fulfillment of his rights on these companies' options owned by him
<b><u>1 Members of the Board of Directors of JSC “Astrakhanelektrosetremont” (elected by Shareholders’ general meeting of JSC “Astrakhanelektrosetremont” on 26.06.2009</u></b>						
<b>Minutes of the Management Board of JSC “IDGC of the South” dd 30.06.2009 No24):</b>						
1.	<b>Goncharov Pavel Viktorovich</b>  <b>b. 1966</b>  <b>citizen of the RF</b>	Higher	General Director of “Astrakhan electric power grid” branch of “Astrakhanenergo”, JSC;  Deputy General Director for development and investments of JSC “Astrakhanenergo”;  Deputy General Director for electric power transmission of JSC “Astrakhanenergo”;  General Director of JSC “Energobalans-Astrakhan”;	0 %  /  0 %	0 %  /  0 %	-

			<p>Technical Director of JSC “Astrakhanenergo”;</p> <p>First deputy General Director – Chief engineer of JSC “Astrakhanenergo”;</p> <p><b>At present: Deputy General Director for technical issues – Chief engineer of “Astrakhanenergo” branch of “IDGC of the South”, JSC</b></p>			
2.	<p><b>Yeremina</b></p> <p><b>Yelena Petrovna</b></p> <p><b>b. 1985</b></p> <p><b>citizen of the RF</b></p>	Higher	<p>Lawyer of “Alyonka Ltd”;</p> <p>Leading specialist of the Corporate policy department of “Corporate management institute”, JSC;</p> <p><b>At present: Leading expert of the information disclosure section of the Corporate management and cooperation with shareholders department of “IDGC Holding”, JSC</b></p> <p><b>Member of Board of Directors of “Sibirsetremont”, JSC;</b></p> <p><b>Member of Board of Directors of “Altaienergospetscomplekt”, JSC</b></p>	<p>0 %</p> <p>/</p> <p>0 %</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-
3.	<p><b>Zheleznov</b></p> <p><b>Yevgeny Vasilievich</b></p> <p><b>b. 1946</b></p> <p><b>citizen of the RF</b></p>	Secondary	<p>Branchwork manager for maintenance and repair of utility facilities of JSC “Astrakhanelektrosetremont” branch of “Astrakhanenergo”;</p> <p>Branchwork manager for maintenance and repair of utility facilities of “Astrakhanelektrosetremont”;</p> <p>Deputy General Director of JSC “Astrakhanelektrosetremont”;</p> <p><b>At present: General Director of “Astrakhanelektrosetremont”</b></p>	<p>0%</p> <p>/</p> <p>0%</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-
4.	<p><b>Matveeva</b></p> <p><b>Svetlana Mikhailovna</b></p>	Higher	<p>Leading legal adviser of “Astrakhan Electric Power Grid” branch of “Astrakhanenergo”, JSC;</p> <p>Head of legal section of “Astrakhanenergo”, JSC;</p>	<p>0 %</p> <p>/</p>	<p>0 %</p> <p>/</p>	-

	<b>b. 1971</b>  <b>citizen of the RF</b>		Head of section for corporate relations and legal provision of “Astrakhanenergo”, JSC;  Deputy General Director for corporate management of “Astrakhanenergo”, JSC;  <b>At present: Head of Department for legal provision, cooperation with government authorities and the media of “Astrakhanenergo” branch of “IDGC of the South”, JSC</b>	0 %	0 %	
5.	<b>Stolyarov Viktor Mikhailovich</b>  <b>b. 1977</b>  <b>citizen of the RF</b>	Higher	Service in the military attorney department of the Astrakhan area in Astrakhan;  Deputy General Director for procurement and logistics of “Astrakhanenergo”, JSC;  Director for logistics and material support of “Astrakhanenergo”, JSC;  Deputy General Director for procurement and logistics of “Astrakhanenergo”, JSC;  <b>At present: Deputy General Director for procurement and logistics of “Astrakhanenergo” branch of “IDGC of the South”, JSC.</b>	0 %  /  0 %	0 %  /  0 %	-
<b>2. General Director of JSC “Atrakhanelektrosetremont” (elected on 06.04.2009):</b>						
<b>Zheleznov Yevgeny Vasilievich,</b>  <b>b. 1946</b>  <b>citizen of the RF</b>	Secondary	Branchwork manager for maintenance and repair of utility facilities of “Astrakhanelektrosetremont” branch of “Astrakhanenergo”, JSC;  Branchwork manager for maintenance and repair of utility facilities of “Astrakhanelektrosetremont”;  Deputy General Director of “Astrakhanelektrosetremont”, JSC;  <b>At present: General Director of “Astrakhanelektrosetremont” (since 01.04.2009)</b>	0%  /  0%	0 %  /  0 %	-	

		Member of the Board of Directors of JSC “Astrakhanelektrosetremont”			
--	--	---	--	--	--

Collegial executive body: No.provision in the Charter of JSC “Astrakhanelektrosetremont”.

The following persons are elected to JSC “Astrakhanelektrosetremont” examining body: **Shmakov Igor Vladimirovich** – Head of Internal Check and Audit Department of “IDGC of the South”, JSC; **Yevdokimov Pavel Vladimirovich** – head of internal check section of Internal Check and Department of “IDGC of the South”, JSC; **Baranova Olga Mikhailovna** – 1<sup>st</sup> rank specialist of section of methodology and risks of Internal Check and Audit Department of “IDGC of the South”, JSC.

“Interregional auditing firm “Doveriye”, Ltd (OOO), is appointed as auditor of JSC (OAO) “Astrakhanelektrosetremont”, auditing license No.007873 as of 10.05.2006, effective period 5 years.

### JSC “Volgogradsetremont”

Item number	Surname, first name, patronymic, year of birth, citizenship of the member of the Issuer's subsidiary or and affiliated company management	Data on education	Positions held by the member of the Issuer's subsidiary or dependent company management within the last five years and now	Stake held by the Issuer's subsidiary or dependent company in the Issuer's authorized capital /  the Issuer's ordinary shares held by the person and his affiliates	Stake held by the Issuer in the authorized capitals o the Issuer's subsidiary or dependent company/  Ordinary shares of the Issuer's subsidiary or dependent company held by the Issuer	Number of shares of the Issuer's subsidiary or dependent company which can be obtained by the person in fulfillment of his rights on these companies' options owned by him
<b><u>1. Members of the Board of Directors of JSC “Volgogradsetremont” (elected by Shareholders' general meeting of JSC “Volgogradsetremont” on 26.06.2009</u></b>						
<b><u>Minutes of the Management Board of JSC“IDGC of the South” dd 30.06.2009 No.24):</u></b>						
1.	<b>Sultanov Georgy Akhmedovich</b>	Higher	General Director of JSC “Krasnodarelectro” Urban Electric Grid Company;  General Director of Ltd “Managing Company Yugenergo”;	0 %  /	0 %  /	-

	<b>b. 1954</b>  <b>citizen of the RF</b>  <b>Chairman of the Board of Directors</b>		Managing director of Ltd “Managing Company Yugenergo”;  Branch manager of JSC “Independent power supply company of the Krasnodar region” “Krasnodar urban electric grid company”;  Engineering manager of JSC “Kubanenergo”;  Deputy General Director for technical issues of JSC “IDGC of the South”;  <b>At present: Deputy General Director for technical issues – Chief engineering manager of JSC “IDGC of the South”</b>  <b>Member of Management Board of JSC “IDGC of the South”</b>	0 %	0 %	
2	<b>Pronin Valentin Vladimirovich</b>  <b>b. 1977</b>  <b>citizen of the RF,</b>  <b>Deputy Chairman of the Board of Directors</b>	Higher	Deputy General Director for legal issues;  Acting General Director of JSC OAO “Managing company “Volgo-Donskoy Power Complex”;  General Director of CJSC “Povolzhskaya Legal Company”;  Deputy General Director for general issues and legal provision of JSC “Volgogradenergo”;  <b>At present: Deputy General Director for legal provision and cooperation with government authorities and the media of “Volgogradenergo” branch of “IDGC of the South”, JSC</b>	0 %  /  0 %	0 %  /  0 %	-
3	<b>Vlasenko Anatoly Petrovich</b>  <b>b. 1950</b>  <b>citizen of the RF</b>	Higher	Executive Director of Cinder quarry; General Director of JSC “Bryanskenergoremont”;  <b>At present: General Director of JSC “Volgogradsetremont”</b>	0 %  /  0 %	0 %  /  0 %	-

4	<b>Smirnov Sergey Ivanovich,</b>  <b>b. 1954</b> <b>citizen of the</b> <b>RF</b>	Higher	<p>Chief economist of JSC “Khimprom”;</p> <p>Deputy General Director for economy and finance of JSC “Volgogradenergo”;</p> <p><b>At present: Deputy General Director for economy and finance of “Volgogradenergo” branch of “IDGC of the South”, JSC</b></p>	<p>0 %</p> <p>/</p> <p>0, %</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-
5	<b>Serebryakov Kostantin Sergeevich</b>  <b>b. 1981</b>  <b>citizen of the</b> <b>RF</b>	Higher	<p>Economist of the stock section of JSC JSCB “MordovPromStroyBank”;</p> <p>Economist of the dealing operations section of JSC JSCB “MordovPromStroyBank”;</p> <p>Deputy head of section for corporate and legal work, and capital management of “Mordovskaya Heat Supply Company”, JSC;</p> <p>Deputy head of legal section of “Mordovskaya Heat Supply Company”, JSC;</p> <p>Deputy head of the legal section of Mordovskiy branch of “TGC-6” (Territorial Generating Company), JSC;</p> <p>Leading specialist of the legal section of Mordovskiy branch of “TGC-6” (Territorial Generating Company), JSC;</p> <p>Corporate relations Administration manager of IDGC Management centre of “FGC UES, JSC”;</p> <p>Leading expert of Corporate Events Directorate of “IDGC Holding”, JSC;</p> <p>Member of Board of Directors of “Sanatorium-preventorium “Energetik”, JSC;</p> <p><b>At present: Deputy Head of Corporate Events Directorate of Corporate Management and Shareholders’ Department of “IDGC Holding”, JSC;</b></p> <p><b>Member of the Board of Directors of “Grechko A.A. PSKh”, JSC;</b></p>	<p>0%</p> <p>/</p> <p>0%</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-

			Member of the Board of Directors of “Sokolovskoye PSKh”, JSC			
<b>2. General Director of JSC “Volgogradsetremont” (elected on 30.06.2005 )</b>						
<b>Vlasenko Anatoly Petrovich</b>  <b>b. 1950</b>  <b>citizen of the RF</b>	Higher	Chief Engineer of JSC “Kubanenergo”;  Executive direktor of Cinder quarry; General Director of JSC “Bryanskenergoremont”;  <b>At present: General Director of JSC “Volgogradsetremont”;</b>  <b>Member of the Board of Directors of JSC “Volgogradsetremont”</b>	0 %  /  0 %	0 %  /  0 %	-	

Collegial executive body: No.provision in the Charter of JSC “Volgogradsetremont”.

The following persons are elected to JSC “Volgogradsetremont” examining body: **Shmakov Igor Vladimirovich** – head of the internal control and audit department of JSC “IDGC of the South”; **Romanenko Anna Vladimirovna** – deputy head of the internal control and audit department, head of the internal audit service of JSC “IDGC of the South”; **Kochev Vyacheslav Sergejevich** – leading specialist of the internal audit service of the internal audit and control department of JSC “IDGC of the South”.

“**Aktiv-Audit**” LLC (OOO) is appointed as auditor of JSC “Volgogradsetremont”, auditing license No.00523 dd 25.06.2002, effective period until June 25, 2012.

## JSC “Grechko A.A. PSKh”

<b><u>Members of the Board of Directors of JSC “Grechko A.A. PSKh” (elected by Shareholders’ general meeting of JSC “Grechko A.A. PSKh” on 26.06.2009</u></b>						
<b>1. <u>Minutes of the Management Board of JSC “IDGC of the South” dd 30.06.2009 No.24):</u></b>						
Item No	Surname, first name,	Data on education	Positions held by the member of the Issuer’s subsidiary or dependent company management within the last five years and now	Stake held by the Issuer’s subsidiary	Stake held by the Issuer in the	Number of shares of the Issuer’s

	patronymic, year of birth, citizenship of the member of the Issuer's subsidiary or and affiliated company management			or dependent company in the Issuer's authorized capital /  the Issuer's ordinary shares held by the person and his affiliates	authorized capitals of the Issuer's subsidiary or dependent company/  Ordinary shares of the Issuer's subsidiary or dependent company held by the Issuer	subsidiary or dependent company which can be obtained by the person in fulfillment of his rights on these companies' options owned by him
1.	<b>Abaimova Olga Petrovna</b>  <b>b. 1958</b>  <b>citizen of the RF</b>	Higher	Deputy Chief accountant for electric power supply of State unitary enterprise of the Rostov area “Donenergo”;  Chief accountant of “Donenergo-Energosgyt” branch of State unitary enterprise of the Rostov area;  Chief accountant of JSC “Donenergo-Energosgyt”;  Head of the finance section of “Donenergo-Energosgyt” branch of State unitary enterprise of the Rostov area;  Director for Economy and Finance of JSC “Rostovenergo”;  Chairman of Board of Directors of JSC “Sokolovskoye PSKh”  <b>At present: Deputy General Director for economy and finance of “Rostovenergo” branch of “IDGC of the South”, JSC</b>	0 %  /  0 %	0 %  /  0 %	-
2.	<b>Bondar Natalia Olegovna</b>  <b>b. 1949</b>  <b>citizen of the RF</b>	Higher	Head of the corporate relations section of “Kubanenergo”, JSC;  Member of Board of Directors of “Recreation Centre “Energetik”; JSC; “OK Plamya”, JSC;  <b>At present: Head of corporate relations section of “IDGC of the South”, JSC</b>  <b>Member of Board of Directors of “Sokolovskoye PSKh”, JSC</b>	0 %  /  0 %	0 %  /  0 %	



3.	<b>Kaplunov Nikolay Aleksseevich</b>  <b>b. 1959</b>  <b>citizen of the RF</b>	Higher	General Director of JSC “Grechko A.A. PSKh”;  Deputy General Director of JSC “Grechko A.A. PSKh”;  <b>At present: General Director of “Grechko A.A. PSKh”</b>	0%  /  0%	0 %  /  0 %	-
5	<b>Serebryakov Kostantin Sergeevich</b>  <b>b. 1981</b>  <b>citizen of the RF</b>	Higher	Economist of the stock section of JSC JSCB “MordovPromStroyBank”;  Economist of the dealing operations section of JSC JSCB “MordovPromStroyBank”;  Deputy Head of the section for corporate and legal work, and management of capital of JSC “Mordovskaya Heat Supply Company”;  Deputy Head of the legal section of JSC “Mordovskaya Heat Supply Company”;  Deputy Head of the legal section of JSC of Mordovskiy branch of “TGC-6” (Territorial Generating Company);  Leading specialist of the legal section of Mordovskiy branch of “TGC-6” (Territorial Generating Company);  Corporate relations division manager of the Management centre of IDGC JSC “FGC UES”;  Leading expert of corporate events division of JSC “IDGC Holding”;  Member of the Board of Directors of JSC “Sanatorium-preventorium “Energetik”;  <b>At present: Deputy head of the Corporate events directorate of corporate management and cooperation with shareholders department of JSC “IDGC Holding”;</b>	0 %  /  0 %	0 %  /  0 %	-

			<b>Member of the Board of Directors of JSC “Grechko A.A. PSKh”;</b> <b>Member of the Board of Directors of JSC “Sokolovskoye PSKh”</b>			
5.	<b>Fadeev Mikhail Yuryevich</b> <b>1974</b> <b>citizen of the RF</b>	Higher	Head of the legal section of “Stroydormashtekhnika”, LLC; Head of property assessment and insurance section of “Kubanenergo”, JSC; Head of property relations administration of “The Independent Power Distributing Company”, OJSC; Deputy Director for Legal Issues of “Gornaya Voda”, LLC; Head of corporate rights administration of “Kubanenergo”, JSC; <b>At present: Head of Property Management Department of “IDGC of the South”, JSC</b> <b>Chairman of Board of Directors of “Sokolovskoye PSKh”, JSC;</b> <b>Member of Board of Directors of “Recreation Centre “Energetik”, JSC</b>	0 % / 0 %	0 % / 0 %	-
<b>2. General Director of JSC “Grechko A.A. PSKh” (elected on 01.01.2008):</b>						
	<b>Kaplunov Nikolay Alekseyevich</b> <b>b. 1959</b> <b>citizen of the RF</b>	Higher	Chief Engineer of JSC “Grechko A.A. PSKh”; Deputy General Director of JSC “Grechko A.A. PSKh”; <b>At present: General Director of “Grechko A.A. PSKh” – Chief engineer of “Grechko A.A. PSKh”</b> <b>Member of the Board of Directors of JSC “Grechko A.A.P SKh”</b>	0% / 0%	0 % / 0 %	-

Collegial executive body: No.provision in the Charter of JSC “Grechko A.A. PSKh”.

The following persons are elected to JSC “Grechko A.A. PSKh” examining body: **Yevdokimov Pavel Vladimirovich** – head of the internal control section of the internal control and audit department of JSC “IDGC of the South”; **Pechenkin Nikolay Vladimirovich** – leading specialist of internal control section of JSC “IDGC of the South”; **Kochev Vyacheslav Sergejevich** – leading specialist of the internal audit service of the internal audit and control department of JSC “IDGC of the South”.

“**Aktiv-Audit**” LLC (OOO) is appointed as auditor of JSC “Grechko A.A. PSKh”, auditing license No.00523 dd 25.06.2002, effective period until June 25, 2012.

## JSC “Sokolovskoye PSKh”

### 1 Members of the Board of Directors of JSC “Sokolovskoye PSKh” (elected by Shareholders’ general meeting of JSC “Sokolovskoye PSKh” on 26.06.2009

#### Minutes of the Management Board of JSC “IDGC of the South” dd 30.06.2009 No.24):

Item number	Surname, first name, patronymic, year of birth, citizenship of the member of the Issuer’s subsidiary or and affiliated company management	Data on education	Positions held by the member of the Issuer’s subsidiary or dependent company management within the last five years and now	Stake held by the Issuer’s subsidiary or dependent company in the Issuer’s authorized capital /  the Issuer’s ordinary shares held by the person and his affiliates	Stake held by the Issuer in the authorized capitals of the Issuer’s subsidiary or dependent company/  Ordinary shares of the Issuer’s subsidiary or dependent company held by the Issuer	Number of shares of the Issuer’s subsidiary or dependent company which can be obtained by the person in fulfillment of his rights on these companies’ options owned by him
1.	<b>Fadeev Mikhail Yurievich</b>  <b>1974</b>  <b>citizen of the RF Chairman</b>	Higher	Head of the legal section of LLC (OOO) “Stroydormashtekhnika”;  Head of property assessment and insurance section of JSC “Kubanenergo”;  Head of the property relations administration of JSC (“Novocherkassk synthetics enterprise”;  Deputy executive for legal issues of LLC (OOO) “Gornaya voda”;	0 %  /  0 %	0 %  /  0 %	-

	<b>of the Board of Directors</b>		<p>Head of the corporate rights administration of JSC “Kubanenergo”;</p> <p><b>At present: Head of the property management department of JSC “IDGC of the South”</b></p> <p><b>Member of the Board of Directors of JSC “Grechko A.A. PSKh”;</b></p> <p><b>Member of the Board of Directors of JSC “Recreation Centre “Energetik”</b></p>			
2.	<p><b>Bondar Natalia Olegovna</b></p> <p><b>b. 1949</b></p> <p><b>citizen of the RF</b></p> <p><b>Deputy chairman of the Board of Directors</b></p>	Higher	<p>Head of the corporate relations section of JSC “Kubanenergo”;</p> <p>Member of the Board of Directors of JSC “Industrial enterprise “Energetik”; JSC “OK Plamya”;</p> <p><b>At present: Head of the corporate relations section of JSC “IDGC of the South”</b></p> <p><b>Member of the Board of Directors of JSC “Grechko A.A. PSKh”</b></p>	<p>0%</p> <p>/</p> <p>0%</p>	<p>0%</p> <p>/</p> <p>0%</p>	-
3.	<p><b>Galkin Yuriy Aleksandrovi ch</b></p> <p><b>b. 1952</b></p> <p><b>citizen of the RF</b></p>	Higher	<p>Head of enterprise reform group of “Sokolovskoye PSKh”, JSC;</p> <p>Deputy Director of “Sokolovskoye PSKh”, JSC;</p> <p>Acting General Director of “Sokolovskoye PSKh”, JSC;</p> <p><b>At present: General Director of “Sokolovskoye PSKh”, JSC</b></p>	<p>0%</p> <p>/</p> <p>0%</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-
4.	<p><b>Negryoba Denis Vladimirovich</b></p>	Higher	<p>Director for Economy; Deputy Director for Economy, Head of business planning and budget section; Head of business planning sector; Leading Economist of “Kubanenergo”, JSC;</p>	<p>0 %</p> <p>/</p>	<p>0 %</p> <p>/</p>	-

	<b>b.1976</b>  <b>citizen of the RF</b>		<b>At present: Head of Economy Department of “IDGC of the South”, JSC</b>	0 %	0 %	
5.	<b>Serebryakov Kostantin Sergeevich</b>  <b>b. 1981</b>  <b>citizen of the RF</b>	Higher	<p>Economist of the stock section of JSC JSCB “MordovPromStroyBank”;</p> <p>Economist of the dealing operations section of JSC JSCB “MordovPromStroyBank”;</p> <p>Deputy Head of the section for corporate and legal work, and management of capital of JSC “Mordovskaya Heat Supply Company”;</p> <p>Deputy Head of the legal section of JSC “Mordovskaya Heat Supply Company”;</p> <p>Deputy Head of the legal section of JSC of Mordovskiy branch of “TGC-6” (Territorial Generating Company);</p> <p>Leading specialist of the legal section of Mordovskiy branch of “TGC-6” (Territorial Generating Company);</p> <p>Corporate relations division manager of the Management centre of IDGC JSC “FGC UES”;</p> <p>Leading expert of corporate events division of JSC “IDGC Holding”;</p> <p>Member of the Board of Directors of JSC “Sanatorium-preventorium “Energetik”;</p> <p><b>At present: Deputy Head of the Corporate events directorate of corporate management and cooperation with shareholders department of JSC “IDGC Holding”;</b></p> <p><b>Member of the Board of Directors of JSC “Volgogradsetremont”;</b></p> <p><b>Member of the Board of Directors of JSC “Grechko A.A. PSKh”</b></p>	<p>0 %</p> <p>/</p> <p>0 %</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-

<b><u>2 General Director of JSC “Sokolovskoye PSKh” (elected on 28.02.2007):</u></b>					
<b>Galkin Yury Aleksandrovich</b>  <b>b. 1952</b>  <b>citizen of the RF</b>	Higher	Head of the enterprise reform group of JSC “Sokolovskoye PSKh”;			
		Deputy General Director of JSC “Sokolovskoye PSKh”;	0%	0 %	
		Acting General Director of JSC “Sokolovskoye PSKh”;	/	/	-
		<b>At present: General Director of JSC “Sokolovskoye PSKh”</b>	0%	0 %	
		<b>Member of the Board of Directors of JSC “Sokolovskoye PSKh”</b>			

Collegial executive body: No.provision in the Charter of JSC “Sokolovskoye PSKh”.

The following persons are elected to JSC “Sokolovskoye PSKh” examining body: **Romananeko Anna Vladimirovna** – deputy head of the internal audit and control department, head of the internal audit service of JSC “IDGC of the South”; **Kochev Vyacheslav Sergejevich** – leading specialist of the internal audit service of the internal audit and control department of JSC “IDGC of the South”; **Baranova Olga Mikhailovna** – 1<sup>st</sup> rank specialist of the section of methodology and risks of the department of internal control and audit of JSC “IDGC of the South”. “**Interregional Auditing Firm “Doveriye”**, Ltd (OOO), is appointed as auditor of JSC (OAO) “Recreation Centre “Energetik”, auditing license No.0078 dd 10.05.2006, effective period 5 years.

## JSC “Recreation Centre “Energetik”

<b><u>1 Members of the Board of Directors of JSC “Recreation Centre “Energetik” (elected by Shareholders’ general meeting of JSC “Energetik” on 26.06.2009</u></b>							
<b><u>Minutes of the Management Board of JSC “IDGC of the South” dd 30.06.2009 No.24):</u></b>							
Item number	Surname, first name, patronymic, year of birth, citizenship of the member of the Issuer’s	Data on education	Positions held by the member of the Issuer’s subsidiary or dependent company management within the last five years and now	Stake held by the Issuer’s subsidiary or dependent company in the Issuer’s authorized capital /	Stake held by the Issuer in the authorized capitals o the Issuer’s subsidiary or dependent company/	Number of shares of the Issuer’s subsidiary or dependent company which can be obtained by the person in fulfillment of his	
				the Issuer’s			

	subsidiary or and affiliated company management			ordinary shares held by the person and his affiliates	Ordinary shares of the Issuer's subsidiary or dependent company held by the Issuer	rights on these companies' options owned by him
1.	<b>Galaktionova Maria Aleksandrovna</b>  <b>b. 1985</b>  <b>citizen of the RF</b>	Higher	Specialist of corporate procedures section of TBS, LLC;  Leading specialist of Corporate Policy Department of “Corporate Management Institute”, JSC  <b>At present: Leading expert of the information disclosure section of Corporate Management and Shareholders' Department of “IDGC Holding”, JSC</b>  <b>Member of Board of Directors of “Avtoenergосervis”, JSC;</b>  <b>Member of Board of Directors of “Zabaikalets-Energiya”</b>	0 %  /  0 %	0 %  /  0 %	-
2	<b>Kantsurov Andrey Anatolievich</b>  <b>b. 1974</b>  <b>citizen of the RF</b>	Higher	6 <sup>th</sup> rate specialist of dealers section of “Kuban-GSM”, JSC;  Leading specialist of section for cooperation with partners of “MTS” branch in the Krasnodar region;  Leading specialist of corporate relations section of “Kubanenergo”, JSC;  <b>At present: Deputy head of corporate management and reforming section of Corporate Management Department of “IDGC of the South”, JSC</b>	0 %  /  0 %	0 %  /  0 %	-
3	<b>Kirpa Vasily Petrovich</b>  <b>b. 1953</b>  <b>citizen of the RF</b>	Higher	Deputy General Director of “Recreation Centre “Energetik”, JSC;  <b>At present: General Director of “Recreation Centre “Energetik”, JSC</b>	0 %  /  0 %	0 %  /  0 %	-

4	<p><b>Fadeev Mikhail Yurievich</b></p> <p><b>1974</b></p> <p><b>citizen of the RF</b></p>	Higher	<p>Head of the legal section of LLC (OOO) “Stroydormashtekhnika”;</p> <p>Head of property assessment and insurance section of JSC “Kubanenergo”;</p> <p>Head of the property relations administration of JSC (“Novocherkassk synthetics enterprise”;</p> <p>Deputy executive for legal issues of LLC (OOO) “Gornaya voda”;</p> <p>Head of the corporate rights administration of JSC “Kubanenergo”;</p> <p><b>At present: Head of the property management department of JSC “IDGC of the South”</b></p> <p><b>Member of the Board of Directors of JSC “Grechko A.A. PSKh”;</b></p> <p><b>Member of the Board of Directors of JSC “Sokolovskpye PSKh”</b></p>	<p>0 %</p> <p>/</p> <p>0 %</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-
5	<p><b>Mikheeva-Danilovtseva Nina Nikolayevna</b></p> <p><b>b. 1977</b></p> <p><b>citizen of the RF</b></p>	Higher	<p>Chief Economist of Donskoy Basin Water Directorate of the Federal Water Resources agency;</p> <p>Specialist of section for carrying out investment programmes and consolidated planning of “South generating company “TGC-8”, JSC, of RAO “UES of Russia”, JSC;</p> <p><b>At present: Head of General Affairs Department of “Rostovenergo” branch of “IDGC of the South”, JSC</b></p>	<p>0%</p> <p>/</p> <p>0%</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-
2 GENERAL DIRECTOR of JSC “Recreation Centre “Energetik” (elected on 06.03.2007):						
<p><b>Kirpa Vasily Petrovich</b></p> <p><b>b. 1953</b></p> <p><b>citizen of the RF</b></p>	Higher	<p>Deputy General Director of JSC “Recreation Centre “Energetik”;</p> <p><b>At present: General Director of JSC “Recreation Centre “Energetik”</b></p> <p>Member of the Board of Directors of JSC “Recreation Centre “Energetik”</p>	<p>0%</p> <p>/</p> <p>0%</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-	



Collegial executive body: No.provision in the Charter of JSC “Sokolovskoye PSKh”.

The following persons are elected to JSC “Recreation Centre “Energetik” examining body: **Romananeko Anna Vladimirovna** – deputy head of the internal audit and control department, head of the internal audit service of JSC “IDGC of the South”; **Yevdokimov Pavel Vladimirovich** – head of the internal control section of the internal control and audit department of JSC “IDGC of the South”; **Pechenkin Nikolay Vladimirovich** – leading specialist of internal control section of JSC “IDGC of the South”.

“Interregional auditing firm “Doveriye”, Ltd (OOO), is appointed as auditor of JSC (OAO) “Recreation Centre “Energetik”, auditing license No.007873 as of 10.05.2006, effective period 5 years.

### 3.6 COMPOSITION, STRUCTURE AND COST OF THE FIXED ASSETS OF THE ISSUER, INFORMATION ON PLANS FOR THE FIXED ASSETS PURCHASE, REPLACEMENT, RETIREMENT, AS WELL AS ON ALL FACTS OF THE ISSUER’S FIXED ASSETS CHARGING

#### 3.6.1 Fixed assets

Information on the original (replacement) value of fixed assets and the amount of accumulated depreciation as of 30.06.2009:

No	Group of fixed assets	Original (replacement) value, rubles in millions	Amount of accumulated depreciation, rubles in millions
1	Production buildings	3512944	154338
2	Facilities and transmission devices	15677250	1254336
3	Plant and equipment	7246885	892368
4	Transport facilities	259599	79654
5	Other fixed assets	84801	25846
	<b>Total:</b>	<b>26781479</b>	<b>2406542</b>

Data on methods of depreciation by object groups of fixed assets: depreciation of fixed asset objects is made by straight method depending on the terms of the objects’ useful life. Accrual of depreciation for property obtained by the Company under lease agreements and charged on balance accounts is made by the method specified in the agreement.

Results of the last fixed assets revaluation and revaluation of fixed assets in long-term lease: data on fixed assets revaluation and revaluation method are not presented, as fixed assets revaluation was not performed in the period of the Issuer’s activity from 28.06.2007 to 30.06.2009.

Data on plans for obtaining, replacement, retirement of fixed assets the value of which makes at least 10 percent of the total Issuer’s fixed assets and other fixed assets at the Issuer’s discretion: there are No.such plans.

**Data on all facts of the Issuer’s fixed assets charge as of 30.06.2009:**

Fixed assets in lease							
Item number	Brief characteristics of property		Charge basis (number, date of lease contract)		Lessee	Charge term	
	Name, address	Total area, sq.m.				Initial lease term under the contract	Prolongation under the contract
1	2	3	4	5	6	7	8
1	Parking lot (Narimanovskiy District Administration)	10	No49-12-108	01.12.2008	JSC “Astrakhanskaya power supply company ”	from 01.12.2008 to 29.11.2009	no
2	Parking lot (Privolzhskiy District Administration)	10	No.49-12-108	01.12.2008	JSC “Astrakhanskaya power supply company ”	from 01.12.2008 to 29.11.2009	no
3	Nonresidential premises (Akhtubinskiy DPS)	11	No49-12-72	11.07.2008	CJSC “Astrakhan-GSM”	from 11.07.2008 to 09.07.2009	no
4	Nonresidential premises (19 Sov. Militsii, 32 Kr. Nabarezhnaya, Astrakhan)	1,5	No49-12-71	30.06.2008	CJSC “Astrakhan-GSM”	from 30.06.2008 to 28.06.2009	no
5	Nonresidential premises (1 sh. Energetikov, Astrakhan)	12,1	No49-12-69	30.06.2008	CJSC “Astrakhan	from 30.06.2008 to 28.06.2009	no
6	Place for container installation and place on the lighting mast for antennae installation (“Tsarevskaya” substation 2 B.Khmelnitskogo Str.)	6	No49-12-70	30.06.2008	CJSC “Astrakhan	from 30.06.2008 to 28.06.2009	no
7	Nonresidential premises (Ikryanskiy DPS)	6	No49-12-67	30.04.2008	JSC “MSS-Povolzhye”	from 30.04.2008 to 28.04.2009	no
8	Nonresidential premises (Ikryanskiy DPS)	6	No49-12-66	29.04.2008	JSC “MSS	from 29.04.2008 to 27.04.2009	no
9	Nonresidential premises (1 sh. Energetikov, Astrakhan)	6,5	No49-12-85	30.10.2008	JSC “MSS	from 30.10.2008 to 28.10.2009	no
10	Place for container installation and place on the metal lighting mast for antennae-feeders installation	8,05	No49-12-77	24.07.2008	JSC “MSS	from 24.07.2008 to 22.07.2009	no

	(Volodarskiy DPS)						
11	Nonresidential premises (Chernoyarskiy DPS)	7,5	No49-12-91	30.11.2008	JSC “MSS	from 30.10.2008 to 28.10.2009	no
12	Place for container installation and place on the concrete support for antennae-feeders installation (Ikryanskiy DPS)	2,3x3,5	No49-12-60	26.03.2008	JSC “MSS	from 15.04.2008 to 13.04.2009	no
13	Nonresidential premises (Astrakhan, Tsarevskaya substation, 1 B. Khmel'nitskiy Str., Astrakhan)	6	No49-12-82	02.07.2008	JSC “MSS	from 02.07.2008 to 30.06.2009	no
14	Nonresidential premises (Yenotayevskiy DPS)	3,2	No49-12-112	26.03.2009	JSC “VimpelKom”	from 26.03.2009 to 24.03.2010	no
15	Nonresidential premises (Akhtubinskiy DPS)	26,1	No49-12-81 A	30.09.2008	JSC “VimpelKom”	from 30.09.2008 to 28.09.2009	no
16	Place for container installation and place on the concrete support for antennae-feeders installation (Ikryanskiy DPS)	7	No49-12-68	31.05.2008	JSC “VimpelKom”	from 31.05.2008 to 30.05.2009	no
17	Place for antennae-feeders installation (Substation Oktyabrskaya, Trusovskiy district)	6	No49-12-81	30.09.2008	JSC “VimpelKom”	from 30.09.2008 to 28.09.2009	no
18	Nonresidential premises (1 sh. Energetikov, Astrakhan)	6	No49-12-95	30.11.2008	JSC “VimpelKom”	from 30.11.2008 to 28.11.2009	no
19	Nonresidential premises (Akhtubinskiy DPS)	10,1	No49-12-58	12.03.2008	JSC “Astrakhan-Mobail”	from 29.04.2008 to 27.04.2009	no
20	Nonresidential premises (1 sh. Energetikov, Astrakhan)	12,5	No49-12-59	24.03.2008	JSC “Astrakhan-Mobail”	c 30.04.2008 no 29.04.2009	no
21	Nonresidential premises (1 sh. Energetikov, Astrakhan)	229	No49-12-92	30.11.2008	LLC (OOO) “Elektrosetservis”	from 30.11.2008 to 28.11.2009	no
22	Nonresidential premises (1 sh. Energetikov, Astrakhan)	42	No49-12-90	30.11.2008	LLC (OOO) “Elektrosetservis”	from 30.11.2008 to 28.11.2009	no
23	Nonresidential premises (1 sh. Energetikov, Astrakhan)	69,8	No49-12-84	31.10.2008	LLC (OOO) “Elektrosetservis”	from 31.10.2008 to 28.11.2009	no
24	Nonresidential premises (32 Kr. Naberezhnaya, Astrakhan)	565,4	No49-12-98	01.01.2009	JSC UES System Operator Disptach Management	from 01.01.2009 to 30.12.2009	no

					Centre (SO – DMC) of Astrakhanskiy Region of Dispatch Administration (RDA)		
25	Property (dispatcher panel, power supply unit .....)	no	No49-12-96	01.01.2009	JSC UES System Operator Disptach Management Centre (SO – DMC) of Astrakhanskiy Region of Dispatch Administration (RDA)	from 01.01.2009 to 30.12.2009	no
26	Nonresidential premises (village Yenotajevka)	46	No49-12-99	01.01.2009	JSC UES System Operator Disptach Management Centre (SO – DMC) of Astrakhanskiy Region of Dispatch Administration (RDA)	from 01.01.2009 to 30.12.2009	no
27	Nonresidential premises (village Krasny Yar)	27,2	No49-12-100	01.01.2009	JSC “Energobalans-Astrakhan” (premises)	from 01.01.2009 to 30.12.2009	no
28	Nonresidential premises (city of Kharabli)	35,3	No49-12-101	01.01.2009	JSC “Energobalans-Astrakhan” (premises)	from 01.01.2009 to 30.12.2009	no
29	Nonresidential premises (village Nachalovo)	36	No49-12-102	01.01.2009	JSC “Energobalans-Astrakhan” (premises)	from 01.01.2009 to 30.12.2009	no
30	Nonresidential premises (settlement Volodarskiy)	77	No49-12-103	01.01.2009	JSC “Energobalans-Astrakhan” (premises)	from 01.01.2009 to 30.12.2009	no
31	Nonresidential premises (village Chyorny Yar )	54	No49-12-105	01.01.2009	JSC “Energobalans-Astrakhan” (premises)	from 01.01.2009 to 30.12.2009	no
32	Nonresidential premises (village Ikryanoye)	36	No49-12-106	01.01.2009	JSC “Energobalans-Astrakhan” (premises)	from 01.01.2009 to 30.12.2009	no
33	Nonresidential premises (city of Kamyzyak)	21	No49-12-107	01.01.2009	JSC “Energobalans-Astrakhan” (premises)	from 01.01.2009 to 30.12.2009	no

34	Nonresidential premises (1 sh. Energetikov, Astrakhan)	758,3	No49-12-110	01.01.2009	JSC “Energobalans-Astrakhan” (premises)	from 01.01.2009 to 30.12.2009	no
35	Property (Astrakhan)	нет	No49-12-111	01.01.2009	JSC “Energobalans-Astrakhan” (property)	from 01.01.2009 to 31.12.2009	no
36	Premises, 18 Sov. Militsii Str.	4	No49-12-97	01.01.2009	JSC “Energobalans-Astrakhan” (a premise)	from 01.01.2009 to 30.12.2009	no
37	Parking lot (Nrimanovskiy RU) (1 Sh. Energetikov, Astrakhan)	290	No49-12-94	01.01.2009	JSC “Energobalans-Astrakhan” (standees)	from 01.01.2009 to 30.12.2009	no
38	Nonresidential premises (1 sh. Energetikov, Astrakhan)	189,1	No49-12-86	31.10.2008	Mikhailova Aleksandra Vladimirovna (entrepreneur)	from 31.10.2008 to 29.10.2009	no
39	Nonresidential premises (18 I.Franko Str., Akhtubinsk)	11,1	No49-12-80	30.09.2008	Municipal health care institution “Zolotukhinskiy local hospital”	from 30.09.2008 to 28.09.2009	no
40	Nonresidential premises (38 Sovetskoy Militsii Str., Akhtubinsk)	3,4	No49-12-104	01.01.2009	“Stroielektromontazhnaladka”, LLC	from 01.01.2009 to 30.12.2009	no
41	Nonresidential premises (1 sh. Energetikov, Astrakhan)	25,7	No49-12-93	01.01.2009	JSC UES System Operator Disptach Management Centre (SO – DMC) of Astrakhanskiy Region of Dispatch Administration (RDA)	from 01.01.2009 to 30.12.2009	no
42	Nonresidential premises (1 sh. Energetikov, Astrakhan)	13	No49-12-74	26.06.2008	LLC “Real medical service”	from 26.06.2008 to 24.06.2009	no
43	Nonresidential premises (38 Sovetskoy Militsii Str., Astrakhan)	7,5	No49-12-73	26.06.2008	LLC “Real medical service”	from 26.06.2008 to 24.06.2009	no
44	Nonresidential premises (75/69 Sun-Yat-Sena/ Kulikova Str., Astrakhan)	12,95	No49-12-88	15.12.2008	LLC “Real medical service”	from 15.12.2008 to 13.12.2009	no
45	Nonresidential premises (18 I.Franko Str., Akhtubinsk)	10,1	No49-12-87	08.12.2008	LLC “Real medical service”	from the moment of signing until 20.10.2009	no
46	Dispatch technological building of Surovikinskiy DPS No. 55010930 20 Per. Zavodskoy, Surovikino, Volgograd area	31,42	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no

47	Carriage of Volga PK of Kotelnikovskiy DPS No. 345500011884 (151 Kirova Str., Kotelnikovo, Volgograd area	15,00	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
48	Two-storey building of Oktyabrskiy DPS No. 345500000951 4 Energetikheskaya Str., Oktyabrskiy district, Volgograd area	22,50	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
49	Storage building of Krasnoarmeiskiy DPS No.345100005426 1 Khabarovskaya Str., Volgograd	30,80	No.108	12.02.2008	LLC “Energobalans centre”	from 01.04.2009	no
50	Administrative building of Dubobskiy DPS No.345500001703 12 Parkhomenko Str. Dubovka town Volgograd area	17,70	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
51	Administrative building of Gorodichshenskiy DPS No.345500008473 1-a Dzerzhinskogo Str., settlement Gorodichshe, Volgograd area	39,58	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
52	Administrative building A No.345300013594 (Highway No6, Volzhskiy town, Volgograd area)	60,00	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
53	Administrative building B No.No.345300000009 (Highway No6, Volzhskiy town, Volgograd area)	68,60	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
54	Office building No.345300013732 (1A Entuziastov Str., Srednaya Akhtuba settlement, Sredneakhtubinskiy district, Volgograd area)	27,70	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
55	Administrative bulding of Bykovskiy DPS No.345300010105	27,60	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no

	(Bykovo settlement, Bykovskiy district, Volgograd area)						
56	Administrative building of Pallasovskiy DPS No.345300013634 (79 Ushakova Str., Pallasovka, Pallasovskiy district, Volgograd area)	27,90	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
57	Administrative building of Staropoltavskiy No.345300014349 DPS (Staraya Poltavka village, Staropoltavskiy district, Volgograd area)	36,50	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
58	Administrative building of Elanskiy DPS (room) .No.345200100139 (73 Vokzalnaya Str., Elan settlement, Volgograd area)	45,00	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
59	Administrative building of Olkhovskiy DPS (room) No.345200100140 (2 Energetikov Str., Olkhovka village, Volgograd area)	50,40	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
60	Administrative building of Kumylzhenskiy DPS No.345400010100 (Energetikov Str., st. Kumylzhenskaya, Volgograd area)	35,20	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
61	Three-storey brick building of Automated System of Dispatch and Technological Management production base of Mikhailovskiy Electric Networks (rooms) No.345400010201 (Mikhailovskiy Electric Networks PD, office rooms) (205 Lenina Str., Mikhailovka, Volgograd area)	87,80	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no



62	Production base of Mikhailovskiy DPS No.345400010012 (Mikhailovskiy Electric Networks PD) (58 Torgovaya Str., Mikhailovka, Volgograd area)	45,20	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
63	Building of District Power Substation No.1 of Serafimovichskiy DPS No.345400020214 (50 Bolshevistskaya Str., Serafimovich, Volgograd area)	16,50	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
64	Building of Production base of Serafimovichskiy DPS No.345400010086 (50 Bolshevistskaya Str., Serafimovich, Volgograd area)	20,00	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
65	Workshops of Mikhailovskiy Electric Networks production base ( stocks No.2 of the workshop group) No345400010589 (205 Lenina Str., Mikhailovka, Volgograd area)	10,80	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
66	Three-storey brick building of production department of the district electric station of Kletskiy DPS base No.345400010511 (48 Dymchenko Str., Kletskaya village, Volgograd area)	42,90	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
67	One-storey brick garage of production base of Kletskiy DPS (48 Dymchenko Str., st. Kletskaya, Volgograd area)	35,50	No.108	12.02.2008	LLC “Energobalans centre”	from 01.04.2009	no
68	Storehouse-garage of Kulymzhenskoy DPS No.345400020079 (Energetikov Str., st. Kulymzhenskaya, Volgograd area)	30,00	No.108	12.02.2008	LLC “Energobalans centre”	from 01.04.2009	no

69	Uryupinsk Electric Networks subsidiary No.345600010019 (139, Lenina Str., Uryupinsk, Volgograd area)	83,67	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
70	Administrative building of Uryupinskiy DPS No.345600010056 (30 Volgogradskaya Str., Uryupinsk, Volgograd area)	34,18	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
71	Administrative building of Novoanninskiy DPS No.345600010032 (89 P. Lumumby Str., Novoanninskiy, Volgograd area)	48,10	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
72	Administrative building of Novonikolayevskiy DPS No.345600010071 (40 Sovetskaya Str., Novonikolayeskiy settlement, Volgograd area)	35,20	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
73	Administrative building of Nekhayevskiy DPS No.345600010190 (40 Pibedy Str., Volgograd area)	31,40	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
74	Administrative building of Alekseyevskiy DPS No.345600010065 (2 Sadovaya Str., st. Alekseevskaya, Volgograd area)	27,7	No.108	12.02.2008	Ltd «Energobalanscentre»	from 01.04.2009	no
75	Administrative building (office rooms), 15 Pr. Lenina, Volgograd	744,74	No.98	10.12.2008	JSC “SO UES”	from 01.11.2008 to 01.10.2009	no
76	Administrative building (office No.201), 15 Pr. Lenina, Volgograd	21,51	No.109-08	23.04.2008	Private enterprise “Kobalt-S”, Ltd	from 01.03.2009	no
77	Nonresidential premises of the administrative building of “Kalnenergo” branch 5 <sup>th</sup> floor	9	No135	01.05.2009	JSC “Systems operator UES” represented by Rostov RDA branch	from 01.05.2009 to 30.04.2009	no

78	Nonresidential premises: 1) 271 Lenine Str., Elista Inclusive of garages	702,07	NoФ-04-262	08.12.2007	JSC “Kalmenergosbyt”		no
79	<b>Nonresidential premises</b> Type (group) of fixed assets: buildings: 1) Ketchenerivskiy DPS; 2) Iki-Burulskiy DPS; 3) Yashkulskiy DPS; 4) Priyutnenskiy DPS; 5) Gorodnikovskiy electric networks (EN); 6) Kaspiyskiye EN; 7) Chernozemelskiye EN; 8) Sarpinskiye EN; 9) Elista (parking lots, garages); <b>Movable assets</b> 1) Type (group) of fixed assets: plants and equipment: refrigerator, fax, switch box etc. (total of 18 units) 2) Type (group) of fixed assets: production and organizational stock: safe, office wall cabinet etc. (total of 13 units)	72,26 88,6 57,3 66,5 79,9 56,0 76,0 157,4 172,0	Without number	01.11.2008	JSC “Kalmenergosbyt”	from 01.11.2008 to 30.10.2009	no
80	<b>Nonresidential premises</b> in the building at: 48-50 prosp. Semashko (Letter A, Letter B), Leninskiy district Rostov-on-Don, Rostov area	2504,6	No.67322/08	01.10.2008	Ltd “Energiya”	from 01.10.2008 to 31.08.2009	no
81	Nonresidential premises, total area 13,62 sq.m. at: 49 B.Sadovaya Str., 1st floor, Rostov-on-Don, for bank machine installation	13,62	No.68895/08	12.12.2008	JSC CB “Center-Invest”	from 01.01.2009 to 30.11.2009	no
82	One-roomed flat, total area 21,3 sq.m., inclusive of living area– 12,4 sq.m., at: apt. 69, 85/5	21,3	No.9474/07	29.12.2006	Apanasova G.A.	from 29.12.2006 to 29.12.2046	no

	Yeryomenko Str., Rosov-on-Don						
83	Flat. Area. Total: 83 sq.m. Floor:3. Letter:A Apt. 1, 35 per. Krepostnoy, Kirovskiy district, Rostov-on-Don	83,0	No.295 No.298	05.01.2004 05.01.2004	Lapteva A.V. Nichaev A.A.	Not determined Not determined	no
84	Flat. Area. Total: 68,5 sq.m. Floor:3. Letter:A Apt. 2, 35 per. Krepostnoy, Kirovskiy district, Rostov-on-Don, Rostov area, Russia	68,5	No.296 No.297	05.01.2004 05.01.2004	Starchenko N.Yu. Leiko A.A.	Not determined Not determined	no
85	Flat. Area. Total: 32,2 sq.m. Floor:5. Letter:A Apt. 23, 23/5 pr. Kommunisticheskij, Sovetskiy district, Rostov-on-Don	32,2	Order of Sovetskiy district administration for nonresidential premises as of 13.07.1995. No.347.		Dolgikh Ju.N. (Raikova V.Ju.)	Commercial lease is being documented	
86	Residential house. Area. Total: 71,6 sq.m. Identification number: 10471 Letter:A. Number of floors:1. Per. Kolodezny, town of Krasny Sulin, Krasnosulinskiy district, Rostov area	71,6	Dwelling of citizens (No.title documents for dwelling) – family of S.A. Pugachev (total of 5 persons) lodged with permission of Nesvetai State district power station (SDPS) Director in 1991 (earlier the object was on the balance sheet of the former Nesvetai SDPS – at present JSC “Experimental Combined heat power plant”).			In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), corporate sales activities of the object are being carried out.	
	Central power station						
87	Premises at Substation R-6 128/1 Taganrogskaya str, Rostov-on-Don	81,1	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007.	01.11.2009 in actual use
88	Premises at Substation BT-1 8 1 <sup>st</sup> Pyatiletri Str., Bataisk	58,0	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
89	Office premises of BDPS 82 per. Yermakovskiy, st. Bagayevskaya	146,9	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
90	Office premises of BDPS 83 Semashko Str., st. Bagayevskaya	54,7	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	01.11.2009 in actual use
91	Premises of District Production Base, type 5 of SDPS 10 Energetikov Str., Semikarakorsk	54,4	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	01.11.2009 in actual use

92	Premises of District Production Base, type 5 of SDPS 10 Energetikov Str., Semikarakorsk	54,9	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
93	Nonresidential premises with area of 15 sq.m. and place on the tower, 50mm from the ground level, at: 4 Narodnaya Str., Novocherkassk	15,0	No63635/9/08/ AP–12–H/97	28.10.1997	CJSC “Rostov Cellular Communications”	from 28.10.1997 to 31.12.2012	For indefinite period, if the parties agree
94	Movable assets (communications equipment)	-	No8350/06	27.06.2006	Ltd “Elsiko”	from 01.07.2006 to 01.06.2007	For a year, if the parties agree
95	Premises 35 B Zapadnaya Str., Aksai	60	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
96	Premises at Substation R-5 9 Futbolnaya Str., Rostov-on-Don	24,0	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
97	Nonresidential premises for production sector allocating at: (Substation R-6) 128/1 Taganrogsкая str, Oktyabrskiy district, Rostov-on-Don	34	No72276/09/0 9	30.12.2008	Ltd “Istok-Don”	from 20.01.2009 to 30.11.2009	-
98	Part of nonresidential premises , room 303 Administrative and living quarters of central power station at, Futbolnaya Str., Rostov-on-Don	2	No62022/9/08	25.03.2008	LLC “Rosenergосervіs”	from 25.03.2008 to 25.02.2009	For 11 months, if the parties agree
99	Flat, total area 53,4 sq.m. Floor: 10. Letter:A apt. 79, 66/9 Yeryomenko Str., Rosov-on-Don	53,4	No61538/08	30.03.2008	Pogorely I.N.	from 30.03.2008 to 30.03.2018	-
100	Flat. Area: total 46,8 sq. m. Floor: 2 Apt. 18. 119 Komsomolskaya Str., Bataisk, Rostov area	46,8	No66125/9/08	01.09.2008	Kolesnikov Yu.V.	from 01.09.2008 to 01.08.2009	New agreement is being settled
	SVDPS						
101	Area maintenance building No1 26 Geroyev-pionerov Str., Kamensk	252,63	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
102	Main building 79 Pobedy Str., Tarasovskiy	75,62	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use

	settlement						
103	Administrative building of DPS 2 Zavodskaya Str., Belaya Kalitva	118,80	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
104	Industrial building 6a Zavodskaya Str., st. Tatsinskaya	83,10	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
105	Administrative building of Urban supply 1A Telmana Str., Morozovsk	99,60	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
106	Substation Oblivskaya Utility point 1 164 Gagarina Str., st. Oblivskaya	38,01	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
107	Sovetskiy DPS base 34 70 Let Oktyabrya Str., st. Sovetskaya	35,86	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
108	Garage 4 Garazhnaya Str., Kamensk- Shakhtinskiy	25,8	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
109	5-car garage 2 Zavodskaya Str., Belaya Kalitva	38,5	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
110	Storage shed, garage, workshop 6a Zavodskaya Str., st. Tatsinskaya	29,4	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
111	Garage 164 Gagarina Str., st. Oblivskaya	22,3	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
112	Metal shed 34 70 Let Oktyabrya Str., st. Sovetskaya	23,5	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
113	Storage shed 26 Geroyev-pionerov Str., Kamensk-Shakhtinskiy	9,9	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
114	Storage premises 164 Gagarina Str., st. Oblivskaya	11,05	No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
115	Lavatory 79 Pobedy Str., Tarasovskiy settlement		No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 Accepted under handover deed, not mentioned in

							the agreement
116	Substation Oblivskaya 1 Lavatory 164 Gagarina Str., st. Oblivskaya		No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 Accepted under handover deed, not mentioned in the agreement
117	Sovetskaya 1 Substation Lavatory 34 70 Let Oktyabrya Str., st. Sovetskaya		No9996/07/35 0/01/07 o	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 Accepted under handover deed, not mentioned in the agreement
118	District Production Base No3, 26 Geroyev-pionerov Str., Kamensk-Shakhtinskiy	11,9	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
119	Main building 79 Pobydy Str., Tarasovskiy settlement	17,4	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
120	Office building 13 Budyonnogo Str., khutor St. Stanitsa	97,72	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
121	Administrative building of DPS 2 Zavodskaya Str., Belaya Kalitva	39	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
122	Industrial building 6a Zavodskaya Str., st. Tatsinskaya	24,9	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
123	DPS Base 124 Lunacharskogo Str., Morozovsk	33,6	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
124	Administrative building 124 Lunacharskogo Str., Morozovsk	7,75	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
125	Substation Milyutinskaya Substation control house 1 Levoberezhnaya Str., khutor Novokuznetsov	29,5	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
126	Substation Oblivskaya 1 utility point	16,2	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.

	164 Gagarina Str., st. Oblivskaya						
127	Sovetskiy DPS Base 34 70 Let Oktyabrya, st. Sovetskaya	29,67	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
128	Building of Administrative and living quarters 13 Budyonnogo Str., khutor St. Stanitsa	24,2	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
129	Part of premises with total area of 39,1 sq.m. in the following object: Utility service point of Substation “Chebotovskaya”. Area: total 100,7 sq.m. Identification number: 5722.Letter: A. Number of floors: 1 3 Tsentralnaya Str., khutor Chebotovka, Tarasovskiy district, Rostov area	39,1	-	-	Dwells Baidakova N.I., retired since 1978	In accordance with the register of non- core assets (approved on 09.04.2009 by the Board of Directors), for the specified part of the asset with area of 39,1 sq.m. “Transfer without charge” strategy is accepted.	
130	Part of premises with total area of 50,9 sq.m. in the following object: Utility service point. Area: total 102,3 sq.m. Identification number: 6721.Letter: A. Number of floors: 1 57 Sadovaya Str., Voikovo settlement, Tarasovskiy district, Rostov area	50,9	-	-	Dwells Shchurova M.P., retired since 1979, with her family, total of 2 persons.	In accordance with the register of non- core assets (approved on 09.04.2009 by the Board of Directors), for the specified part of the asset with area of 50,9 sq.m. “Transfer without charge” strategy is accepted.	
131	Residential house. Area: total 307,4 sq.m. Identificaiton number: 5229. Letter: Aaa1a2a3a4a5. Number of floors: 2. 79a Pobedy Str., Tarasovskiy settlement, Tarasovskiy district, Rostov area	307,4	-	-	Dwell 4 families: Of Zababurin Yu.A. – 3 persons, of Ponomarev N.M. – 2 persons, of Chebotov V.A. – 5 persons, of Pekarikhina T.Ye. – 3 persons	In accordance with the register of non- core assets (approved on 09.04.2009 by the Board of Directors), for the whole object “Transfer without charge” strategy is accepted.	



132	Bulding of Substation OEP “Tatsinskaya Agricultural equipment”, desined as: nonresidetial. Area: total 150 sq.m. Identification number: 1/1819. Letter: A,A1,A2,A4,A3,a,a1. Number of floors: 1. 61 Mayakovskogo Str., st. Tatsinskaya, Tatsinskiy district, Rostov area	150	-	-	Dwell families of Tkechyov N.F. (3 persons since 2001), area 62,7 sq.m.; Dorofejev V.V. (3 persons since 2003), area 73,6 sq.m. Used as a residential object only.	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the whole object “Transfer without charge” strategy is accepted.
133	Bulding of Substation OEP “B-12 Uglegorskaya”. Area: total 172,7 sq.m. Identification number: 9/237. Letter: A,A1,A2,a. Number of floors 1. 31 Gagarina Str., Uglegorskiy settlement, Tatsinskiy district, Rostov area	172,7	-	-	Dwell families of Tsvikalova N.A. (3 persons since 1988) and Shchepekev V.L. (3 persons)	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the whole object “Transfer without charge” strategy is accepted.
134	Bulding of OEP of Tatsinskiy DPS.Area: total 171,7 кв.м. Identification number: 1/3426. Letter: A. Number of floors: 1 20-a Sosnovaya Str., st. Tatsinskaya, Rostov area	171,7	-	-	Dwell families of Abramov V.A. (3 persons) and Zakharov A.V. (3 persons)	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the whole object “Transfer without charge” strategy is accepted.
135	Premises with total area of 42,5 sq.m. in the following object: Building of utility service point of Substation “Verkhnekoltsovskaya”. Area: total 89,3 sq.m. Identification number: 5/629. Letter: A,a,a1. Number of floors: 1 23 Zarechnaya Str., khutor Verkhnekoltsov, Tatsinskiy district, Rostov area	42,5	-	-	Dwells family of Zadavin R.V. since 1986.	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the specified part of the asset with area of 42,5 sq.m. “Transfer without charge” strategy is accepted.
136	Premises with area of 48,7 sq.m. in the following object: Building of utility service point of	48,7	-	-	Dwells since 1980 family of Bezrodnaya N.M., retired.	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the specified

	Substation “Alifanovskaya” Area: total 115,9 sq.m. Identification number: 8/580. Letter: A,a,a1. Number of floors: 1. 12 Lenina Str., khutor Alifanov, Tatsinskiy district, Rostov area					part of the asset with area of 48,7 sq.m. “Transfer without charge” strategy is accepted.
137	Premises with total area of 38,1 sq.m. in the following object: Building of utility service point. Area: total 95,9 sq.m. Identification number: 199. Letter: A,a,a1. Number of floors: 1. 13 Stepnaya Str., khutor Novonikolayevskiy, Yaysinskiy district, Rostov area	38,1	-	-	Dwells family of Tupeko N.I., UPS foreman	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the specified part of the asset with area of 38,1 sq.m. “Transfer without charge” strategy is accepted.
138	Utility service point of Substation Oblivskaya 1. Area: total 129,3 sq.m. Identification number: 5202. Letter: A2, A3. Number of floors: 1. 162 Gagarina Str., st. Oblivskaya, Oblivskiy district, Rostov area	129,3	-	-	The whole object is used for dwelling: Ivanova F.I. (52,45 sq.m.), retired, since 1987; ; Malyshkin A.T. (42,2 sq.m.) – 2 persons since 1977; Chuchalin V.A. (34,6 sq.m.) – 2 persons since 1979	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the whole object “Transfer without charge” strategy is accepted.
139	Utility service point. Area: total 105,3 sq.m. Identification number: 5102. Letter: A,a,a1. Number of floors: 1. 13 Vostochnaya Str., Kashtanovskiy settlement, Oblivskiy district, Rostov area	105,3	-	-	Dwells family of electrician Tkachenko N.V. – 4 persons since 1990	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the whole object “Transfer without charge” strategy is accepted.
140	Premises with total area of 122 sq.m. in the following object: Utility service point . Area: total 144 sq.m. Identification number: 5102. Letter: A,a,a1. Number of floors: 1. 6 Dachnaya Str., Sosnovy	122	-	-	Dwells family of electrician Motorkin F.A. since 1981	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), for the whole object (144 sq.m.) “Transfer without charge” strategy is accepted.

	settlement, Oblivskiy district, Rostov area						
	ZDPS						
141	Industrial premises 1a Shosseinaya Str., Kamenolomni settlement, Rostov area	46,7	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
142	Industrial premises 2 Energetikov Str., khutor Aparinskiy, Rostov area	65,6	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
143	Industrial premises 30a Lenine Str., st. Melikhovskaya, Rostov area	12,4	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
144	Vehicles (3 units.) Shakhty, Rostov area	-	No59589	10.01.2008	LLC “Energobalans-Centre”	from 10.01.2008 to 10.01.2009	10.01.2010 if parties agree
145	Office furniture Shakhty, Rostov area	-	No50590	10.01.2008	LLC “Energobalans-Centre”	from 10.01.2008 to 10.01.2009	10.01.2010 if parties agree
146	Antennae support at: “Substation G-2”, Gukovo	-	No67815	01.09.2008	LLC (OOO) “Gazprom transgaz-Kuban”	from 01.09.2008 to 31.07.2009	-
	SDPS						
147	Building of District Power Substation ZDPS (administr.) 1 Gagarina Str., Zernograd, Rostov area	132	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
148	Building of District Production Base (adm.), 5 pr. Liteiniy, Azov, Rostov area	302,6	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use 8,4 sq.m. are passed on to “Energobalans”

149	Garage building – 4 5 pr. Liteiniy, Azov, Rostov area	27,7	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
150	Garage building -5 5 pr. Liteiniy, Azov, Rostov area	188,1	No9996/07/35 0/01/07	18.04.2007.	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
151	Amenity building 5 pr. Liteiniy, Azov, Rostov area	24,0	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
152	Garage building of ZDPS Production base of ZDPS 1 Gagarina Str., Zernograd	30,7	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
153	Part of garage 4B Gagarins Str., st. Yegorlykskaya, Rostov area	67,7	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
154	Building of District power substation production base of ZDPS (administer.) 1 Gagarina Str., Zernograd, Rostov area	51,3	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
155	Building of District power substation – type 1, two-storeyed. (admnniniStr.) KDPS, 3 Energetikov Str., st. Kagalnitskaya	32,6	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
156	Building of District power substation of YDPS (admin.) 127 Chapayeva Str., st. Yegorlykskaya	17,1	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
157	Utility service point, YDPS 127 Chapayeva Str., st. Yegorlykskaya	8,7	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.

158	Building of District Power Substation Azov DPS (administrative) 5 pr. Liteiniy, Azov	45,5	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
159	Building of District Production Base (administrative) 5 pr. Liteiniy, Azov, Rostov area	8,4	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
160	Amenity building 5 pr. Liteiniy, Azov, Rostov area	10,4	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
161	Residential house 24a Kooperativnaya Str., Azov	54,1	No69153/08	29.11.2008	Peshkov A.I., employee of PE “SES Rostovenergo”	until 29.11.2013	No
162	Residential house 24a Kooperativnaya Str., Azov	27,17	No69152/08	04.10.2008	Anferov A.V., employee of PE “SES Rostovenergo”	until 04.10.2013	No
163	Residential house 24b Kooperativnaya Str., Azov	29,9	No69154/08	04.10.2008	Mokryakov A.V., employee of PE “SES Rostovenergo”	until 04.10.2013	No
164	Residential house 24b Kooperativnaya Str., Azov	33,3	No8781/06	13.09.2006	Citizen Skripchenko V.N.	Until 13.09.2026	No
165	Residential house 24b Kooperativnaya Str., Azov	27,17			Citizen Mashustina Y.V.	According to the decision of Azov municipal court of the Rostov area dd 28.03.2009, Mashustina Ye.A. lost her right to use the residential premise in flat No.3 24 B Kooperativnaya Str., Azov, and is subject to ejectment from the specified residential premises without provision of other housing. At present, the executory process is being carried out.	
	VDPS						
166	Nonresidential premises in area maintenance building 22 Grishina Str., Tsimlyansk	58,0	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
167	Garage premises 10 Tsimlyanskoye shosse, Volgodonsk	64,8	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.

168	Office premises 7 Gvardeiskaya Str., village Zavetnoye	22,2	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
169	Office premises 9 p. Sosnovy, village B. Martynovka	37,7	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
170	Office premises 2a per. Brigadny, Zimovniki settlement	46,3	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
171	Office premises 18 Pervomaiskaya Str., village Dubovskoye	21,9	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
172	Office premises 6 Komsomolskaya Str., Konstantinovsk	26,4	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
173	Office premises 180 Oktyabrskaya Str., village Remontnoye	44,9	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.
174	Nonresidential premises in area maintenance building 22 Grishina Str., Tsimlyansk	312,3	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
175	Office premises 10 Tsimlyanskoye shosse, Volgodonsk	90,5	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
176	Office premises 18 Pervomaiskaya Str., village Dubovskoye	75,4	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
177	Office premises 7 Gvardeiskaya Str., village Zavetnoye	61,0	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
178	Office premises 9 p. Sosnovy, village B. Martynovka	59,2	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
179	Nonresidential premises in service amenity building 22 Grishina Str., Tsimlyansk	293,8	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009.

180	Part of nonresidential premises with total area of 3sq.m. at: 22 Grishina Str., Tsimlyansk	3	No2- L/55079/07	29.12.2006	JSC CB “Center-Invest”	from 29.12.2006 to 31.10.2007	For 11 months if parties agree
181	Nonresidential premises at: 39 Sovetskaya Str., Progress settlement, Volgodonsk district	68,7	No389/08/646 60/08	01.01.2008	JSC “Southern telecommunication company”	from 01.01.2008 to 30.11.2008	For 11 months if parties agree
182	Premises with total area of 147,2 sq.m. at: 10 Tsimlyanskoye shosse, Volgodonsk, Rostov area Premises with total area of 32,2 sq.m. at: 22 Grishina Str., Tsimlyansk, Rostov area	179,4	No54574/07	27.08.2007	Private entrepreneur “Cherednyakova”	from 01.09.2007 to 31.12.2007	Renewed for an equal term
183	Premises with total area of 31,9 at: 22 Grishina Str., Tsimlyansk	31,9	No0-11/73619	01.04.2006	Mengel V.T.	from 01.04.2006 to 30.04.2007	Renewal based on an additional agreement
184	Premises with total area of 22,9 at: 22 Grishina Str., Tsimlyansk	22,9	No0-10/73618	01.04.2006	Turichenko A.A.	from 01.04.2006 to 30.04.2007	Renewal based on an additional agreement
185	Premises with total area of 19,7 at: 22 Grishina Str., Tsimlyansk	19,7	No0-7/73615	01.04.2006	Savintseva S.V.	from 01.04.2006 to 30.04.2007	Renewal based on an additional agreement
186	Premises with total area of 30,3 at: 22 Grishina Str., Tsimlyansk	30,3	No0-6/73613	01.04.2006	Shlyakhtin O.N.	from 01.04.2006 to 30.04.2007	Renewal based on an additional agreement
187	Premises with total area of 21,8 at: 22 Grishina Str., Tsimlyansk	21,8	No0-4/73612	01.12.2008	Losev A.I.	from 01.12.2008 to 31.12.2009	Renewal based on an additional agreement
188	Premises with total area of 30,5 at: 22 Grishina Str., Tsimlyansk	30,5	No0-3/73611	01.04.2006	Bezverkhova M.A.	from 01.04.2006 to 30.04.2007	Renewal based on an additional agreement
189	Premises with total area of 31,5 at: 22 Grishina Str., Tsimlyansk	30,5	No0-2/73610	01.04.2006	Kalmykov S.I.	from 01.04.2006 to 30.04.2007	Renewal based on an additional agreement
190	Premises with total area of 37 at: 22 Grishina Str., Tsimlyansk	37	No0-9/73616	05.05.2006	Ladygin S.V.	from 05.05.2006 to 31.05.2007	Renewal based on an additional agreement
	YuDPS						

191	Administrative and industrial building of YuDPS (Letter П) 18 Skirdy Str., Salsk	110,8	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
192	Administrative and industrial building of YuDPS (Letter П2) 18 Skirdy Str., Salsk	26,8	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
193	Main building of Tselinskiy DPS (Letter A) 3 Prodolnaya Str., Tselina settlement	84,1	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
194	Main building of Tselinskiy DPS (Letter A) 3 Prodolnaya Str., Tselina settlement	49,3	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
195	Main building of Peschanokopskiy DPS 2 Energetikov Str., village Peschanokopskoye	81,67	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
196	Garage of Peschanokopskiy DPS (Letter Г1) 2 Energetikov Str., village Peschanokopskoye	57,5	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
197	Office of Orlovskiy DPS 249 Yuzhnaya Str., Orlovskiy settlement	71,8	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
198	Garage of Orlovskiy DPS (Letter Г2) 249 Yuzhnaya Str., Orlovskiy settlement	45,2	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
199	Nonresidential premises (two-storeyed building of Salskiy DPS) 28 Zheleznodorozhnaya Str., Salsk	113,4	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
200	Administrative and industrial buildings of Salsk DPS 28 Zheleznodorozhnaya Str., Salsk	43,1	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
201	Administrative and industrial building of Salsk DPS (one-storeyed)	59,3	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use



	28 Zheleznodorozhnsya Str., Salsk						
202	Main building of Tselinskiy DPS (Letter A) 3 Prodolnaya Str., Tselina settlement	55,7	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
203	Main building of Peschanokopskiy DPS 2 Energetikov Str., village Peschanokopskoye	16,8	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
204	Office of Orlovskiy DPS 249 Yuzhnaya Str., Orlovskiy settlement	54,1	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
205	Office of Orlovskiy DPS (Letter Г2) 249 Yuzhnaya Str., Orlovskiy settlement	22,7	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
206	Administrative building of Proletarskiy DPS 21 Chkalova Str., Proletarsk	35,1	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
207	Flat. Area: total 79,2 sq.m. Floor: 2. Apt. 27 15 Beregovaya Str., Salsk, Salsk district, Rostov area	79,2	-	-	Director of PE YuDPS “Rostovenergo” A.N. Lisovoy	In accordance with the register of non-core assets (approved on 09.04.2009 by the Board of Directors), corporate sales activities of the object are being carried out.	
	SDPS						
208	Administrative and living quarters Three-storeyed District Production Base of SDPS 34 Artleriiskaya Str., Millerovo	288,1	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
209	Premises at: 34 Artleriiskaya Str., Millerovo	49,67	No58988/28	01.01.2008	Individual entrepreneur “Berezhnova”	from 01.01.2008 to 15.04.2008	With further renewal
210	Premises at: No1 34 Artleriiskaya Str., 1 <sup>st</sup> floor Millerovo, Rostov area, Russia	11,8	No37/433/09-H	01.01.2009	ОАО «Россия»	from 01.12.2008 to 31.10.2009	-
211	Industrial administrative building of Kasharskiy DPS 1 Energetikheskaya Str., village Kashary, Kasharskiy district	48,7	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
212	Garage building (two-storeyed) of	55,8	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007	30.11.2009

	Millerovskiy DPS 4 per. Karjorny, Millerovo					to 30.11.2007	
213	Industrial building of Substation Kazanskaya of Verkhne-Donskoy DPS 1 Proizvodstvennaya Str., st. Kazanskaya	61,6	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
214	Industrial building of Sholokhovskiy DPS 16 Yesenina Str., st. Veshenskaya	32,2	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
	YuZDPS						
215	Administrative building of District Production Base (type 3), Letter A,A2 144 Dzerzhinskogo Str., Taganrog	170,08	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
216	Garage building of Shcherbakovskiy block of MDPS Lenina Str., village N.-Ilovaika	28,83	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
217	Building for duty personnel 79a Dzerzhinskogo Str., khutor R. Kolodets	30,01	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
218	Boiler house, Letter M 144 Dzerzhinskogo Str., Taganrog	30,93	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
219	Service and maintenance point of District power station, type 1 18 Proletorskaya Str., village Chaltyr, Myasnikovskiy district, Rostov area	33,98	No50674/07	15.05.2007	JSC “Energobalans”	from 01.01.2007 to 30.11.2007	30.11.2009
220	Administrative building of District power station, type 3, Letter A,A2 144 Dzerzhinskogo Str., Taganrog	823,2	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
221	Garage building of Shcherbakovskiy block of MDPS Lenina Str., village N.-Ilovaika	34,9	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
222	Building for duty personnel 79a Dzerzhinskogo Str., khutor R. Kolodets	78,00	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use

223	Boiler house, Letter M 144 Dzerzhinskogo Str., Taganrog	110,4	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
224	Service and maintenance point of District power station, type 1 18 Proletorskaya Str., village Chaltyr, Myasnikovskiy district, Rostov area	60,62	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
225	Asphalt and concrete area 144 Dzerzhinskogo Str., Taganrog	73,1	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
226	Garage building 18 Proletorskaya Str., village Chaltyr, Myasnikovskiy district, Rostov area	34,90	No9996/07/35 0/01/07	18.04.2007	JSC “Energosbyt Rostovenergo”	from 01.12.2006 to 01.11.2007	01.11.2009 in actual use
227	Immovable assets – nonresidential administrative premises at: 144 Dzerzhinskogo Str., Taganrog, Rostov area	22,4	No2809/03	05.01.2003	OSAO “Russia”	from 05.01.2003 to 11.12.2003	Renewed for an equal term
228	Immovable assets – nonresidential administrative premises with area of 24,8 sq.m. at: 144 Dzerzhinskogo Str., Taganrog, Rostov area Immovable assets – nonresidential administrative premises with area of 8sq.m. at: 144 Dzerzhinskogo Str., Taganrog, Rostov area	32,8	No5767/04	01.09.2004	FCB JSC “Center-Invest” No5	from 01.09.2004 to 15.08.2005	Renewed for an equal term

Sequestered fixed assets				
	Brief characteristics of property		Charge basis	Charge beginning and termination dates
Item No.	Items	Area, sq.m.		
1	1)Monitor-4 units.,	-	Provision on sequestration of the property as of	Sequestered from

	2) System unit - 4 units, 3) Keyboard - 4 units, 4) Computer mouse - 4 units, 5) Printer -1 unit.		27.12.2007 under the complex production No.47/07 as of 11.01.2007	27.12.2007 till the present time
2	1) Tapping from complex transformer substation (CTS) 5/250 at transmission line (TL) -10 kV “Brigada-1” 0.8km long, wooden and ferroconcrete supports-12 units, cable AS-35-2,4 km, CTS 10/0.4-250 KVA; 2) Tapping from CTS 1/250 KVA “Zernotok” through transmission line -10 KV “Brigada-1” 0,75 km long, wooden and ferroconcrete supports – 4 units, 3) Tapping of CTS No.2 /25 through TL -10 KV “Brigada-1” 3,6 km long, wooden and ferroconcrete supports - 4 units.	-	Provision on sequestration of the property as of 06.12.2007 under the complex production No.47/07 as of 11.01.2007	Sequestered from 06.12.2007 till the present time
3	1) 35/10 KV Nasosnaya Electric Grid Company (EGC); 2) TL 35 Tan Gashunskaya - Nasosnaya; 3) OL 35/10 KV Chernozemelskaya-Zulturganskaya; 4) EGC 35/10 KV Kirovskaya; 5) EGC 35/10 KV Meliorator.	-	Provision on sequestration of the property as of 21.09.2007 under the complex production No.934/74-3/2007 as of 06.02.2007	Sequestered from 21.09.2007 till the present time

Fixed assets placed under operational management				
Item No	Brief characteristics of property		Charge basis (decisions were taken by management authorities before affiliation of JSC “Rostovenergo” to JSC “IDGC of the South”)	Charge beginning and termination dates
	Items	Area, sq.m.		

1	Building Letter A, address (location): 147 2 <sup>nd</sup> Krasnodarskaya Str., Sovetskiy district, Rostov-on-Don, Rostov area	7354 sq.m.	Decision of JSC “Rostovenergo” Board of Directors dd 26.04.2004, Minutes No.22 (concerning item No.14 “On Attaching Property to Nongovernmental Noncommercial Educational Institution “Educational Centre “Energetik” on the basis of operational management) (Certificate of state registration of right 61 АГ No.981624 dd 26.08.2008)	from 26.08.2008 limit not specified
2	Building Letter A, address (location): 147/2 2 <sup>nd</sup> Krasnodarskaya Str., Sovetskiy district, Rostov-on-Don, Rostov area	4789,1 sq.m.	Decision of JSC “Rostovenergo” Board of Directors dd 26.04.2004, Minutes No.22 (concerning item No.14 “On Attaching Property to Nongovernmental Noncommercial Educational Institution “Educational Centre “Energetik” on the basis of operational management) (Certificate of state registration of right 61 АГ No.981623 dd 26.08.2008)	from 26.08.2008 limit not specified
3	Movable property in amount of 9531 units for 2 133 048,67 rub.	-	Decision of JSC “Rostovenergo” Board of Directors dd 26.04.2004, Minutes No.22 (concerning item No.14 “On Attaching Property to Nongovernmental Noncommercial Educational Institution “Educational Centre “Energetik” on the basis of operational management)”)	from 01.07.2004 limit not specified
4	Building of Educational and Training Complex production base, Letter 65, address (location): Industrial centre at Steam Power Plant-2, Privolzhskiy district, Astrakhan area for 12052190,08 rub.	1158,5 sq.m.	Decision of JSC “Astrakhanenergo” Board of Directors dd 29.04.2003, Minutes No.100 (concerning item “On Participation of JSC “Astrakhanenergo” in the Nongovernmental Noncommercial Educational Institution “Astrakhan Educational Complex” and on transferring property for operational management), Agreement on the Right of Property Operational Management No.01-25-24/37 dd 05.01.2004, Supplementary contract No.1 dd 24.03.2008 to agreement No.01-25-24/37 dd 05.01.2004, Certificate of state registration of right 30 CP No.009108 dd 12.05.2004	from 12.05.2004 limit not specified

5	Movable property in amount of 100 units for 36500,47 rub.	-	Decision of JSC “Astrakhanenergo” Board of Directors dd 29.04.2003, Minutes No.100 (concerning item “On Participation of JSC “Astrakhanenergo” in the Nongovernmental Noncommercial Educational Institution “Astrakhan Educational Complex” and on transferring property for operational management), Agreement on the Right of Property Operational Management No.01-25-24/35 dd 05.01.2004, Supplementary contract dd 20.12.2006 to agreement No.01-25-24/35 dd 05.01.2004, Supplementary contract No.2 dd 24.03.2008 to agreement No.01-25-24/35 dd 05.01.2004	from 05.01.2004 limit not specified
6	Movable property in amount of 4 units for 12988,10 rub.	-	Decision of JSC “Astrakhanenergo” Board of Directors dd 29.04.2003, Minutes No.100 (concerning item “On Participation of JSC “Astrakhanenergo” in the Nongovernmental Noncommercial Educational Institution “Astrakhan Educational Complex” and on transferring property for operational management), Agreement on the Right of Property Operational Management No.01-11/03-Д117-1P dd 29.06.2004, Supplementary contract No.3 dd 24.03.2008. to agreement No.01-11/03-Д117-1P dd 29.06.2004	from 29.06.2004 limit not specified
7	Movable property in amount of 2 units for 21310,43 rub.	-	Decision of JSC “Astrakhanenergo” Board of Directors dd 29.04.2003, Minutes No.100 (concerning item “On Participation of JSC “Astrakhanenergo” in the Nongovernmental Noncommercial Educational Institution “Astrakhan Educational Complex” and on transferring property for operational management), Agreement on the Right of Property Operational Management No.01-11/03-Д111-1P dd 13.08.2004, Supplementary contract No.4 dd 24.03.2008. to agreement No.01-11/03-Д111-1P dd 13.08.2004	from 13.08.2004 limit not specified

## IV Data on financial and economic activities of the Issuer

### 4.1 RESULTS OF FINANCIAL AND ECONOMIC ACTIVITY OF THE ISSUER

#### 4.1.1 Profit and loss

Item description	Quarter II of 2008	Quarter II of 2009
Revenue, rubles in thousands	3 702 096	4 679 574
Gross profit, rubles in thousands	432 131	919 819
Net profit (undistributed profit) uncovered loss, rubles in thousands	123 838	23 053
ROE, return on equity, %	0,94	-2,58
ROA, return on assets, %	0,65	-1,41
Net profit ratio, %	3,35	0,49
Profitability of products (sales), %	9,06	13,95
Capital turnover, numbers	0,17	0,16
Amount of uncovered loss as of accounting date, rubles in millions	0	0
Ratio between uncovered loss as of accounting date and the balance sheet total	0	0

**Note:** For calculating the indicators presented methodology was used recommended by the Regulations on information disclosure by the Issuers of issue securities (approved by Order of FFMS of the RF dd 10.10.2006 No.06-117/пз-н “On probation of regulations on information disclosure by issue security Issuers”).

Economic analysis of profitability (unprofitability) of the Issuer on the basis of the given indicators’ behaviour

Profit for quarter II of 2009 was equal to **4 679 574** thousand rubles, which is more than in quarter II of 2008 by 26,4%.

By the end of quarter II net profit fell more than five times in comparison with quarter II of 2008.

Return on equity shows the company’s net profit to own capital equity and characterizes

efficiency of the own investment to the organization. This indicator's decrease in quarter II of 2009 is caused by the company's substantial net profit crunch.

Return on assets shows how effectively the company's assets are used, that is how efficiently the Issuer's assets are managed through return of each ruble invested to assets, and demonstrates profit generation in the company. It is the main criterion in pricing the shares at the securities exchange. This coefficient shows percentage of net profit in the total amount of assets of the balance sheet, namely, what profit the company gets from each ruble invested to assets.

Net profit ratio presents what fraction of the net profit the enterprise can dispose of, from the total of the sales revenue, and in quarter II of II it made **0,49 %**.

Profitability of sales coefficient characterizes efficiency of manufacturing or commercial activity, estimates the share of cost price in sales, shows the amount of operational profit in the company's sales volume. It is the profitability key indicator and is referred to most of all. In other words, this coefficient shows how much profit remains on covering cost price. As of 30.06.2009 it was **13,95%**.

Capital turnover parafametre pictures the speed the Issuer's capital turnover, and it reached **0,16** as of 30.06.2009.

#### **4.1.2 Factors that influenced the change of the Issuer's sales revenue from goods, products, works, services and the change of Issuer's profit (loss) on ordinary activities**

No n/n	Item description	Quarter I of 2009	Quarter II of 2009
1	Revenue (net) from products (services) sold, total, rubles in thousands	4 446 171	4 679 574
2	Cost of production (services), total, rubles in thousands	4 356 617	3 759 755
3	Gross profit, total, rubles in thousands	89 553	919 819
4	Net profit (loss)	-561 540	23 053
5	ROE, return on equity, %	-6,27	-2,58

In quarter II of 2009 net profit totaled 23,1 mln rubles, which explains considerable growth in comparison with quarter I. This increase of the indicator was enabled by fulfilling the company's anticrisis plan on cost reduction. Price of production was cut by 13,7% compared to the results of the previous quarter, revenue grew by 5,2%.



## 4.2 ISSUER’S LIQUIDITY, CAPITAL AND CURRENT ASSETS ADEQUACY

Item description	As of 30.06.2008	As of 30.06.2009
Working capital, rubles in thousands	- 3 100 322	-5 582 101
Permanent asset index	1,16	1,28
Current liquidity ratio	1,42	1,20
Quick liquidity ratio	1,16	1,06
Equity ratio, %	0,698	0,55

**Note:** For calculating the indicators presented methodology was used recommended by the Regulations on Information Disclosure by Issue Securities Issuers (approved by FFMS of the RF order dd 10.10.2006 No.06-117/пз-н “On Approval of Regulations on Information Disclosure by Issue Securities Issuers”).

### Economic analysis of the Issuer’s liquidity and solvency

Indicator “Working capital” demonstrates the amount of turnover assets that remain within the enterprise in case of single repayment of debt, thus, it is financial safety margin which enables the company to operate without risking its financial stability, even in a crisis (when all the creditors demand debt recovery simultaneously).

Value of the Issuer’s own turnover in quarter II of 2009 was equal to – 5 582 101 thousand rubles; negative value of the indicator is connected with considerable volume of fixed assets in the structure of noncurrent assets of the enterprise, which is a consequence of the Company’s extended investment programme.

Permanent asset index characterizes share of the noncurrent assets in the sources of own capital. The closer the value to 1, the more noncurrent assets are created from the own capital. As of 30.06.2009, the indicator made 1,28, which shows slight acceleration on the previous accounting period.

Current liquidity ratio shows a degree, in which turnover assets cover short-term passives of the enterprise, and makes it possible to see how much current assets account for one ruble of the current liabilities. As of 30.06.2009 this coefficient equals to 1,20. Recommended value of the current liquidity ratio is at least 0,6.

The factor of fast liquidity is similar to the factor of current liquidity. It gives the estimation of assets’ liquidity, but it is calculated on the basis of a narrower circle of current assets of the Issuer, when the least liquid part - industrial stocks - is excluded from the formula. As of 30.06.2009, the factor made up 1,06. Recommended value of fast liquidity index is at least 0,5.

Liquidity coefficients are within the scope of recommended values, which indicates that

monetary funds are used in an active and rational way.

The factor of financial independence (autonomy) defines a share of assets of the organization, which are covered due to own capital. As of 30.06.2009, it was 0,55. Recommended limit of financial independence (equity ratio) is at least 0,1.

According to data for the completed financial year, and quarter II of 2009, all the above mentioned coefficients are within the limits of recommended values.

Opinions of the Issuer's management bodies concerning the mentioned reasons and/or the extent of their influence on the figures of financial and economic performance of the Issuer coincide.

No member of the Board of Directors of the Issuer has any special opinion concerning the mentioned reasons and/or the extent of their influence on the figures of financial and economic performance of the Issuer.

#### 4.3 ISSUER'S CAPITAL AND CURRENT ASSETS AMOUNT AND ADEQUACY

##### 4.3.1 Issuer's capital and current assets amount and adequacy

The Issuer's capital amount and structure, rubles in thousands:

Item description	Indicator value, rubles in thousands
	As of 30.06. 2009
Amount of the Issuer's authorized capital	4981110
Total treasury shares	-
Reserve capital amount (formed as operating surplus)	142867
Additional capital amount	14857284
Issuer's undistributed profit (loss) amount	777849
Amount of special-purpose funds, inclusive of sums for special-purpose activities, sums from other organizations and persons, budget etc	-
<b>Total equity of the Issuer</b>	<b>20759110</b>

The authorized capital in the amount of 4 981 110 thousand rubles corresponds to the amount of the authorized capital reflected in constituent documents of the Issuer

(changes and additions of the Charter of “IDGC of the South”, JSC are registered in IFTS of the Lenin district of Rostov-on-Don on 22.05.2008).

The address of the Internet website with free-access full text of the current edition of the Issuer's Charter, revised and expanded: <http://www.mrsk-yuga.ru/rus/management/structure/index.shtml>.

**Amount and structure of the Issuer's current assets in accordance with accounting reporting to the Issuer as of the end of the accounting quarter, rubles in thousands:**

Item No	Item description	Item value
		As of 30.06.2009
1.	<b>Inventories, including:</b>	<b>1 290 852</b>
1.1.	raw materials, materials and other similar values	670 913
1.2.	animals in breeding and fattening	-
1.3.	expenses for production-in-process	-
1.4.	finished products and goods for resale	3 765
1.5.	goods loaded out	-
1.6.	expenditures of future periods	616 174
1.7.	other stocks and expenditures	-
2.	<b>Value Added Tax on purchased values</b>	<b>32 434</b>
3.	<b>Accounts receivable (payments are planned over more than 12 months upon the balance sheet date)</b>	<b>199 223</b>
3.1.	including buyers and customers	137 183
4.	<b>Accounts receivable (payments are planned within 12 months reporting date)</b>	<b>9 831 081</b>
4.1.	including buyers and customers	6 314 885
5.	<b>Short-term financial investments</b>	<b>2 680</b>
5.1.	accounts receivable (payments are planned within 12 months reporting date)	2 680
5.2.	other short-term financial investments	-

6.	<b>Cash assets</b>	<b>319 991</b>
7.	<b>Other current assets</b>	
	<b>TOTAL</b>	<b>11 676 261</b>

#### 4.3.2 Financial investments of the Issuer

Financial investments of the Issuer as of 30.06.2009 made up **447 859** thousand rubles, including:

- to issue securities: **401 518** thousand rubles;
- to non-equity securities: **0**;
- other financial investments: **46 341** thousand rubles.

List of the Issuer's financial investments to issue securities which equal at least 5 percent from its total financial investments as 30.06.2009:

Item No	Kind of securities	Full (short) company names of the Issuer, its location	State registration numbers of issue securities issues; dates of state registration; issuing authorities by whom the securities issues were registered	Amount of securities held by the Issuer, units	Total nominal value of securities held by the Issuer, in rubles	Total balance sheet value of securities held by the Issuer, in rubles	Amount of dividend on privileged shares or the order of its determination, payment term	Amount of the dividend declared on ordinary shares (if there is no data on amount of the stated dividend in the current year, the amount of the previous year's dividend is specified), payment term
1	Ordinary registered shares	Joint Stock Company "Astrakhanelektrosetremont"; (JSC "Astrakhanelektrosetremont")  204 Kramatorskaya Str., Astrakhan, Russian Federation	1-01-33954-E;  14.05.2004;  Regional department of FFMS in the Southern Federal District	71 308	71 308 000	60 416 668, 33	-	Dividends were not declared previously
2	Ordinary registered shares	Joint Stock Company "Volgogradsetremont";  (JSC "Volgogradsetremont");  1a Granovitaya Str., Volgograd, Russia	1-01-33955E;  17.05.2004;  Regional department of FFMS in the Southern Federal District.	40648000	40648000	14902153,84	-	Previously taken decision:  0,008857 rub. for each ordinary registered share, in monetary equivalent, within 60 days from the date of decision taking about payments.

“Interregional Distribution Grid Company of the South”, Joint Stock Company

TIN 616426656111

3	Ordinary registered shares	Joint Stock Company “Sokolovskoye Enterprise of Agriculture”  (JSC “Sokolovskoye PSKh”)  32 Kurskaya Str., Sokolovo-Kundryuchenskiy settlement, Novoshakhtinsk, Russia	N 1-01-33839-E dd 15.01.2004  Regional department of FFMS in the Southern Federal District	161713447	161 713 44 7	17864045 3,77	-	Dividends were not declared previously
4	Ordinary registered shares	Joint Stock Company “Grechko A.A. Enterprise of Agriculture”  (JSC “Grechko A.A. PSKh”)  21 Teatralnaya Str., village Kuibyshevo of Kuibyshevskiy district, Rostov area, Russia	N 1-01-33837-E; 15.01.2004;  Regional department of FFMS in the Southern Federal District	77 686 000	77 686 000	79 972 21 6,44	-	Dividends were not declared previously
5	Ordinary registered shares	Joint Stock Company “Recreation Centre “Energetik” (JSC “Recreation Centre “Energetik”);  5 Shkolnaya Str., village Shepsi, Tuapsinskiy district Krasnodar region, Russian Federation	N 1-01-33856-E dd 15.01.2004  Regional department of FFMS in the Southern Federal District	111 279355	111279355	65 417 24 7,18	-	Dividends were not declared previously
6	Ordinary registered shares	Closed Joint Stock Company “Sphere-Income” (CJSC “Sphere-Income” );  13 Prazhskaya Str., Volgograd, Russia	Ordinary registered shares	1160	116000	116000	-	Dividends were not declared previously
7.	Ordinary registered shares	Joint Stock Company “Joint-stock electric grid company” (JSC “Joint-stock electric grid company” );  27 Osipenko Str., Moscow, Russia	Ordinary registered shares	2000	2000	3 000	-	Dividends were not declared previously

Other financial investments of at least 5 percent of all investments as of 30.06.2009 are absent.

Securities provision reserve: not formed in quarter II.

For quarter II of the current accounting year there is no loss on the Issuer’s financial investments.

The Issuer’s assets were not registered and are not registered at present on depositary accounts or any other accounts in banks or any other credit organizations whose licenses were either suspended or withdrawn.

Registration and assessment of financial investments of the Issuer is made on the

following normative basis:

- Federal Law dated November 21, 1996 No.129-ФЗ “On Book Keeping”;
- “Regulations on Book Keeping Conditions and the Accounting Reporting in the Russian Federation” approved by Order of the Ministry of Finance of Russia dated July 29, 1998 No.34н;
- Taxation code of the Russian Federation;
- Order of the Ministry of Finance of the Russian Federation dated 10.12.2002 N126н “On Confirmation of the Regulations of Book Keeping on the “Account of Financial Investments” ПБУ 19/02”.

#### **4.3.3 Intangible assets of the Issuer**

From the moment of foundation, the Issuer has not possessed any intangible assets, including objects of intellectual property or rights to use detached objects as well as other kinds of intangible objects.

#### **4.4 DATA ON THE POLICY AND EXPENSES OF THE ISSUER IN THE FIELD OF SCIENTIFIC AND TECHNICAL DEVELOPMENT, CONCERNING LICENSES AND PATENTS, NEW DEVELOPMENT AND RESEARCH**

Research-and-development activities (RDA) were neither planned nor carried out by JSC “IDGC of the South” in quarter II of 2009.

Inventions, useful models, production patterns were not made in the accounting period, patents (certificates) were not issued, invention applications were not lodged, state registration of trade and service marks was not carried out.

As the Company is not involved in scientific and research activities, as well as patent works, the Issuer is not subject to risks based on probability of basic patents termination, trademark operating licenses expiration.

#### **4.5 ANALYSIS OF DEVELOPMENT TRENDS IN THE SPHERE OF ISSUER’S ORDINARY ACTIVITY**

Main development tendencies of the Issuer’s industry of ordinary activities:

JSC “IDGC of the South” performs its ordinary operations in the sphere of electric power industry which has been in the process of stage-by-stage reforming in recent years.

Goals and objectives of electric power industry reforming are defined by Decree of the Government of the Russian Federation as of July 11, 2001 No.526 “On Reforming Electric Power Industry of the Russian Federation”.

**The majority of the objectives set are being fulfilled, quite a number of milestone activities on restructuring have been successfully completed by the present.** As the result of another stage of electric power industry reforming, from July 01, 2008 JSC “IDGC Holding” owns 51,66 % of JSC “IDGC of the South” stake, which previously belonged to JSC RAO “UES of Russia”.

Key factors of influence on the industry condition:

1. Terms of preparing and carrying out the milestone programmes of the industry reforming;
2. Cooperation with federal and regional government authorities, including work on the issues of preparing, approving and execution of the legal and normative base of the industry reforming;
3. Level and adequacy of the state regulation of the industry (concerning taxation policy practised, along with other issues);
4. Demand-supply situation on the internal and world markets of energy commodities;
5. Availability of financial sources for the basic industrial funds of the industry’s enterprises renewal and development;
6. Solvency level of the key consumers.

The above information is presented according to the opinions expressed by the management authorities of the Issuer.

Members of the Board of Directors and Management Board have no special opinion as far as presented information goes.

#### **4.5.1 Analysis of factors and conditions influencing the Issuer’s activity**

Factors and conditions influencing the Issuer’s activity and results of such activity

As of 30.06.2009, JSC “IDGC of the South” is one of the largest and vigorously developing power companies of the Southern Federal District. Rampant development of the regional infrastructure in the Company’s service area, construction of objects of different types, transfer complexes, regional transport networks, sea and river ports’ renovation, recreation business development on the seaside of the Black and Azov seas is linked with intensive growth of electric energy consumption.

Situation arises when essential supply reliability risks emerge, and safe and stable operation of the power system is endangered by transmission lines and transformers congestion in normal and postemergency conditions. Power equipment deterioration makes the state still more complicated.

In the framework of performing state regulated activity, state regulation of tariff design becomes the basic factor of influence on the Issuer’s operation.

Among the major influential factors for the Issuer's activity and its results, the following should be pointed out: changes to the legal basis of the industry and for the RF in general, and plans for regional economic development of Russia worked out by the Government of the RF and the Ministry of economic development and trade of the RF for the accounting year, the following years and the perspective of 3, 5 and 10 years.

Electric power grid complex of Sochi also develops rapidly, preparation being made at the moment to host winter Olympics of 2014. By 2012, phased restructuring of transit open-wire circuits with voltage of 110 kV “Dagomys-Psou”, “Shepsi-Dagomys”, “Chilipsi-Shepsi” is planned to complete.

#### Forecast of the stated factors and conditions' duration

Under the conditions of the Issuer's naturally monopolous activity (rendering electric power transmission services), in the nearest future no changes are expected in the field of responsibilities for electric power transmission tariff regulation. What concerns the index of tariff limit levels, the Issuer does not predict acute fluctuations of this index to either side in the short run.

Important events/factors which can improve the results of the Issuers' performance:

1. Electric energy consumption growth in the Company's service areas;
2. Stage-by-stage transition to tariff regulation by RAB method;
3. Investment programme assimilation for improving operational efficiency.

Important events/factors which can have worst effect on the Issuer's possibility to show similar or better results compared to the last accounting period:

1. Decrease in electric power consumption because of production recession and, correspondingly, shortfalls in the Issuer's income;
2. Electric power equipment deterioration;
3. Growth of inflation rate (when actual growth exceeds the predicted level);
4. Change of tariffs for rendering electric power transmission services;
5. Probability of transfer of consumers load to sources of power supply through higher voltage transmission lines (for example, from MV-1 to HV), which will cause the change of productive output structure and decrease in transmission profitability;
6. Emerging of rival power grid companies, de-merger of grid enterprises (establishing a number of smaller grid companies instead of several big ones);
7. Occurrence of uncovered expenditures for translation of electric power purchase or loss price;



8. Risk of cancelling of JSC “FGC UES” equipment sublease agreements (“last mile” agreements);
9. Risk of subjective tariff-rating decisions by Ministry of Energy, Federal Tariff Service, Regional Tariffs Service of Russia, including decisions on electric power losses;
10. Appreciation of credit resources because of the world financial crisis.

Methods of reducing unfavourable effects the Issuer uses or plans to use in the future to mitigate the negative influential factors or conditions:

- Optimizing the structure of operational expenditures;
- Renovating the existing electric power grids and constructing new grids;
- Technical re-equipment of fixed assets;
- Working out and fulfilling the medium-term investment programme;
- Carrying out medium-term leasing programmes;
- Preparing and carrying out medium-term programmes on decreasing technological loss in the Company’s grid;
- Introducing new management methods based on IT technologies’ development;
- Initiating the process of forming tariff decisions on the basis of parity ratio of federal and regional parameters;
- Transfer to tariff regulation based on invested capital profitability estimate (RAB-management).

#### **4.5.2 Business competitors of the Issuer**

The Issuer’s ordinary activity is electric power transmission and technological connection of the users to the electric grid infrastructure.

The Issuer is natural monopoly holder, that is why there is almost no competition in the sphere of electric power transmission services of the regions within the Issuer’s service zone in sectors of high and medium-1 voltage electric power transmission, competition is only possible in the sectors of medium-2 and high voltage of associated grid organizations.

Competitive ability of the Company depends on the following factors:

- many years of experience in cooperation with regional supply and generating enterprises;
- qualified personnel;

- well-known brand of the Company supported by guarantee of reliable and high-quality consumer electric power supply.

In order to support the Company's positive development trend and strengthen competitive abilities, the Company carries out the following activities:

- continuous monitoring of the regional electric power and capacity markets which consists in forecasting and analyzing the factors of influence on the Company's operation, as well as working out procedures for mitigation of negative impact on the Company's performance results;
- cooperation with Federal Tariff Service of Russia, Ministry of Energy of Russia, local administrations of subjects of the Russian Federation, Regional Tariffs service, JSC “SO UES” (System operator UES), JSC “FGC UES”, JSC “IDGC Holding”, territorial grid organizations, power selling and power supply organizations on issues of tariff balance regulation and regional power and capacity markets' operation.

**V DETAILED DATA ON THE MEMBERS OF MANAGEMENT AUTHORITIES OF THE ISSUER, BODIES OF THE ISSUER UNDERTAKING CONTROL OVER ITS FINANCIAL AND ECONOMIC ACTIVITIES, AND BRIEF DATA ON THE STAFF (EMPLOYEES) OF THE ISSUER**

**5.1 DATA ON THE STRUCTURE AND COMPETENCE OF THE ISSUER'S MANAGEMENT AUTHORITIES**

**According to the Charter of JSC “IDGC of the South”, the Company's management authorities are:**

General Shareholders Meeting;

Board of Directors of the Company;

Management Board;

General Director.

General Shareholders Meeting is the supreme management authority of the Company.

**According to point 10.2. of clause 10 of the Charter of JSC “IDGC of the South, the following items are within the scope of the General Shareholders Meeting competence:**

- 1) introducing alterations and amendments to the Charter or approving the revised Charter;
- 2) reorganization of the Company;
- 3) liquidation of the Company; appointing liquidation commission and the approving the interim and final liquidation balances;
- 4) determining the quantity, nominal value, category (type) of the declared shares and the rights provided on them;
- 5) increase in the authorized capital of the Company by way of increasing nominal value of the shares of by way of additional placements;
- 6) decrease in the authorized capital of the Company by way of decreasing nominal value of the shares through acquiring part of shares with the purpose to reduce their total amount, and by retirement of acquired or bought shares;
- 7) fractioning and consolidation of the Company's shares;
- 8) taking decision on the Company's placing bonds convertible to shares, other issue securities convertible to shares;

- 9) determining quantitative structure of the Board of Directors, electing members and early termination of their powers;
- 10) electing members of Auditing Committee of the Company and the early termination of their powers;
- 11) approving the Auditor of the Company;
- 12) taking decision on transfer of powers of sole executive body of the Company to the managing organization (managing director) and on early termination of his powers;
- 13) approval of annual reports, annual accounting balances, including the reports on profit and loss (accounts of profit and loss) of the Company, and distribution of its profits (including payment (statement) of dividends, except for the profit distributed as dividends at the end of quarter I, year half, nine months of the financial year) and loss of the Company at the end of financial year;
- 14) payment (statement) of dividends at the end of quarter I, year half, nine months of financial year;
- 15) determination of the procedure of General Shareholders Meeting of the Company;
- 16) taking decision on approval of deals in cases envisaged by Article 83 of Federal Law “On Joint Stock Companies”;
- 17) taking decision on approval of large deals in cases envisaged by Article 79 of Federal Law “On Joint Stock Companies”;
- 18) taking decision on participation in financial and industrial groups, associations and other unions of commercial organizations;
- 19) approving internal documents regulating activity of the bodies of the Company;
- 20) taking decision to pay remunerations and (or) compensations to the members of the Auditing committee of the Company;
- 21) taking decision to pay remunerations and (or) compensations to the members of the Board of Directors of the Company;
- 22) solving other problems envisaged by Federal Law “On Joint Stock Companies”.

Issues of General Shareholders Meeting’s competence cannot be delegated to Board of Directors, Management Board or General Director of the Company.

General Shareholders Meeting has No right to discuss items or take decisions on the items outside its competence as stated by Federal Law “On Joint Stock Companies”.

**General management of the Company’s activities is carried out by Board of Directors.**

**In conformance with point 15.1. of article 15 of JSC “IDGC of the South” Charter, the following items are included on the competence of the Company:**

1. singling out priority sectors of the Company’s activities;
2. convocation of the annual and extraordinary General Shareholders Meetings of the Company, except for the cases stipulated by item 14.8 of clause 14 of JSC “IDGC of the South” Charter, and announcing the date of the next shareholders meeting instead of a meeting that was called off on the reason of absence of quorum;
3. approving the Company General Shareholders Meeting agenda;
4. electing of the Secretary of the Company General Shareholders Meeting;
5. determining the date of drawing up the list of persons entitled to participate in the Company General Shareholders Meeting, and solving other issues connected with preparation and carrying out of the Company General Shareholders Meeting;
6. introducing issues envisaged by subpoint 2,5,7,8,12-20 of point 10.2 of Clause 10 of the Charter for the decision of General Shareholders Meeting of the of the Company, as well as on the reduction of the authorized capital of the Company through the decrease in nominal value of shares;
7. placement of bonds and other issue securities by the Company, except for cases stipulated by the legislation of the Russian Federation and the Charter;
8. approving decision on the issue of securities, prospect of securities and the report on the results of the securities issue, approving reports on the results of acquisition of the Company’s shares from the shareholders, reports on retirement of shares, reports on the results of demands by the shareholders of the Company on retirement of the shares owned by them;
9. determining the price (monetary value) of property, price of placement and acquisition of issue securities in cases envisaged by Federal Law “On Joint Stock Companies”, as well as while solving issues stipulated in subpoints 11, 21, 22, 38 of point 15.1 of clause 15 of JSC “IDGC of the South” Charter;
10. acquisition of shares, bonds and other securities placed by the Company in cases envisaged by Federal Law “On Joint Stock Companies”;
11. alienation (sale) of the shares of the Company acquired by the Company as a result of their purchase or retirement from the shareholders of the Company, as well as in other cases envisaged by Federal Law “On Joint Stock Companies”;
12. election of CEO of the Company and early termination of his/her powers (including decisions on early termination of the labour contract with him/her);
13. determining quantitative structure of Management Board of the Company, election of members of Management Board, setting remunerations and compensations paid to them, early termination of their powers (including early termination of labour contracts

with them);

14. recommendations to General Shareholders Meeting of the Company on the amount of remunerations and compensations paid to the members of Auditing Committee and determination the fee size for Auditor's services;
15. recommendations on the amount of dividend on the shares and payment order;
16. approving internal documents of the Company determining the procedure for the formation and use of the Company's funds;
17. taking decision on the use of the Company's funds, approving cost estimates for the use of special purpose funds and consideration of cost estimates implementation results for the use of special purpose funds;
18. approving internal documents of the Company, with the exception of internal documents which are to be approved by General Shareholders Meeting, and other internal documents approval of which is the competence of the Company's executive authorities;
19. approving business-plan (revised business plan), including the investment programme and report on results of its execution, as well as approving (revising) key indicators of the Company's cash flows;
20. creating branches and opening representative offices of the Company, liquidating them, as well as amending the Charter of the Company in connection with creating branches, opening representative offices of the Company (including change of the data on names and locations of branches and representative offices of the Company) and their liquidation;
21. taking decision on participation of the Company in other entities (on incorporation to an operating entity or creation of a new entity, including coordination of the foundation documents), as well as (in view of provisions of subpoint 22 of point 15.1 of clause 15 of the Charter) on purchase, alienation and encumbrance of shares and stakes in the authorized capitals of organizations in which the Company participates, change of the stake of participation in the authorized capital of the corresponding entity, and termination of participation of the Company in other entities;
22. taking decision on one or several associated deals of the Company on alienation, pledging or other encumbrance of shares and stakes of SACs (subsidiaries and affiliated companies) which are not engaged in production, transmission, dispatching, distribution and sales of electric and thermal power in case if the market value of shares or stakes under the transaction determined according to the report of the independent appraiser, exceeds 30 million rubles and in other cases (amounts) determined by separate decisions of the Company's Board of Directors;
23. determination of the credit policy of the Company as to providing loans by the Company, making credit and loan contracts, issuing guarantees, acquisition of liabilities on bills (issuing ordinary and transfer bill), pledging property and making decisions on the above mentioned transactions of the Company in cases when the procedure is not

determined by the credit policy of the Company as well as decision making in the order envisaged by the credit policy of the Company on bringing the debt situation of the Company to the limits determined by the credit policy of the Company;

24. approving large deals in cases envisaged by Chapter X of Federal Law “On Joint Stock Companies”;

25. approving transactions envisaged by Chapter XI of Federal Law “On Joint Stock Companies”;

26. approving the Company’s Registrar, terms of the agreement with him, as well as termination of the agreement;

27. electing Chairman of Board of Directors and early termination of his powers;

28. electing Deputy Chairman of Board of Directors and early termination of his powers;

29. electing Corporate secretary of the Company and early termination of his powers;

30. preliminary approval of decisions on the Company’s transactions connected with the gratuitous transfer of property of the Company or property rights (requirements) to itself or the third party, transactions connected with liberation from property liabilities to itself or the third party, transactions connected with the gratuitous provision of services by the Company (carrying out works) for the third party, in cases (amounts) determined by separate decisions of Board of Directors of the Company, and decision-making on the stated transactions by the Company in cases when the above-mentioned cases (amounts) are not determined;

31. taking decision on suspension of powers of the managing entity (manager);

32. taking decision on appointing Acting Chief Executive Officer of the Company, as well as calling him to disciplinary responsibility;

33. calling General Director and members of Board of Directors to disciplinary responsibility and their remuneration according to the labour legislation of the Russian Federation;

34. considering the reports of CEO on the activity of the Company (including the report on carrying out of his/her functions), on the implementation of the decisions of the General meeting of the Company and its Board of Directors;

35. approving of the procedure for interaction of the Company with entities in which the Company participates;

36. determining the Company’s position (position of the Company’s representatives), including the assignment to take or not to take part in voting on the agenda items, to vote under draft decisions “for”, “against” or “abstained”, on the following items of the agenda of General Shareholders (participants) Meetings of subsidiaries and affiliated companies (further on referred to as SACs) (except for cases when functions of the SACs of General

Shareholders Meetings are carried out by Board of Directors of the Company), and meetings of SACs' Board of Directors (except for the item on approval of agenda of General Shareholders Meetings of SACs when functions of SACs' General Shareholders Meetings are carried out by Board of Directors of the Company):

- a) on determining agenda of the General Shareholders (participants) Meeting of SAC;
- b) on reorganizing, liquidation of SAC;
- c) on determining quantitative structure of SAC's Board of Directors, nominating and electing its members and early termination of their powers;
- d) on determining amount, nominal value, category (type) of announced shares of SAC and rights on the shares;
- e) on increasing the SAC's authorized capital by increasing nominal value of shares or additional share placements;
- f) on placement of SAC's securities convertible to ordinary shares;
- g) on fractioning, consolidating SAC shares;
- h) on approving large transactions of SAC;
- i) on participation of SAC in other entities (on incorporating to an existing entity or creating a new entity), and on acquiring, alienating and charging shares and authorized capital stakes of entities where the SAC participates, change of stake in the authorized capital of the corresponding entities;
- j) on making transactions by SAC (including several associated transactions) connected with alienation or possibility of alienation of property which is part of fixed assets, intangible assets, construction-in-process objects used for the purpose of electric and thermal power production, transmission, dispatching, distribution in cases (amounts) determined by the procedure of the Company's cooperation with entities it participates in (approved by the Company's Board of Directors);
- k) on amending and revising SAC's constituent documents;
- l) on determining the procedure of paying remuneration to Board of Directors and Auditing committee of the SAC;
- m) on determining target values of key efficiency indicators (revised target values of key efficiency indicators);
- n) on approving report on implementation of planned values of annual and quarter key efficiency indicators;
- o) on approving business-plan (revised business-plan);
- p) on approval (consideration) of report on business-plan implementation;



- q) on approval of profit and loss distribution at financial year end;
- r) on recommendations concerning amount of share dividend and payment order;
- s) on payment (declaration) of dividends at the end of quarter I, year half, nine months of financial year, and at financial year end;
- t) on approving (revision) of investment programme;
- u) on approving (considering) the report on implementation of investment programme;
- v) on approving Regulations on SAC Insurance Provision;
- w) on approving SAC insurers (approving result of SAC's insurers' selection);
- x) on approving insurance broker selecting SAC's insurers;
- y) on approving SAC's Insurance Programme;
- z) on approving changes to SAC's Insurance Programme;
- zz) on considering report of sole executive body of SAC concerning insurance provision;

37. determining the Company's position (position of the Company's representatives) on the following items of agenda of SAC's Board of Directors meetings, including the assignment to take or not to take part in voting on the agenda items, to vote under draft decisions “for”, “against” or “abstained”:

- a) on determining position of SAC's representatives on the agenda items of General Shareholders (participants) Meetings and meetings of Board of Directors of subsidiary and affiliated companies of SAC concerning making (approving) transactions (including several associated transactions) connected with alienation or possibility of alienation of property which is part of fixed assets, intangible assets, construction-in-process-objects used with the purpose of electric and thermal energy production, transmission, dispatching and distribution in cases (amounts) determined by the procedures of the Company's cooperation with entities where the Company participates (approved by the Company's Board of Directors);
- b) on determining position of SAC representatives on issues of agendas of General Shareholders (participants) Meetings and meetings of Board of Directors of subsidiary and affiliated companies of SAC carrying out production, transmission, dispatching, distribution and sales of electric and thermal energy, on reorganizing, liquidation, increasing authorized capital of such companies by way of increasing nominal value of shares or through additional share placement, placement of securities convertible to ordinary shares;

38. preliminary approval of the following Company's transactions:

- a) transactions with the Company's noncurrent assets in the amount exceeding 10 percent of the balance sheet value of the assets as of the date of making decision about concluding such a transaction;
  - b) transactions (including several associated transactions) connected with alienation or possibility of alienation of property which is part of fixed assets, intangible assets, construction-in-process objects for the purpose of electric or thermal power production, transmission, dispatching, distribution in cases (amounts) determined by special decisions of the Company's Board of Directors;
  - c) transactions (including several associated transactions) connected with alienation or possibility of alienation of property which is part of fixed assets, intangible assets, construction-in-process objects not for the purpose of electric or thermal power production, transmission, dispatching, distribution in cases (amounts) determined by special decisions of the Company's Board of Directors;
  - d) preliminary approval of transactions with the Company's immovable assets, including land plots and objects of construction-in-process in cases determined by special decisions of the Company's Board of Directors (for example, by stating the size and/or listing), and any of the specified transactions with immovable assets, including land plots and construction-in-process objects if such cases (sizes, list) are not determined;
39. nominating candidates by the Company for election to the position of sole executive authority, other management authorities, auditing authorities, and candidates of auditor for entities where the Company participates, performing electric and heat power production, transmission, dispatching, distribution and sales, as well as repairs and service;
40. singling out activity sectors for providing insurance protection of the Company, including approval of the Company's Insurer;
41. approving structure of the Company's executive office and revising it;
42. approval of candidates for certain positions in the executive office of the Company (suggested by the Company's Board of Directors);
43. preliminary approval of the collective agreement, contracts concluded by the Company as part of social and labour relations regulation;
44. creating committees of the Company's Board of Directors and early termination of their powers, election and early termination of powers of Chairmen of Board of Directors committees;
45. approving the candidate for the role of independent appraiser (appraisers) for pricing shares, property and other assets of the Company in cases envisaged by Federal Law “On Joint Stock Companies”, the Charter, and special decisions of the Company's Board of Directors;
46. approving the candidate for the role of financial adviser involved for cooperation in

conformance with Federal Law “On Securities Market”, and candidates for the positions of securities issue organizers and advisers on transactions closely related to attraction of funds in the form of public loans;

47. preliminary approval of transactions which can cause occurrence of liabilities expressed in foreign currency (or liabilities with value related to foreign currencies) in cases and in amount determined by special decisions of the Company’s Board of Directors, and if the mentioned cases (amounts) are not specified by the Board of Directors;

48. determination of the Company’s purchasing policy, including approval of Regulations on the Procedure for Carrying out Specified Purchases of Goods, Works and Services, approving the head of the Central Purchasing Unit of the Company and its members, and approving annual comprehensive program of purchases as well as taking other decisions on other items in accordance with approved documents on regulating the purchasing activity of the Company;

49. taking decision on nominating CEO of the Company for granting state decorations;

50. approving target values of key indicators of the Company’s efficiency (KIE) and reports on their implementation;

51. determining the Company’s policy aimed at electric distribution complex and other objects of electric grid facilities efficiency growth, including approval of the Company’s strategic programmes for electric grid complex efficiency increasing, development and safety;

52. determining the Company’s housing policy in part of granting corporate support to the employees in improving their dwelling conditions in the form of subsidies, expense compensation, interest free loans and taking decision on granting the specified support by the Company in cases when the order of granting support is not determined by the Company;

53. other items referring to the competence of Board of Directors by Federal Law “On Joint Stock Companies” and the Charter of JSC “IDGC of the South”.

Items referring to the competence of the Board of Directors cannot be delegated for decision-taking to CEO or Management Board.

Management of the Company’s current activity is run by sole executive authority – CEO and the Collegial authority - Management Board of the Company.

**In accordance with point 22.2 of clause 20 of JSC “IDGC of the South” Charter, the following issues refer to the competence of Management Board:**

1. working out the Company’s development strategy and submitting it for consideration of Board of Directors;

2. preparing annual (quarterly) business-plan, including investment programme and report on the results of their implementation, and approving (revision) of cash flows

(budget) of the Company;

3. preparing annual report on financial and economic activity of the Company, on fulfilling the decisions of the General Shareholders Meeting by Management Board;
4. considering reports of Deputy CEOs, heads of separate structural subdivisions of the Company on the results of implementing the approved plans, programmes, instructions, considering reports, documents and other information about activity of the Company and its subsidiary and affiliated units;
5. taking decisions on issues included on the competence of top management of economic entities with 100 (one hundred) percent of the authorized capital owned by the Company (with regard to subpoints 36,37 of point 15.1 (clause 15)) of the Charter of JSC “IDGC of the South”;
6. preparing reports on financial and economic activity of economic entities with 100 (one hundred) percent of the authorized capital owned by the Company and submitting the reports to consideration of Board of Directors;
7. making decisions on transactions with property, works and services the cost of which is from 1 to 25 percent of the balance sheet assets of the Company as of the date of taking decision about concluding the transaction (except for the cases envisaged by subpoint 38 of point 15.1 of JSC “IDGC of the South” Charter);
8. solving other current management issues in accordance with decisions of General Shareholders Meeting submitted for consideration of Management Board by the Company’s CEO;

Competence of CEO of the Company includes all the issues of managing the Company’s current activity, except for the items of competence of the General Shareholders Meeting, Board of Directors and Management Board of the Company.

**In accordance with points 23.2, 23.3 of clause 20 of JSC “IDGC of the South” Charter, the Company’s CEO:**

- ensures accomplishment of the Company’s performance plan necessary for meeting the objectives;
- organizes accounting and reporting in the Company;
- disposes of the Company’s property, closes transactions on behalf of the Company, issues powers of attorney, opens the Company’s settlement and other accounts in banks, other credit organizations (and, where the law permits, in entities who are professional participant of securities market);
- issues orders, approves (adopts) instruction, local regulative acts and other internal documents of the Company within the scope of his competence, gives binding directions to all employees of the Company;
- approves regulation on branches and representative offices of the Company;

- in accordance with organizational structure of the executive office, approves staff schedule and position salaries of the Company’s employees;
- exercises in respect to the Company’s employees the rights and responsibilities of the employer envisaged by the labour legislation;
- fulfills functions of the Chairman of the Company’s Management Board;
- distributes responsibilities among Deputy CEOs;
- submits reports on financial and economic activity of subsidiary and affiliated entities whose shares (stakes) the Company holds for consideration of Board of Directors, as well as information on other entities in which the Company participates, except for the cases envisaged by subpoint 6 of point 22.2 of JSC “IDGC of the South” Charter;
- not later than 45 (forty-five) days prior the date of the annual General Shareholders Meeting, submits annual report, annual accounting reporting, the Company’s profit and loss account, the Company’s profit and loss distribution for consideration of Board of Directors;
- resolves other issues of the current activity of the Company, except for the items included on the competence of General Shareholders Meeting and Management Board.

Data the internal document of the Issuer regulating rules of corporate behaviour of the Issuer: **Corporate Management Code of Open Joint Stock Company “Interregional Distributive Grid Company of the South”**, approved by JSC “IDGC of the South” Board of Directors (Minutes as of 03.09.2007 No2/2007).

Full text of the document is made available on the Company’s website on the Internet at: <http://www.mrsk-yuga.ru/rus/management/documents/index.shtml>.

Information on the changes entered on the Issuer’s for the last accounting period as well as internal documents regulating activity of the Issuer’s units:

No changes were introduced to the Issuer’s Charter and internal documents regulating activity of the Issuer’s units in the accounting quarter.

Internet website address where full text of the current edition of the Issuer’s Charter and internal documents regulating activity of the Issuer’s units is made available for free access:

<http://www.mrsk-yuga.ru/rus/management/structure/index.shtml>

## 5.2 INFORMATION ON THE MEMBERS OF THE ISSUER’S MANAGEMENT AUTHORITIES

Item No	Surname, name patronymic, year of birth of the member of the Company’s management authorities, citizenship	Data on education	Positions held within the last five years and now, including part-time job	Stake of the person and his/her affiliates in the Company’s authorized capital /  Stake of the Company’s ordinary shares held by the person and his/her affiliates	Stake of the person in the Issuer’s SAC authorized capital /  Stake of the Issuer’s SAC ordinary shares held by the person	Amount of the Issuer’s SAC shares that can be acquired by the person on fulfilling rights on the companies’ options held by the person	Character of any family relations with other persons who are members of the management authorities of the Issuer and /or authorities auditing its financial and economic activities	Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state	Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with the legislation of the RF
<b><u>1 Members of the Board of Directors of JSC “IDGC of the South”</u></b>									
<b>(elected by Annual General Shareholders Meeting of JSC “IDGC of the South” on 19.06.2009, minutes as of 22.06.2009 No2)</b>									
1	<b>Okley Pavel Ivanovich</b>  <b>b. 1970</b>  <b>citizen of the RF</b>  <b>Chairman of Board of Directors</b>	<b>Higher education:</b>  Omsk institute of railway engineers; Academy of national economy of the Government of the RF	Deputy Chief Engineer of JSC “Electric Grid Enterprise” branch of “Omskenergo”, Director for Electric Power Transmission of JSC “Omskenergo”;  Deputy Head, Head of Management centre of IGDC JSC “FGC UES”;  Chairman of Board of Directors of JSC “Astrakhanenergo”;  Member of Board of Directors of JSC “IDGS of Urals”; Chairman of Board of Directors of JSC “Far Eastern Distributive Grid Company”; Deputy Chairman of Board of Directors of JSC “IDGC of the Centre”;  <b>At present: Deputy CEO – Technical Director of JSC</b>	0 %  /  0 %	0 %  /  0 %	-	<b>Absent</b>	<b>No.charges</b>	<b>No</b>

			<b>“IDGC Holding”</b>  <b>Member of Board of Directors of JSC “Tyumenenergo”;</b>  <b>Member of Board of Directors of JSC “IDGC of the Centre and Privolzhye”;</b>  <b>Member of Board of Directors of JSC “Lenenergo”;</b>  <b>Member of Board of Directors of JSC “IDGC of Volga”;</b>  <b>Member of Board of Directors “IDGC of Siberia”.</b>						
2	<b>Zimin Aleksey Vladimirovich</b>  <b>b. 1976</b>  <b>citizen of the RF</b>  <b>Deputy chairman of Board of Directors</b>	<b>Higher education:</b>  Moscow state juridical academy	Head of the Legal department of JSC RAO “UES of Russia”;  Deputy head of the Legal department of JSC RAO “UES of Russia”;  Member of the Board of Directors of JSC “Tomsk supergrid”  <b>At present: Deputy head of the Department of legal provision of JSC “IDGC holding”</b>  <b>Member of the Board of Directors of JSC “Kubanenergo”;</b>  <b>Member of the Board of Directors of JSC “Real Estate of North-Western Power Investment Centre”;</b>  <b>Member of the Board of Directors of JSC “Real Estate Investment Centre of Povolzhye”;</b>  <b>Member of Board of Directors of JSC “IDGC of the Northern Caucasus”</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No

3.	<p><b>Gavrilov Aleksandr Iljich</b></p> <p>b. 1973</p> <p>citizen of the RF</p>	<p><b>Higher education:</b></p> <p>Kuban state technological university;</p> <p>Conferred degree: Candidate of science (Economics);</p> <p>Applicant for doctorate at the Chair of international economy of Kuban state university</p> <p><b>Add. educ.:</b> SEI “State academy of occupational retraining and development of the executives and specialists of the investment sphere”</p>	<p>Deputy CEO, Economy and Finance of LLC “Krasnodar Regional Company for Gas Sales”;</p> <p>Deputy Head of Administration of the Krasnodar Region for industry, Transport and Power, Class 3 Active State Advisor of Administration of the Krasnodar Region;</p> <p>Deputy CEO, Perspective Development of JSC “Gazstroy”;</p> <p>Executive Director of JSC “Kubanenergo”;</p> <p>CEO of JSC “Kubanenergo”;</p> <p>Member of Board of Directors of JSC “Volgogradenergo”; JSC “Rostovenergo”; JSC “Kubanenergo”; Chairman of Board of Directors of JSC “OK “Plamya” and JSC “Krasnodarenergosetremont”;</p> <p><b>At present: CEO of JSC “IDGC of the South”;</b></p> <p><b>Chairman of Board of Directors of JSC “Kubanenergo”;</b></p> <p><b>Chairman of Management Board of JSC “IDGC of the South”</b></p>	0 %	0 %	-	Absent	No.charges	No
4	<p><b>Dorofeev Andrey Vasilievich</b></p> <p>b. 1964</p> <p>citizen of the RF</p>	<p><b>Higher education:</b></p> <p>Kharkov higher military command and engineering school for missile troops named after the USSR Marshall</p>	<p>Serviceman of the Ministry of defense of the Russian Federation;</p> <p>Leading specialist of LLC “Electric and gas company”;</p> <p>Leading specialist of the investment department of CJSC “Promregion holding”;</p> <p><b>At present: Project specialist of the section of asset</b></p>	0 %	0 %	-	Absent	No.charges	No



		<p>N.I. Krylov;  Military academy named after Dzerzhinskiy;  Postgraduate military course of the Military academy of Strategic missile forces named after Peter the Great;  Conferred degree: Candidate of science (Military science)</p>	operations of JSC“Managing company “Management-Centre”						
5	<p><b>Yezimov Sergey Sergeevich</b>  b. 1982  citizen of the RF</p>	<p><b>Higher education:</b>  Moscow state institute of international relations</p>	<p>Analyst with HT Investment;  <b>At present: Analyst with LLC “Wermuth Asset Management GmbH”</b></p>	<p>0 % / 0 %</p>	<p>0 % / 0 %</p>	-	Absent	No.charges	No
6	<p><b>Ilienkov Vladimir Vasilievich</b>  b. 1950  citizen of the RF</p>	<p><b>Higher education:</b> Krasnodar polytechnical institute</p>	<p>General Director of JSC “SO UES” branch “ODU of the South”;  <b>At present: General Director of JSC “SO UES” branch “ODU of the South”</b></p>	<p>0 % / 0 %</p>	<p>0 % / 0 %</p>	-	Absent	No.charges	No
7		<p><b>Higher education:</b></p>	Director for investment and capital construction; Director for asset and investment management; Member of the	0 %	0 %	-	Absent	No.charges	No

	<p><b>Maslov Aleksey Viktorovich</b></p> <p><b>b. 1975 citizen of the RF</b></p>	<p>Moscow State Technical University Named after Bauman;</p> <p>Finance academy under the government of the Russian Federation.</p> <p>Conferred degree: Candidate of science (Military science)</p>	<p>Management Board, Director for asset and investment management; Member of the Management Board, Director for capital construction; Member of the Management Board, Director for engineering and construction management, Head of the Engineering and construction management centre of JSC “FGC UES”;</p> <p>Member of the Board of Directors of JSC “Sevzapelektrosetstroy”, JSC “Spetssetstroy”; JSC “Dalenergosetprojekt”, JSC “Energostroynabkomplekt UES”</p> <p><b>At present: General Director of JSC “Engineering and construction management centre”</b></p> <p><b>Member of the Management Board of JSC “FGC UES” (until 01.07.2009);</b></p> <p><b>Member of the Board of Directors of JSC “IDGC of the Northern Caucasus”;</b></p> <p><b>Member of the Board of Directors of JSC “Institute Energosetprojekt”</b></p>	<p>/</p> <p>0 %</p>	<p>/</p> <p>0 %</p>				
8	<p><b>Nikulov Aleksandr Yevgenyevich</b></p> <p><b>b.1967</b></p> <p><b>citizen of the RF</b></p>	<p><b>Higher education:</b></p> <p>Serpukhov higher military command and engineering school;</p> <p>Central institute for advanced training of executives and specialists of national economy in the field of patent</p>	<p>General Director of LLC “Siberian Capital”;</p> <p>Deputy Head of Administration for Investment Analysis and Cooperation with Investors of the Central Administration for Strategic Planning and Investment Analysis of JSC “Lukoil”;</p> <p>General Director of CJSC “Promregion Holding”;</p> <p>Member of Board of Directors of JSC “IDGC of the South”, JSC “IDGC of the Northern Caucasus”, JSC “IDGC of the South and Northern Caucasus”, JSC “Volgogradenergo”, JSC “Southern Generating Company TGC-8”</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-	Absent	No.charges	No

		work	<b>At present: Head of CJSC “Managing company “Management –Centre” project</b>						
9	<b>Popovskiy Sergey Nikolaevich</b>  <b>b. 1971</b>  <b>citizen of the RF</b>	<b>Higher education:</b>  Krasnoyarsk institute of non- ferrous metals	<p>Head of the Administration for deviation control and cooperation with the systems administrator of Noncommercial partnership “Trading system administrator”; head of the department of financial settlements of Noncommercial partnership “Trading system administrator”;</p> <p>Member of the Management Board, Deputy chairman of the Management Board for financial settlements on the Wholesale market of electric power (capacity) of JSC ““Trading system administrator””;</p> <p><b>At present: Member of the Management Board, Deputy Chairman of the Management Board of Noncommercial Partnership “Market Council”</b></p> <p><b>Member of the Board of Directors of JSC “IDGC of the Centre”;</b></p> <p><b>Member of the Board of Directors of JSC “IDGC of the North-West”;</b></p> <p><b>Member of the Board of Directors of JSC “IDGC of Urals”;</b></p> <p><b>Member of the Board of Directors of JSC “IDGC of the Centre and Privolzhje”;</b></p> <p><b>Member of the Board of Directors of JSC “IDGC of Volga”;</b></p> <p><b>Member of the Board of Directors of JSC “IDGC of the Northern Caucasus”</b></p>	0 %	0 %	-	Absent	No.charges	No
				/	/				
				0 %	0 %				

10	<b>Ptitsin Igor Vasilievich</b>  b.1968  citizen of the RF	<b>Higher education:</b>  Saratov Awarded the "Sign of Honour" Order economic	Director for finance of LLC “Pokrovskiye efiry;  First deputy General Director of LLC “Tolyatti Transformator”;  <b>At present: General Director of LLC “Tolyatti Transformator”</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No
11	<b>Shogenov Valery Mukhanedovich</b>  b. 1981 citizen of the RF	<b>Higher education:</b>  International university;  Conferred degree: Candidate of science (Economics);  <b>Additional education:</b>  Russian academy of state service under the President of the Russian Federation	Deputy head of the section, head of the section Federal agency of power industry;  Member of the Board of Directors of JSC for gasifying and gas facilities maintenance “Daggaz”;  Member of the Board of Directors of JSC “Altaikraigazservis” (since 03.06.2008);  <b>At present: Deputy head of Department for economic regulation and property relations in the fuel and power complex of the Ministry of energy of the RF</b>  <b>Member of the Board of Directors of JSC “Real estate investment centre of UES”;</b>  <b>Member of the Board of Directors of JSC “Real estate investment centre of power industry”;</b>  <b>Member of the Board of Directors of JSC “Real estate investment centre of Povolzhje”;</b>  <b>Member of the Board of Directors of JSC “Real estate investment centre of Siberia”;</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No

			<p>Member of the Board of Directors of JSC “Real estate investment centre of Urals”;</p> <p>Member of the Board of Directors of JSC “Real estate investment centre of the South”;</p> <p>Member of the Board of Directors of JSC “Stavropolneftegeofizika”;</p> <p>Member of the Board of Directors of JSC “IDGC of Urals”;</p> <p>Member of the Board of Directors of JSC “IDGC of North-West”;</p> <p>Member of the Board of Directors of JSC “Real estate of North-Western power industry investment centre”;</p> <p>Member of the Board of Directors of JSC “IDGC of the Centre and Privolzhje”;</p> <p>Member of the Board of Directors of JSC “Real estate of VNIPlenergoprom”;</p> <p>Member of the Board of Directors of JSC “IDGC of Siberia”;</p> <p>Member of the Board of Directors of JSC “IDGC of the Northern Caucasus”;</p> <p>Member of the Board of Directors of “Vnpineftekhim”</p>						
<p><b>General Director of JSC “IDGC of the South” (elected by the decision of sole founder of JSC “IDGC of the South” on 22.06.2007</b></p>									

Executive order of Chairman of Management Board of RAO “UES of Russia” No.192p)								
<b>Gavrilov Aleksandr Ilyich</b>  <b>b. 1973</b>  <b>citizen of the RF</b>	<b>Higher education:</b>	Deputy General Director for economy and finance of LLC “Krasnodar regional company for gas sales”;						
	Kuban state technological university;	Deputy head Administration of the Krasnodar region for industry, transport and power, Class 3 Active state advisor of Administration of the Krasnodar;						
	Conferred degree: Candidate of science (Economics);	Deputy General Director for perspective development of JSC “Gazstroy”;						
	Applicant for doctorate at the Chair of international economy of Kuban state university	Director of JSC “Kubanenergo”;	0 %	0 %				
		General Director of JSC “Kubanenergo”;	/	/	-	Absent	No.charges	No
		Member of the Board of Directors of JSC “Volgogradenergo; JSC “Rostovenergo”; JSC “Kubanenergo”; Chairman of the Board of Directors of JSC “OK “Plamya” and JSC “Krasnodarenergosetremont”;	0 %	0 %				
	<b>Add. educ.:</b> SEI “State academy of occupational retraining and development of the executives and specialists of the investment sphere”	<b>At present: General Director of JSC “IDGC of the South”;</b>  <b>Chairman of the Board of Directors of JSC “Kubanenergo”;</b>  <b>Chairman of the Management Board of JSC “IDGC of the South”</b>						
<b><u>3 Members of Management Board of JSC “IDGC of the South” (approved by Board of Directors of JSC “IDGC of the South” on 19.05.2008</u></b>  <b>(Minutes dd 22.05.2008 No.13/2008), amended on 28.11.2008, (Minutes dd 01.12.2008 No.20/2008).</b>								

<b>09.02.2009 Minutes dd 11.02.2009 No.22/2009 and on 08.05.2009 (Minutes dd 08.05.2009 No.26/2009))</b>									
<b>1</b>	<b>Gavrilov Aleksandr Ilyich</b>  <b>b. 1973</b>  <b>citizen of the RF</b>  <b>Chairman of Management Board</b>	<b>Higher education:</b>  Kuban state technological university;  Conferred degree: Candidate of science (Economics);  Applicant for doctorate at the Chair of international economy of Kuban state university  <b>Add. educ.:</b> SEI “State academy of occupational retraining and development of the executives and specialists of the investment sphere”	Deputy General Director for economy and finance of LLC “Krasnodar regional company for gas sales”;  Deputy head Administration of the Krasnodar region for industry, transport and power, Class 3 Active state advisor of Administration of the Krasnodar;  Deputy General Director for perspective development of JSC “Gazstroy”;  Director of JSC “Kubanenergo”;  General Director of JSC “Kubanenergo”;  Member of the Board of Directors of JSC “Volgogradenergo; JSC “Rostovenergo”; JSC “Kubanenergo”; Chairman of the Board of Directors of JSC “OK “Plamya” and JSC “Krasnodarenrgosetremont”;  <b>At present: General Director of JSC “IDGC of the South”;</b>  <b>Chairman of the Board of Directors of JSC “Kubanenergo”;</b>  <b>Chairman of the Management Board of JSC “IDGC of the South”</b>	0 %	0 %	-	Absent	No.charges	No
<b>2</b>	<b>Kostetskiy Vyacheslav Yurievich</b>	<b>Higher education:</b> Institute of Economics, Law and Natural Sciences	Specialist of Workflow Management Service of Administration of the Krasnodar Region; Assistant of the Deputy Head of Administration of the Krasnodar Region; 3 Class Acting State Advisor of Administration of the Krsnodar Region;	0 %	0 %	-	Absent	No.charges	No

	<b>b. 1974</b>  <b>citizen of the RF</b>  <b>Deputy Chairman of Management Board</b>		Deputy Head of Legal Service of Department for Property Management and Legal Provision of JSC “Krasnodargazstroy”;  Director for Perspective Development of JSC “Kubanenergo”;  Member of Board of Directors of JSC “Kubanenergo”, Member of Management Board of JSC “Kubanenergo”  <b>At present: Deputy CEO, Service Development and Sales, of JSC “IDGC of the South”</b>						
3	<b>Alayev Timur Ulyumdzhievich</b>  <b>b. 1971</b>  <b>citizen of the RF</b>	<b>Higher education:</b>  Novocherkassk Polytechnical Institute;  All-Union Institution of Advanced Professional Training for the Electric Power Sector	Deputy General Director for Technical Issues of “Energosbyt” branch of “Kalmenergo”; Deputy General Director for Technical Issues of JSC “Kalmenergosbyt”; First Deputy General Director of JSC “Kalmenergo” - Chief Engineer;  First Deputy Operational Director – Chief Engineer of JSC “Kalmenergo”; First Deputy General Director for Technical Issues – Chief Engineer of JSC “Kalmenergo”;  Deputy General Director for Technical Issues – Chief Engineer of “Kalmenergo” branch of JSC “IDGC of the South”  <b>At present: Deputy General Director of JSC “IDGC of the South” – General Director of “Kalmenergo” branch of JSC “IDGC of the South”</b>	0 %  /  0 %ep	0 %  /  0 %	-	Absent	No.charges	No
4	<b>Brizhan Vitaliy Vasilyevich</b>  <b>b. 1974</b>	<b>Higher education:</b>  Kuban State University: Juridical and Economic Departments	Deputy General Director for Gas Sales and Cooperation with Users of JSC “Krasnodargorgaz”;  Deputy General Director for Legal Provision and Corporate Relations of JSC “Kubanenergo”;	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No



	citizen of the RF		Member of Board of Directors of JSC “Rostovenergo”, JSC “Volgogradenergo”; member of Management Board, member of Board of Directors of JSC “Kubanenergo”;  <b>At present: Deputy CEO, Corporate Management, of JSC “IDGC of the South”</b>						
5	<b>Bibin Yevgeniy Alekseevich</b>  b. 1964  citizen of the RF	<b>Higher education:</b> Rudnenskiy Industrial Institute	General Director of JSC “Bryanskenergo”, JSC “Bryansk Supply Company”, JSC “Bryansk Generating Company”;  General Director of JSC “Volgogradenergo”, Deputy CEO of JSC “IDGC of the South” – Managing Director of JSC “Volgogradenergo”;  Member of Management Board, Board of Directors of JSC “Volgogradenergo”  <b>At present: Deputy General Director of JSC “IDGC of the South” – General Director of “Volgogradenergo” branch of JSC “IDGC of the South”</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No
6	<b>Golovakha Lyudmila Alekseevna</b>  b. 1955  citizen of the RF	<b>Higher education:</b> Kuban State University - - Occupational retraining in the sphere of higher professional education on the programmes:  1. Law;  2. State and municipal management in the field of municipal entity,	Leading Engineer of Administrative and Economic Service of LLC “Krasnodar Regional Company for Gas Sales”;  Head of Administrative and Economic Provision Service, Director for General lissues of JSC “Kubanenergo”;  Administratrative supply specialist of JSC “IDGC of the South”;  Chairman of Board of Directors of JSC “OK Plamya”, JSC “Recreation Centre “Energetik”;  <b>At present: Deputy CEO, Administrative Issues, of JSC “IDGC of the South”; administrative supply specialist of JSC “Kubanenergo”;</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No

		and state municipal and municipal establishment (enterprises) management	<b>Member of Management Board of JSC “Kubanenergo”;</b>  <b>Member of Board of Directors of JSC “OK “Plamya”, JSC “Recreation Centre “Energetik”</b>						
7	<b>Lunev Igor</b>  <b>Anatolyevich</b>  <b>b. 1969</b>  <b>citizen of the RF</b>	<b>Higher education:</b>  Kuban State University;  Open University of Great Britain;  Conferred degree: Doctor of Science (Economics).	Deputy General Director for Economy and Finance of JSC “Independent Power Supply Company”;  Deputy General Director for Economy and Finance of LLC “Gelios”, Director for Finance of LLC “KubanInvest”;  Deputy General Director for Sales of Territorial Administration “Energosbyt” branch of JSC “Kubanenergo”, Deputy General Director for sales of JSC “Kubanenergoby”;  Deputy General Director for Economy and Finance of JSC “Kubanenergo”;  Member of Board of Directors of JSC “Astrakhanenergo”, JSC “Kubanenergo”; Member of Management Board of JSC “Kubanenergo”  <b>At present: Deputy CEO, Economy and Finance, of JSC “IDGC of the South”</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No
9	<b>Kopanev Vladimir Nikolayevich</b>  <b>b. 1954</b>	<b>Higher education:</b> Kuban state university	Assistant to Deputy head of Administration of the Krasnodar region, 3 class Advisor of Administration of the Krasnodar region;  Director of Administration for Corporate Sales of Chief Directorate of LLC “HUC-Yug” in the Krasnodar region;  Advisor to General Director, Deputy General Director for Work with Personnel, Government Authorities and the Media of JSC “IDGC of the South”;	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No

	citizen of the RF		Member of Management Board of JSC “Kubanenergo”, Chairman of Management Board of JSC “Kalmenergo”, JSC “Kalmenergosbyt”;  <b>At present: Deputy CEO, Security and Controlling, of JSC “IDGC of the South”</b>						
10	Savin Grigory Grigoryevich  b. 1952  citizen of the RF	Higher education: All-Union Distance-Learning Finance and Economics Institute, Moscow	Head of Section for Economic Analysis, Accounting and Information Provision, Head of Administration for Economy and Development of Branches of the Fuel and Energy Complex, Head of Section for Economic Analysis and Accounting of Department for Economy and Development of Branches of Fuel and Energy Complex of the Krasnodar region of Administration of the Krasnodar region;  Chief Accountant of JSC “Kubanenergo”;  Member of Board of Directors of JSC “OK :Plamya”; JSC “Recreation Centre “Energetik”;  <b>At present: Chief Accountant – Head of Accounting and Tax Department of JSC “IDGC of the South”;</b>  <b>Member of Management Board of JSC “Kubanenergo”</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No
11	Sultanov Georgiy Akhmedovich  b. 1954  citizen of the RF	Higher education: Krasnodar Polytechnical Institute  Conferred degree: Doctor of science (Engineering)	General Director of JSC “Krasnodarelectro” Urban Electric Grid Company;  General Director of Ltd “Managing Company Yugenergo”;  Managing Director of Ltd “Managing Company Yugenergo”;  Branch Manager of JSC “Independent Power Supply Company of the Krasnodar Region” “Krasnodar Urban Electric Grid Company”;	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No

			<p>Technical Director of JSC “Kubanenergo”;</p> <p>Deputy CEO, Technical Issues of JSC “IDGC of the South”;</p> <p><b>At present: Deputy CEO, Technical Issues – Chief Engineer of JSC “IDGC of the South”</b></p> <p><b>Chairman of Board of Directors of JSC “Volgogradsetremont”</b></p>						
12	<p><b>Pestov Dmitriy Vladimirovich</b></p> <p>b. 1967</p> <p>citizen of the RF</p>	<p><b>Higher education:</b> Kuban State Technological University</p>	<p>First Deputy General Director for Electric Power Sales of TA “Energosbyt” branch of JSC “Kubanenergo”, Managing Director in the Republic of Adyghea - General Director of Adyghean Electric Power Grid of JSC “Kubanenergo”, General Director of Timashevsk Electric Power Grid of JSC “Kubanenergo”;</p> <p>Member of Board of Directors of JSC “OK “Plamya”, JSC “Recreation Centre “Energetik”, JSC “Krasnodarenergosetremont”</p> <p><b>At present: Deputy CEO of JSC “IDGC of the South” – Managing Director of JSC “Kubanenergo”;</b></p> <p><b>Member of Board of Directors of JSC “Kubanenergo”;</b></p> <p><b>Member of Board of Directors of “Krasnodarenergosetremont”;</b></p> <p><b>Member of Management Board of JSC “Kubanenergo”</b></p>	<p>0 %</p> <p>/</p> <p>0 %</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-	Absent	No.charges	<p>Member of Board of Directors of JSC “Krasnodarenergosetremont” since 30.06.2008, the company was declared insolvent by the decision of the Arbitration court of the Krasnodar region on 22.01.2009</p>
13	<p><b>Skorikov Sergey Vladimirovich</b></p>	<p><b>Higher education:</b> Occupational retraining</p>	<p>Deputy General Director of JSC “Donelektrosetstroy”;</p> <p>General Director of CJSC “Southern Power Construction Company”;</p>	<p>0 %</p> <p>/</p>	<p>0 %</p> <p>/</p>	-	Absent	No.charges	No

	<b>b. 1976</b>  <b>citizen of the RF</b>	Institution of higher professional education  Academy of National Economy of the Government of the RF	Deputy CEO of JSC “IDGC of the South” – Managing Director of JSC “Rostovenergo”;  Chairman of Management Board of JSC “Rostovenergo”  <b>At present: Deputy General Director of JSC “IDGC of the South” – General Director of “Rostovenergo” branch of JSC “IDGC of the South”</b>	0 %	0 %				
<b>14</b>	<b>Stolyarov Mikhail Nikolayevich</b>  <b>b. 1953</b>  <b>citizen of the RF</b>	<b>Higher education:</b>  Novocherkassk polytechnical institute;  Saratov state university named after A.G.Chernyshevskiy	General Director of JSC “Astrakhanenergo”, Deputy General Director of JSC “IDGC of the Centre and Northern Caucasus” – Managing Director of JSC “Astrakhanenergo”;  Deputy General Director of JSC “IDGC of the South” – Managing Director of JSC “Astrakhanenergo”;  Member of Management Board, Member of Board of Directors of JSC “Astrkhanenergo”  <b>At present: Deputy General Director of JSC “IDGC of the South” – General Director of “Astrakhanenergo” branch of JSC “IDGC of the South ”</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No

JSC “IDGC of the South” did not issue options.

Data on the transactions between the Issuer and members of the Issuer's management bodies: such transactions were not concluded in the accounting period.

Data on professional training of members of Board of Directors at the Company's expense

In the course of quarter II of 2009 at the Company's expense member of the Board of Directors, General Director of JSC “IDGC of the South” Gavrilov A.I. was trained. Training took place in SEI “State academy of occupational retraining and development of the executives and specialists of the investment sphere” on the course “Ecology, environment protection and ecological security”, the training cost 16 000 rub.

### **5.3 DATA ON THE AMOUNT OF REMUNERATION, PRIVILEGES AND/ OR COMPENSATION FOR EXPENSES OF EACH MANAGEMENT AUTHORITY OF THE ISSUER**

#### **Remuneration to members of Board of Directors**

**Total sum of remunerations to members of Board of Directors for the last completed financial year (2008) made up 6134551,31 rubles.**

The Issuer has no debts to Board of Directors as of 30.06.2009.

Payment of remunerations and compensations to the members of Board of Directors is made in accordance with Regulations “On Payments to Members of Board of Directors of the Joint Stock Company “Interregional Distributive Grid Company of the South” of Remunerations and Compensations (new revision)” approved by the decision of annual General Shareholders Meeting of JSC “IDGC of the South” (Minutes dd 04.06.2008 No1).

According to p. 4.1 of the regulations, for participation in an extramural meeting (by way of filling in a questionnaire), a member of Board of Directors is paid equivalent of eight minimum tariff rates of a 1<sup>st</sup> category worker fixed in the sectoral tariff agreement in the electric power industry of the RF (further 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 Board of Directors meeting.

For participating in 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 tariff rates of a 1<sup>st</sup> category worker fixed in the sectoral tariff agreement in the electric power industry of the RF (further referred to as Agreement) as of the date of Board of Directors meeting, indexed in conformity with the Agreement, during one month from the date of 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 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.

### **Remunerations paid to members of Management Board of the Company:**

Members of Management Board belong to the category of top managers of the Company.

In conformance with labour contract concluded between the Company and members of Management Board, remuneration to a member of 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 Board of Directors on 19.05.2008 (Minutes dd 22.05.2008 No.13/2008).

Members of Management Board are motivated through:

- paying monthly remuneration equal to 5 (five) monthly wages of a 1<sup>st</sup> category worker set by the industry tariff agreement in the electric energy complex of the Russian Federation;
- paying quarterly and annual remuneration to members of Management Board as top managers for achieving target values of key performance indicators.

Data on the types of remuneration, including wages, bonuses, awards, benefits, and/ or reimbursement of expenses, and other property advancements which were paid by the Issuer for the last completed financial year.

Based on the decisions of Board of Directors of JSC “IDGC of the South” (Minutes dd 19.05.2008 No.13/2008 and Minutes dd 28.11.2008 No.20/2008) on determining quantitative structure of Management Board of the Company and electing members of the Company’s Management Board, and in accordance with clause 21 of the Charter of JSC “IDGC of the South” and articles 15 and 57 of the Labour Code of the RF, additional agreements to the labour contracts are concluded with members of Management Board of the Company on exercising powers of members of the Collegial executive body of the Company - Management Board. From the date of establishing JSC “IDGC of the South” Management Board (19.05.2008), members of Management Board get monthly remunerations in amount of 5 (five) minimum tariff rates of a 1<sup>st</sup> category worker fixed in the sectoral tariff agreement of electric power industry of the RF.

**Total remunerations to the Management Board members for 2008 made 1 555 715 rub.**

### **Remuneration of CEO of the Issuer**

Matters of material stimulation of CEO of JSC “IDGC of the South” are regulated by the terms of his labour contract approved by the decision of Board of Directors of the Company (Minutes dd 17.07.2007 No.1/2007) and changes to its enclosure 1 of the Regulations approved by the decision of Board of Directors of the Company (Minutes dd 28.11.2008 No.20/2008).

#### **5.4 DATA ON THE STRUCTURE AND COMPETENCE OF THE BODIES UNDERTAKING CONTROL OVER THE ISSUER’S FINANCIAL AND ECONOMIC ACTIVITIES**

For auditing financial and economic activity of the Company, Auditing Committee of the Company is elected by General Shareholders Meeting of JSC “IDGC of the South” for the period until the following annual General Shareholders Meeting.

In case of electing Auditing Committee at an 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 the Audit committee of the Company includes 5 (five) persons.

By decision of General Shareholders Meeting, powers of all or some members of Audit Committee of the Company can be subject to early termination.

**In accordance with p.24.3 of clause 24 of the Company’s Charter, Audit Committee’s competence includes the following:**

- acknowledgement of reliability of the data contained in the annual report, annual accounting statements, profit-and-loss account of the Company;
- analysis of financial condition of the Company, revealing of ways of improving financial condition of the Company and development of recommendations for the Company's management bodies;
- organization and performance of a check (audit) of financial and economic activity of the Company, namely:
- check (audit) of the financial, accounting, settlement and other documentation of the Company connected with performance by the Company of its financial and economic activity on the subject of its conformity 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 money resources of the Company, according to the approved business plan and the Company's budget;
- control over developing and use of reserve and other special funds of the Company;
- check of correctness and timeliness of charge and payment of dividends under the shares of the Company, percentage on bonds and income under other securities;
- check of following previous instructions on elimination of infringements and drawbacks revealed at the earlier checks (audits);



- performance of other actions (activities) connected with check of the Company's financial and economic activities.

Order of the Issuer's Audit Committee operation is determined by Regulations on the Audit Committee of Joint Stock Company “Interregional Distributive Grid Company of the South” approved by the decision of General Shareholders Meeting of JSC “IDGC of the South” – Management Board of JSC RAO “UES of Russia” (Minutes dd 05.10.2007 No.1751np/4).

Auditing Committee, in accordance with the decision on conducting an a check (audit), has a right to involve specialists of the corresponding branches of legislation, economy, finance, accounting, management, economic security and others, including specialized organizations.

Checks (audit) of the financial and economic activity of the Issuer are divided into planned and off-schedule checks. Planned check of the Company's financial and economic activity is held according to the approved annual Action plan of Audit Committee. Off-schedule check of the Company's financial and economic activity may be performed at any time at the initiative of Audit Committee of the Issuer, decision of General Shareholders Meeting, Board of Directors of the Issuer or on request of a shareholder (shareholders) of the Issuer owning in aggregate at least ten percent of the Issuer's voting shares.

Text of Regulation on the Issuer's Auditing Committee is available at <http://www.mrsk-yuga.ru/management/documents/index.shtml>.

On the basis of check results of the Company's financial and economic activity, Audit Committee makes a report that should include:

- acknowledgement of reliability of the data of reports and other financial documents of the Company;
- information on facts of infringement by the Company of the order of accounting and presentation of financial reports set in the legal acts of the Russian Federation, and also legal acts of the Russian Federation on performing the Company's financial and economic activity.

Order and terms of drawing up of conclusion on the results of check of the Company's financial and economic activity are defined by legal acts of the Russian Federation and internal documents of the Company.

Data on the system of internal audit over financial and economic activity of the Issuer

Internal control system is based on cooperation and distribution of powers of the integral subjects (units and persons) carrying out development approval, implementation and assessment of efficiency of internal control procedures.

The Company generated an internal control system where control functions accompany all the levels of the Company's operation management and the level of business processes.

Internal control system consists of the following procedures:

- control of formation and execution of budget approved by Board of Directors;
- conducting comprehensive auditor's checks, monitoring and analysis of the results of branches' activity checks;
- work on prevention of infringements by spreading information on revealed essential infringements and drawbacks in all organizational departments of the Company;
- control over elimination of revealed infringements;
- revealing and analysis of risks of financial and economic activity of the Company;
- development of actions for minimization of risks of financial and economic activity;
- organization of accumulating, processing and transfer of operational, financial and other information on the Company's activity and also establishment of effective channels and communication media providing vertical and horizontal communications in the Company;
- determining employees duties in the sphere of internal control and relating this information to the Company's employees;
- ensuring fulfillment of procedures of internal control approved in the Company;
- appropriate documenting of internal control procedures;
- holding procedures of preventive control through the system of coordinating conditions of transactions, organizing tenders, auctions, and commissions on write-off of assets, coordination of standards and other internal standard documents.

Data on internal audit service, time of its work and key specialists

In order to provide efficient functioning of internal control system, the Company established internal control and audit department which includes two sections: internal audit service and methodology and risks section.

Internal Check and Audit Department (ICAD) is subordinate to the Company's Deputy CEO, Security and Controlling. Head of Internal Check and audit Department is Shmakov Igor Vladimirovich, Deputy Head of Internal Check and Audit Department, and of internal audit service is Romanenko Anna Vladimirovna.

ICAD personnel carries out its activities in accordance with duty regulations.

The Department's executives do not depend in their work on the Issuer's executive authorities and management of the branches and structural units whose operation they audit.

Basic functions of internal audit service:

- planning, organizing and conducting checks (comprehensive, audit, topical etc) with the purpose of auditing conformance of financial and economic operations to the Company's interests;
- analysis of certain business processes as for conformance to current policies and regulations of the Company, requirements of the normative documents;
- selective checks of actuality, completeness and timeliness of economic and financial facts' representation in the accounting reporting, as well as reliability of disclosing financial and management information to the users;
- control and efficiency assessment of the existing internal control system, processes and procedures of internal control;
- auditing security and effective use of assets, cash flows;
- independent estimation and analysis of financial situation of the Company and its subsidiary and dependent companies;
- holding special investigations of certain cases of malversation, misuse of powers etc;
- participation in the work of Audit Committees of the Company, subsidiary and affiliated companies as committee members and involved specialists;
- monitoring and operational control of working out a plan of activities on eliminating infringements following auditor conclusion;
- cooperation with outside auditors, representatives of tax and other controlling authorities;
- consulting the corresponding services and sections on the issues of conformance to the legislation on accounting and reporting regulation, taxation and other items of Audit Committee's competence.

Cooperation with executive bodies of the Issuer's management and Board of Directors (supervisory committee) of the Issuer: cooperation is carried out in conformance with current Issuer's Regulations on Internal Check and Audit Department.

Coordination of internal control service and outside Auditor of the Issuer: not stipulated by the Issuer's internal documents.

Data on internal document of the Issuer regulating rules of preventing service (insider's) information use

Control of internal information use is fulfilled in the Company on the basis of Regulations of Insider's Information of JSC "IDGC of the South" approved by the decision of Board of Directors of JSC "IDGC of the South" (Minutes dd 03.09.2007 No.2/2007).

Internet website where full text of the Regulations on insider's information of Joint Stock

Company “Interregional Distributive Grid Company” (current revision) is available in free access: <http://www.mrsk-yuga.ru/rus/management/documents/index.shtml>.

## 5.5 INFORMATION ON MEMBERS OF BODIES UNDERTAKING CONTROL OVER ISSUER’S FINANCIAL AND ECONOMIC ACTIVITIES

### 1 Members of Audit Committee of JSC “IDGC of the South”

(elected by annual General Shareholders Meeting of JSC “IDGC of the South” on 19.06.09, minutes dd 22.06.2009 No.2):

Item number	Surname, name patronymic, year of birth of the member of the Company's management authorities, citizenship	Data on education	Positions held within the last five years and now, including part-time job	Stake of the person and his/her affiliates in the Company's authorized capital / Stake of the Company's ordinary shares held by the person and his/her affiliates	Stake of the person in the Issuer's authorized capital / Stake of the Issuer's ordinary shares held by the person	Amount of the Issuer's SAC shares that can be acquired by the person on fulfilling rights on the companies' options held by the person	Character of any family relations with other members of the management authorities of the Issuer and /or authorities auditing its financial and economic activities	Data on bringing the person to administrative responsibility for breach of the law in the fields of finance, taxes and duties, securities market, or to criminal responsibility in (conviction) for crimes in the sphere of economy or crimes against the state	Positions held by the person in management authorities of commercial organizations in periods when the organizations were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with the legislation of the RF
1	<b>Matyunina Lyudmila Romanovna</b>	<b>Higher education:</b> All-Russia Distance-Learning Finance and	First Deputy Head of Internal Audit Department of JSC RAO “UES of Russia”;  Member of Audit Committees of JSC “Krasnoyarskenergosbyt”; JSC “MAES”; JSC “SO UES”; JSC “IDGC of the Centre”; JSC	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No

	<p><b>b. 1950</b></p> <p><b>citizen of the RF</b></p> <p><b>Chairman of</b></p> <p><b>Audit Committee</b></p>	<p>Economics Institute</p>	<p>“TGC-14” (Territorial Generating Company); JSC “IDGC of the Centre and Povolzhye”</p> <p><b>At present: First Deputy Head of Internal Audit Department of JSC “IDGC Holding”;</b></p> <p><b>Chairman of Audit Committee of JSC “IDGC of the Centre”; Nongovernmental Pension Fund of Electric Power Industry;</b></p> <p><b>Chairman of Audit Committee of JSC “IDGC of the Centre and Povolzhye”;</b></p> <p><b>Chairman of Audit Committee of JSC “Tyumenenergo”;</b></p> <p><b>Chairman of Audit Committee of JSC “Moscow United Electric Grid Company”</b></p>						
2	<p><b>Kormushkina Lyudmila Dmitrievna</b></p> <p><b>b. 1956</b></p> <p><b>citizen of the RF</b></p>	<p><b>Higher education:</b></p> <p>Far Eastern state academy of economy and management</p>	<p>Leading expert of the Department of internal audit of JSC RAO “UES of Russia”;</p> <p>Member of the Audit committee of JSC “Krasnoyarskenergosbyt”;</p> <p><b>At present: Head of the section for organizing and conducting audit of the Department of internal audit of JSC “IDGC holding”</b></p> <p><b>Member of the Audit committee of JSC “Tyumenenergo”;</b></p> <p><b>Member of the Audit committee of JSC JS “Yakutskenergo”;</b></p> <p><b>Member of the Audit committee of JSC “Moscow united electric grid company”;</b></p>	<p>0 %</p> <p>/</p> <p>0 %</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-	Absent	No.charges	No

			<b>Member of Audit Committee of Nongovernmental Pension Fund of Electric Power Industry</b>						
3	<b>Mikhno Irina Vasilievna</b>  <b>b. 1957</b>  <b>citizen of the RF</b>	<b>Higher education:</b>  1. Krasnoyarsk polytechnical institute;  2. Krasnoyarsk architectural and construction academy	Deputy head of the Department of internal audit – head of the section in JSC RAO “UES of Russia”, Leading expert of the Department of internal audit of JSC RAO “UES of Russia”;  Chairman of the Audit committee of JSC “IDGC of the Centre and Privolzhje”;  Chairman of the Audit committee of JSC “Yeniseiskaya TGC” (Territorial Generating Company);  <b>At present: Deputy head of the Department of internal audit – head of the section for investment activities control of JSC “IDGC holding”</b>  <b>Member of the Audit committee of JSC “IDGC of the Northern Caucasus”;</b>  <b>Member of the Audit committee of JSC “Moscow united electric grid company”;</b>  <b>Member of the Audit committee of JSC “IDGC of the Centre and Povolzhje”</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No
4	<b>Stepanova Maria Dmitrievna</b>  <b>b. 1982</b>	<b>Higher education:</b>  Moscow state university named after M.V.Lomonosov	Leading expert of the section for cooperation with shareholders and organizing measures on ensuring liquidity of JSC RAO “UES of Russia”;  <b>At present: Head of the section for cooperation with shareholders of the Department for corporate management and cooperation with shareholders of JSC “IDGC holding”</b>	0 %  /  0 %	0 %  /  0 %	-	Absent	No.charges	No

	citizen of the RF		<p><b>Member of the Board of Directors of “Kalmenergosbyt”;</b></p> <p><b>Member of the Board of Directors of JSC “SKB VTI”;</b></p> <p><b>Member of the Board of Directors of JSC “Real estate of VNIPI energoprom”</b></p>						
5	<p><b>Shmakov Igor Vladimirovich</b></p> <p><b>b. 1974</b></p> <p>citizen of the RF</p>	<p><b>Higher education:</b></p> <p>Kuban state university</p>	<p>Head of MRO ORCh KM in the field of tax crimes located in Prokopievsk GUVd of Kemerovskaya area;</p> <p>Deputy head of the section of budget control and internal audit, head of the service of controlling and internal audit of JSC “Kubanenergo”;</p> <p>Chairman of the Audit committee of JSC “Krasnoderenergosetremont”, JSC “IE “Energetik”, JSC “Recreation Centre “Energetik”, JSC “Grechko A.A.PSKh”, JSC “Volgogradsetremont”</p> <p><b>At present: Head of the Department of internal control and audit of JSC “IDGC of the South”</b></p>	<p>0 %</p> <p>/</p> <p>0 %</p>	<p>0 %</p> <p>/</p> <p>0 %</p>	-	Absent	No.charges	No



## **5.6 DATA ON AMOUNT OF REMUNERATION, PRIVILEGES AND/ OR COMPENSATION FOR EXPENSES OF EACH BODY UNDERTAKING CONTROL OVER THE ISSUER’S FINANCIAL AND ECONOMIC ACTIVITIES**

**Amount of remuneration to Audit Committee members for 2008 made up 707 825,65 rub. (incl. Business trip expenditure compensation - 196 939,65 rub.)**

Payment of remuneration to members of Audit Committee of the Issuer is carried out according to the revised Regulations on Payment of Remuneration and Compensation to Members of Audit Committee of “IDGC of the South” approved by the decision of annual General Shareholders Meeting of “IDGC of the South”, JSC (Minutes No.1 as of 4.06.2008).

According to clause 3.1. of the Regulations, for participation in check (audit) of financial and economic activity, a member of Audit Committee of the Company receives a lumpsum remuneration in amount equivalent to five minimum monthly wages of the first category employee established by the sector tariff agreement in electric power 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 clause 3.1. of the Regulations shall be made within a week’s term after drawing up the report following the results of the check (audit) held. According to clause 3.3. of the Regulations, 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 check of financial and economic activity in amount not exceeding twenty minimum monthly wages of the first category employee, 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 connected with participation in the Company’s Audit Committee meeting and carrying out check are compensated to members of the Company’s Audit Committee as in effect at the moment of carrying out the meeting or the check, under the norms of compensation of travelling and living expenses of the Company as in effect at that moment.

According to the Charter of JSC “IDGC of the South”, decisions on payment to members of Audit Committee of remunerations and (or) compensations is taken by General Shareholders Meeting of the Company in view of recommendations of Board of Directors on amount of such remuneration and (or) compensation. Amount and procedure of payment are established by the specified Regulations.

Besides, members of Audit Committee of JSC “IDGC of the South” who are at the same time staff members of the Company, are paid wages in the course of the year for their positions in conformity with the staff schedule and Regulations on Payment for Labour.

Remuneration payment to the employees of Internal Check and Audit Department of JSC “IDGC of the South” was made in 2008 according to the terms of their labour contracts.

No additional agreements were made with employees of Internal Check and Audit

Department of JSC “IDGC of the South” concerning payments by the Issuer.

## **5.7 DATA ON THE HEADCOUNT AND GENERALIZED DATA ON EDUCATION AND STRUCTURE OF THE ISSUER’S STAFF (EMPLOYEES), AND ALSO ON THE HEADCOUNT CHANGE OF THE ISSUER**

<b>Item description</b>	<b>Accounting period: 30.06.2009</b>
Average headcount, persons	13 294,2
Share of the Issuer’s employees who have higher professional education, %	32,3
Labor compensation, rubles in thousands	794 430,8
Welfare benefits, rubles in thousands	6 522,2
Total amount of funds spent	800 953,0

Information on essential headcount change (number of staff changed) for the accounting period and factors which in the Issuer’s opinion caused the headcount change: there were no significant changes to the headcount in the accounting period.

Consequences of such changes for financial and economic activity of the Issuer: such information is not presented, because there were no essential changes of the headcount (number of staff) in comparison with the previous accounting period.

Data on the Issuer’s employees who make important influence on the financial and economic activity of the Issuer (key employees: there are no employees who have important influence on the Issuer’s financial and economic activity, except for the employees listed in p.p. 5.2 and 5.5 of the quarterly report.

Data on trade union organized by the Issuer’s staff: trade union has not been organized.

## **5.8 DATA ON ANY OBLIGATIONS OF THE ISSUER TO THE STAFF (EMPLOYEES) CONCERNING POSSIBILITY OF THEIR PARTICIPATION IN THE AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OF THE ISSUER**

Agreements or liabilities of the Issuer concerning possibility of the Issuer’s staff (employees’) participation in the authorized (share) capital (share fund): there are no agreements or liabilities specified as of 30.06.2009.

Data on providing or possibility of providing the Issuer’s options to the staff (employees):

Management executive authority (Minutes No16/2008 dd 23.07.2008) approved Regulations on JSC “IDGC of the South” Option Programme, according to which Shares Purchase and Sale agreement can be made between the Issuer and an employee with discharge of obligations on stock transfer and settlement in 3 years from the date of the contract. Total number of Issuer’s ordinary shares in running contracts of the Programme participants for each period must not be over 2% from total number of placed ordinary shares of the Issuer. Employees who obtained shares in the course of the Programme are entitled to dispose of them at their own discretion. Option programme is not limited in time and is to be carried out during the whole period of the Issuer’s functioning.

As of 30.06.2009, no contracts were concluded between the Issuer and its employees in terms of option programme.

## **VI Data on participants (shareholders) of the Issuer and interested parties transactions closed by the Issuer**

### **6.1 DATA ON THE TOTAL NUMBER OF SHAREHOLDERS (PARTICIPANTS) OF THE ISSUER**

Total number of the holders on the register of shareholders of the Issuer as of the date of the accounting quarter termination: **9565, including:**

	Number of the Company's shareholders as of 30.06.2009	Number of shares	Stake in the authorized capital, %
Physical persons	9464	1 661 292 658	3,3352
Juridical bodies	87	91 137 311	0,1827
Shares held by the state	1	69 125 536	0,139
Nominee shareholders	13	47 989 540 559	96,3431
Trustee shareholders	0	0	0
<b>TOTAL:</b>	<b>9565</b>	<b>49 811 096 064</b>	<b>100</b>

### **6.2 DATA ON PARTICIPANTS (SHAREHOLDERS) OF THE ISSUER OWNING AT LEAST 5 PERCENT OF AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OR AT LEAST 5 PERCENT OF ORDINARY SHARES, AS WELL AS DATA ON THE PARTICIPANTS (SHAREHOLDERS) OF SUCH 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 capital or at least 5 percent of ordinary shares as of 08.05.2009 (last date of the register closing):**

1. Full company name: **Open Joint Stock Company “Interregional Distributive Grid Companies’ Holding”**

Short company name: **JSC “IDGC Holding”**

TIN: **7728662669**

Location: **5A Academician Chelomey Str., Moscow, 117630**

Stake in the Issuer's authorized capital: **51,66 %**

Stake of the Issuer's ordinary shares held: **51,66 %**

Shareholders (participants) of this person holding at least 20 percent of its ordinary shares:

Full company name: **the Russian Federation represented by the Federal Agency for Management of Federal Property**

TIN: **7710723134**

Location: **9 Nikolskiy per., Moscow, Russia, 103685**

Stake in the authorized capital of the participant (shareholder): **52,68 %**

Stake of the ordinary shares in the authorized capital of the participant (shareholder):  
**54,99 %**

2. 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: **LLC “Management - Consulting”.**

TIN: **7702203678**

Location: **6 Krasnopresnenskaya Naberezhnaya, Moscow, 123100**

Stake in the Issuer's authorized capital: **21,15 %**

Stake of the Issuer's ordinary shares held: **21,15 %**

Shareholders (participants) holding at least 20 percent of the authorized capital of the Issuer's participant:

Full company name: **Closed Joint Stock Company “Consulting Group”**

Location: **6 Krasnopresnenskaya Naberezhnaya, Moscow, 123100**

Stake in the authorized capital of the participant (shareholder): **100 %**

Stake of the ordinary shares in the authorized capital of the participant (shareholder):  
**100%**

3 Full company name: **Renaissance Securities (Cyprus) Limited**

Location: **2-4 Arch. Makarios III Avenue Capital Center, 9th floor 1065 Nicosia, Cyprus**

Stake in the Issuer's authorized capital: **5,05 %**

Stake of the Issuer's ordinary shares held: **5,05 %**

Shareholders (participants) holding at least 20 percent of the authorized capital of an Issuer's participant: the Issuer does not have such information.

Data on registered nominal holders of the Issuer's shares owning at least 5 percent of the authorized capital of the Issuer or at least 5 percent of ordinary shares of the Issuer:

Full (short company name)	<b>Limited liability company “Depositary and Corporate Technologies”(LLC “DCT”)</b>
Taxpayer's identification number	<b>7729520219</b>

Location	<b>Building 1, 17 Ramenki Str., Moscow, 119607</b>
Contact telephone and fax numbers	<b>(495)641-30-31</b>
E-mail	<a href="mailto:dkt@depotech.ru">dkt@depotech.ru</a>
Issuance number, date and validity term of the license of the professional participant of the securities market, name of the issuing authority	<b>License No.177-11151-000100 issued by FFMS of Russia on 03.04.2008</b> <b>Without limitation of the validity period</b>
Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder	<b>25 730 843 051</b>
Stake of the participant (shareholder) of the Issuer in the Issuer's authorized capital	<b>51.6568%</b>
Stake of the Issuer's ordinary shares held	<b>51.6568%</b>

Full (short company name)	<b>Limited liability company “Specialized Depository Company “GARANT” (LLC “SAC “GARANT”)</b>
Taxpayer's identification number	<b>7714184726</b>
Location	<b>Building 1a, 7/9 Pravdy Str., Moscow, 125124</b>
Contact telephone and fax numbers	<b>(495)777-56-83; (495) 777-56-82</b>
E-mail	<a href="mailto:mail@sdkgarant.ru">mail@sdkgarant.ru</a>
Issuance number, date and validity term of the license of the professional participant of the securities market, name of the issuing authority	<b>License No.177-06414-000100, issued by FFMS of Russia on 26.09.2003 without limitation of the validity period</b>
Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder	<b>7 774 701 170</b>
Stake of the participant (shareholder) of the Issuer in the Issuer's authorized capital	<b>15,6084%</b>
Stake of the Issuer's ordinary shares held	<b>15,6084%</b>

Full (short company name)	<b>Closed Joint Stock Company “Depository and Clearing Company”</b> <b>(CJSC “DCC”)</b>
---------------------------	--

Taxpayer's identification number	<b>7710021150</b>
Location	<b>Building B, 31 Shabolovka, Moscow, 115162</b>
Contact telephone and fax numbers	<b>(495)956-09-99; (495)232-68-04</b>
E-mail	<u><a href="mailto:dcc@dcc.ru">dcc@dcc.ru</a></u>
Issuance number, date and validity term of the license of the professional participant of the securities market, name of the issuing authority	<b>License No.177-06236-000100 issued by FSEC of Russia on 09.10.2002 without limitation of the validity term</b>
Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder	<b>7 835 349 322</b>
Stake of the participant (shareholder) of the Issuer in the Issuer's authorized capital	<b>15,7301%</b>
Stake of the Issuer's ordinary shares held	<b>15,7301%</b>

Full (short company name)	<b>Noncommercial Partnership “National Depository Centre” (“NDC”)</b>
Taxpayer's identification number	<b>7706131216</b>
Location	<b>Building 4, 1/13 Sredny Kislovskiy per., Moscow, Russia, 125009</b>
Contact telephone and fax numbers	<b>(495) 956-26-59 ; (495) 956-09-38</b>
E-mail	<u><a href="mailto:dc@ndc.ru">dc@ndc.ru</a></u>
Issuance number, date and validity term of the license of the professional participant of the securities market, name of the issuing authority	<b>License No.177-03431-000100 issued by FSEC of Russia on 04.12.2000, without limitation of the validity term</b>
Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder	<b>4 835 603 102</b>
Stake of the participant (shareholder) of the Issuer in the Issuer's authorized capital	<b>9,7079%</b>
Stake of the Issuer's ordinary shares held	<b>9,7079%</b>

### 6.3 DATA ON THE STATE OR MUNICIPAL UNIT PARTICIPATION IN THE AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OF THE ISSUER, SPECIAL RIGHT (“GOLDEN SHARE”)

The Russian Federation holds **69 125 536** ordinary shares of JSC “IDGC of the South”.



Stake of the Issuer's authorized capital owned by the state or municipal units: **0,139%**.

Full company name and location of the person who represents the Russian Federation and fulfills functions of the participant (shareholder) of the Issuer: **Federal Agency for Management of Federal Property; 9 Nikolskiy per., Moscow, Russia, 103685.**

Special right (“golden share”): **special rights are not stipulated.**

Special right for participation of the Russian Federation, subjects of the Russian Federation, municipal units in the Issuer's management (“golden share”): **not stipulated.**

#### **6.4 DATA ON RESTRICTIONS TO PARTICIPATION IN THE AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OF THE ISSUER**

Restrictions of amounts of shares which may belong to one shareholder and/or their total nominal value, and/or maximum number sold to one shareholder are not stipulated by the Charter of the Issuer.

Restrictions on the stake of foreign persons in the authorized capital of the Issuer are not stipulated by the legislation of the Russian Federation or other normative legal acts of the Russian Federation.

#### **6.5 DATA ON CHANGES IN THE COMPOSITION AND AMOUNT OF PARTICIPATION OF SHAREHOLDERS (PARTICIPANTS) OF THE ISSUER OWNING AT LEAST 5 PERCENT OF THE AUTHORIZED (SHARE) CAPITAL (SHARE FUND) OR AT LEAST 5 PERCENT OF ORDINARY SHARES**

The Issuer's shareholders who held at least 5 percent of the Issuer's authorized capital (at least 5 percent of the Issuer's ordinary shares) 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 date of termination of the accounting period, 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 meeting	Type of General Shareholders Meeting	Date of drawing up the list of persons entitled to participate in General Shareholders Meeting	Full /short company name of the Issuer's shareholder owning at least 5 % of the authorized capital	Stake held in the Issuer's authorized capital, %	Stake of the Issuer's ordinary shares held,%

05.10.2007	extraordinary	----	Russian Joint Stock Company of power and electrification “UES of Russia”/ JSC RAO UES of Russia	100,00	100,00
25.12.2007	extraordinary	----	Russian Joint Stock Company of power and electrification “UES of Russia”/ JSC RAO UES of Russia	100,00	100,00
28.02.2008	extraordinary	-----	Russian Joint Stock Company of power and electrification “UES of Russia”/ JSC RAO UES of Russia	100,00	100,00
30.05.2008	annual	18.04.2008	Russian Joint Stock Company of power and electrification “UES of Russia”/ JSC RAO UES of Russia	51,65	51,65
			Closed Joint Stock Company “Promregion Holding”/ CJSC “Promregion Holding”	16,21	16,21
			Renaissance Securities (Cyprus) Limited	5.22	5.22
19.06.2009	annual	08.05.2009	Open Joint Stock Company “Holding of interregional distribution grid companies” / JSC “IDGC holding”	51,65	51,65
			Oflamenta Trading Limited	21,15	21,15
			Renaissance Securities (Cyprus) Limited	5.05	5.05

## 6.6 DATA ON THE ISSUER’S INTERESTED PARTIES TRANSACTIONS

Item description	Quarter II of 2009
Total number and total monetary value of interested parties transactions which required approval by the authorized management body of the Issuer, number/ rub.	<b>5</b> <b>/6 920 141,46</b>
Number and monetary value of interested parties transactions concluded in the accounting period and approved by General Meeting of participants (shareholders), number/ rub.	<b>0</b> <b>/</b> <b>0</b>
Number and monetary value of interested parties transactions concluded for the accounting period and approved by Board of Directors (supervisory board) of the Issuer, number/ rub.	<b>5</b> <b>/6 920 141,46</b>
Number and monetary value of interested parties transactions for the accounting period which required approval yet were not approved by the authorized management body of the Issuer, number/ rub.	<b>0</b> <b>/</b>

	<b>0</b>
--	----------

Interested parties transactions concluded by JSC “IDGC of the South” for the accounting period:

Item No	Number and date of the document	Contractor	Total amount in money terms, rub.	Content
1.	No174 dd 15.04.2009	Open Joint Stock Company of Energy and Electrification of Kuban	10 000 per month	Material asset storage agreement.
2.	No187 dd 22.04.2009	Open Joint Stock Company “Tyumenenergo”	700 000,00	Paid services agreement on holding All-Russia competitions of mobile groups
3.	2009/2/261 dd 29.05.2009	Open Joint Stock Company “Southern engineering centre for power industry”	5 930 971,08	Contractor agreement for climate zoning plan design in the Astrakhan area
4.	49-12-109 dd 15.04.2009	Open Joint Stock Company “Astrakhanelektrosetremont”	266 681,26	Real estate lease arrangement
5.	No135 dd 01.05.2009	Open Joint Stock Company “System Operator of Unified Energy System”	12 489,12	Real estate lease arrangement
<b>TOTAL:</b>			<b>6 920 141,46</b>	

Total amount (in money terms) of the interested parties transactions for the last accounting quarter: **6 920 141,46** rubles.

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 in conformance with the legislation of the Russian Federation: **no such transactions were made in the accounting period.**

Data on the transactions (groups of associated transactions) concluded by the Issuer in the accounting period with cost of at least 5 (five) percent of the balance sheet cost of the Issuer’s funds as of the last accounting date before making the transaction: **no such transactions were made in the accounting period.**

## 6.7 DATA ON THE AMOUNT OF ACCOUNTS RECEIVABLE

Data on the amount of the Issuer's accounts receivable as of 30.06.2009, rubles in thousands:

Type of accounts receivable	Maturity	
	Less than one year	More than one year
Accounts receivable of buyers and customers	6 314 885	137 183
including accounts overdue	2 763 061	39 642
Notes receivable	-	-
including notes overdue	-	-
Accounts receivable of participants (founders) for contributions to authorized capital	-	-
including accounts overdue	-	-
Accounts receivable for advances paid	304 828	62 040
including accounts overdue	86 231	62040
Other accounts receivable	3 211 368	-
including accounts overdue	1 056 687	-
Total	9 831 081	199 223
including accounts overdue	3 905 979	101 682

Among the accounts receivable of JSC “IDGC of the South” as of 30.06.2009 there were no debtors who owed 10% or more of the total accounts receivable.

Dynamics and change in the structure of the accounts receivable by the Company as of 30.06.2009, rubles in thousands:

Structure of accounts receivable	Accounts receivable as of 31.03.2009	Accounts receivable as of 30.06.2009	Change of accounts receivable in quarter II of 2009
1. Long-term accounts receivable	315 037	199 223	-63 216
2. Short-term accounts receivable, including:	7 956 823	9 831 081	1 359 403
2.1 Buyers and customers	4 550 577	6 314 885	1 050 050

<b>2.2 advances paid, including</b>	<b>605 154</b>	<b>304 828</b>	<b>-195 912</b>
2.2.1. to suppliers of thermal and electric power	-	-	-
2.2.2. to suppliers of materials	106 174	22 617	-6 483
2.2.3 to construction organizations	101 928	72 463	-85 083
2.2.4 to repair contractors	1 501	1 612	4 302
2.2.5 to suppliers of services	103 384	41 109	28 560
2.2.6. other advances paid	292 167	167 027	-128 604
<b>3.Other debtors, including</b>	<b>2 801 092</b>	<b>3 211 368</b>	<b>505 265</b>
3.1. Overpayment on taxes to the federal budget	22 212	15 084	-47 142
3.2. overpayment on taxes to the budgets of the subjects of the RF	38 346	19 918	-2 148
3.3 overpayment on taxes to the local budgets	10 393	9 961	36
3.4. overpayment on payments to the state nonbudgetary funds	7 276	7 607	302
3.5 other debtors	2 722 865	3 158 798	554 217
<b>Total:</b>	<b>8 271 860</b>	<b>10 030 304</b>	<b>1 296 187</b>

## **VII Accounting reports of the Issuer and other financial information**

### **7.1 ANNUAL ACCOUNTING REPORTS OF THE ISSUER**

Annual accounting reporting of JSC “IDGC of the South” for 2008 is presented in the Quarterly report of JSC “IDGC of the South” for quarter I of 2009.

### **7.2 QUARTERLY ACCOUNTING REPORT OF THE ISSUER FOR THE LAST COMPLETED ACCOUNTING QUARTER MADE IN ACCORDANCE WITH THE LEGISLATION OF THE RUSSIAN FEDERATION**

Reporting structure:

1. Form No.1 “Accounting balance” (see Enclosure1);
2. Form No.2 “Profit and loss statement” (see Enclosure 2);
3. Note on the change of balance items (see Enclosure 3).

### **7.3 SUMMARY ACCOUNTING REPORTING OF THE ISSUER FOR THE LAST COMPLETED FINANCIAL YEAR**

In accordance with Order of the Ministry of finance of the RF dd December 30, 1996 No. 112 “On guidelines of making up and submitting of summary accounting reporting” (with changes as of May 12, 1999), the Issuer does not make summary (consolidated) financial reports of JSC “IDGC of the South” and its subsidiary companies, as the data on the subsidiaries of JSC “IDGC of the South” does not make serious influence on picturing the financial situation and financial results of the complex’s activity in general.

### **7.4 DATA ON THE ACCOUNTING POLICY OF THE ISSUER**

Regulations on the accounting policy for the purposes of accounting of JSC “IDGC of the South” (further referred to as Regulations) is approved by order of CEO of JSC “IDGC of the South” dd 24.12.2008 No.307-A.

By order of JSC “IDGC of the South” No.185 dd 29.06.2009 amendments are made to the standard operational book of accounts, the list of the implemented forms of primary accounting documents worked out by the Company, to Regulations on the accounting policy of the Company for 2009.

Full text of the Regulations and the orders on approval and amending the Regulations is available at the corporate website of the Company on Internet at: <http://www.mrsk-yuga.ru/rus/stockholders/finance/index.shtml>.

## **7.5 DATA ON TOTAL EXPORT AMOUNT, AND ON EXPORT SHARE IN THE TOTAL AMOUNT OF SALES**

The Issuer did not export products (goods, works, services) outside the Russian Federation.

## **7.6 DATA ON COST OF REAL ESTATE OF THE ISSUER AND THE ESSENTIAL CHANGES WHICH OCCURRED IN THE STRUCTURE OF PROPERTY OF THE ISSUER AFTER THE END DATE OF THE LAST COMPLETED ACCOUNTING YEAR**

Cost of real estate of JSC “IDGC of the South” as of 30.06.2009 is represented in the following table:

<b>Item No</b>	<b>Item</b>	<b>Initial cost</b>	<b>Accrued depreciation</b>	<b>Depreciated book value</b>
1	Real estate	14538872	955561	13583311

There were no material changes to the structure of real estate of the Issuer during the accounting period.

Acquisitions or retirements on any basis of any property of the Issuer if its balance sheet cost exceeds 5 percent of balance sheet cost of the Issuer’s assets, as well as any other changes which are significant for the Issuer in the structure of other property of the Issuer for 12 months prior to termination of the accounting quarter: none.

## **7.7 DATA ON PARTICIPATION OF THE ISSUER IN LITIGATIONS IF SUCH PARTICIPATION CAN HAVE SIGNIFICANT EFFECT ON THE FINANCIAL AND ECONOMIC ACTIVITIES**

On 06.03.2008 JSC “Kubanenergo” shareholder LLC “Neft-Aktiv” brought an action against JSC “Kubanenergo”, its registrar JSC “CMD” and to JSC “IDGC of the South” concerning:

- nullifying Minutes dd 21.01.2008 of the Tabulation commission on the results of voting at the General Shareholders Meeting made up by JSC “CMD”;
- nullifying the decision of an extraordinary General Shareholders Meeting of JSC “Kubanenergo” dd 18.01.2008 on the issue of restructuring JSC “Kubanenergo” in the form of accession to JSC “IDGC of the South” in the order and on terms of the accession agreement, approving the agreement and the act of transfer and acceptance;
- nullifying the accession agreement dd 03.12.2007 in part of accession of JSC “Kubanenergo” to JSC “IDGC of the South” and the act of transfer and acceptance dd

03.12.2007 on transferring the rights and responsibilities of JSC “Kubanenergo” to JSC “IDGC of the South”.

By the decision of Moscow Arbitrary court dd 11.06.2008 approved by the courts of appeal and cassational instances, the claims are satisfied partly, namely: the decision of the extraordinary General Shareholders Meeting of JSC “Kubanenergo” dd January 18.2008, agreement dd 03 December, 2007 on accession of JSC “Kubanenergo” to JSC “IDGC of the South and the act of transfer and acceptance on transferring rights of JSC “Kubanenergo” to JSC “IGC of the South”.

JSC “IDGC of the South” applied to the Supreme Court of the Russian Federation for supervisory review of the specified juridical acts. By determination of the Supreme court of the RF dd 03.06.2009 NoBAC-6648/09, the application of JSC “IDGC of the South” about case referral to the Presidium of the Supreme arbitration court of the Russian Federation was declined.

The Company fulfills functions of the sole Board of Directors in relation to JSC “Kubanenergo”.



## VIII Additional data on the Issuer and on the issue securities placed

### 8.1 ADDITIONAL DATA ON THE ISSUER

#### 8.1.1 Data on the amount and structure of the Issuer’s authorized capital:

Authorized capital in rubles: **4 981 109 606 rubles 40 kopecks**

Breakdown of the authorized capital into categories of shares	Amount, units	Nominal, rub.	Stake in the authorized capital, %
Ordinary shares	49 811 096 064	4 981 109 606, 4	100
Privileged shares	0	-	0

#### 8.1.2 Data on the change of the Issuer’s authorized (share) capital (share fund) amount

Accounting period date	Ordinary shares		Privileged shares		Name of the management authority who took the decision of changing the amount of the authorized capital	No. and date of the minutes of the management authority who took the decision of changing the authorized capital	Authorized capital total, rub.
	Rub.	%	Rub.	%			
31.12.2007	10 000 000	100	-	-	Management Board of JSC RAO “UES of Russia” (decision on foundation)	Executive order No192p dd 22.06.2007	10 000 000
31.03.2008	4 981 109 606,4	100	-	-	Management Board of JSC RAO “UES of Russia” acting as the General Shareholders Meeting dd 31.03.2008	Minutes No1795 np/6 dd 25.12.2007.	4 981 109 606,4
30.06.2008	4 981 109 606,4	100	-	-	The Issuer’s managing authorities did not take decisions about change of the amount of the authorized capital.	-	4 981 109 606,4
30.09.2008	4 981 109 606,4	100	-	-	The Issuer’s managing authorities did not take decisions about change of the amount of the authorized capital.	-	4 981 109 606,4

31.12.2008	4 981 109 606,4	100	-	-	The Issuer's managing authorities did not take decisions about change of the amount of the authorized capital.	-	4 981 109 606,4
31.03.2009	4 981 109 606,4	100	-	-	The Issuer's managing authorities did not take decisions about change of the amount of the authorized capital.	-	4 981 109 606,4
30.06.2009	4 981 109 606,4	100	-	-	The Issuer's managing authorities did not take decisions about change of the amount of the authorized capital.	-	4 981 109 606,4

### 8.1.3 Data on formation and use of the reserve fund and other funds of the Issuer

The Company accumulated reserve fund intended for covering the Company's losses, and for bond retirement and repurchase of own stock in case if there are No.other funds. Reserve fund cannot be used for other purposes. Reserve fund is formed from net profit.

Name of the fund: **Reserve fund**

Amount of the fund according to the constituent documents: **5 (five) percent of the authorized capital of the Company** (p. 8.1. of clause 8 of JSC “IDGC of the South Charter”).

Reserve fund in monetary terms as of the termination date of the corresponding accounting period, percent from the authorized (share) capital (share fund): as of 30.06.2009 – **142 867** rubles in thousands (**2,87** % of the authorized capital).

In quarter II of 2009 assignments were made to the fund in the sum of **24 302** thousand rubles.

Assets of the fund were not utilized during the accounting period.

Name of the fund: **accumulation fund**

Amount of the fund according to the constituent documents: amount of the fund is determined by decisions of annual General Shareholders Meetings of JSC “IDGC of the South” dd 30.05.2008 and 19.06.2009 by way of distributing income on the results of operation, accordingly for 2007 and 2008 financial years.

Amount of the fund in monetary terms as of the termination date of the corresponding accounting period, percent from the authorized (share) capital (share fund): as of 30.06.2009 – **468285** thousand rubles (**9.4** % of the authorized capital).

Assets of the fund were not utilized during the accounting period.

#### **8.1.4 Data on the order of convocation and holding of the meeting (proceedings) of the supreme management authority of the Issuer**

Name of the supreme management authority of the Issuer: **General Shareholders Meeting.**

Order of informing the Issuer's shareholders (participants) about the upcoming General Shareholders Meeting

In accordance with p. 11.5. of article 11 of the Charter of JSC “IDGC of the South”, the message on the upcoming General Shareholders Meeting is published by the Company in the newspaper “Novye Izvestiya” and placed on the corporate Internet website No.later than 30 (thirty) days prior to the date of the shareholders meeting.

In conformity with p. 11.6. of article 11 of the Charter of JSC “IDGC of the South”, voting ballots on the agenda of the meeting are sent by registered letter on the address from the list of persons who have right to participate in the General Shareholders Meeting, not later than 20 (twenty) days from the date of holding General Shareholders Meeting.

People (authorities) who have a right to convene (demand) holding extraordinary General Shareholders Meeting, and the order of applying with such demands (submitting such applications)

According to pp. 14.2, 14.3, 14.4, 14.5 of article 14 of the Charter of JSC “IDGC of the South”, extraordinary General Shareholders Meeting shall be held on the decision of Board of Directors (by its own initiative), demand of the Company's Audit committee, the Company's Auditor, and a shareholder (shareholders) of the Company who holds at least 10 (ten) percent of the voting shares as of the date of the application.

Such General Shareholders Meeting shall be held within 40 (forty) days from the date of claim for holding an extraordinary General Shareholders Meeting of the Company, except for the case specified in p. 14.9. of clause 14 of the Company's Charter.

In the claim for holding an extraordinary General Shareholders Meeting the items must be presented which are subject to including on the agenda of the meeting.

Person (persons) submitting proposals about extraordinary General Shareholders Meeting are entitled to introduce a project of the decision of the extraordinary General Shareholders Meeting, a suggestion on the form of holding the General Shareholders Meeting. In case if the proposal about convening an extraordinary General Shareholders Meeting contains a suggestion as to nomination of candidates, such a proposal is to conform to the regulations of clause 13 of JSC “IDGC of the South” Charter.

The Company's Board of Directors is not entitled to change the wording of agenda items, the decisions on the items, to alter the suggested form of holding the extraordinary General Shareholders Meeting convened on the proposal of the

Company's Audit committee, the Company's Auditor or a shareholder (shareholders) holding at least 10 (ten) percent of the Company's voting shares.

Should the demand about convocation of the Company's extraordinary General Shareholders Meeting come from a shareholder (shareholders), it should contain the name of the shareholder (shareholders) demanding convocation of the meeting and indication of quantity, category (type) of the Company shares belonging to them.

The demand on convocation of the Company extraordinary General Shareholders Meeting shall be signed by the person (persons) demanding convocation of the extraordinary General Shareholders Meeting of the Company.

On June 24, 2009, a demand for convocation of an extraordinary General Shareholders Meeting (EGShM) was submitted to JSC “IDGC of the South” from LLC “Management – Consulting” (“TM”) (“CMIC of shares “Resource”) with including the following issues on the agenda of the meeting: early termination of powers of JSC “IDGC of the South” Board of Directors and electing the Board of Directors of the nominated candidates from LLC “Management -Consulting” as prospective members of Board of Directors.

LLC “Management – Consulting” (“TM”) (“CMIC of shares “Resource”) holds more than 10 % of the Company's voting shares.

Thus, in quarter II of 2009, in accordance with item 1 of article 55 of the Law “On Joint-Stock Companies” and p.14.2 of clause 14 of JSC “IDGC of the South” Charter, based on the initiative of a shareholder holding not less than 10 % (ten) voting shares of the Company as of the date of the demand, JSC “IDGC of the South” Board of Directors took a decision to convene EGShM on 14.09.2009 (Minutes dd 02.07.2009 No.30/2009) in the form a meeting (of collective presence).

Procedure of fixing the date for holding the meeting (proceedings) of the supreme management body of the Issuer

In accordance with Articles 11 and 14 of JSC “IDGC of the South” Charter, annual General Shareholders Meeting of the Company shall be held not earlier than two months prior to and not later than six months after the end of the fiscal year.

Extraordinary General Shareholders Meeting convoked upon demand of the Company's Audit Committee, the Company's Auditor or shareholder(s) who own of at least 10 (ten) percent of the Company's shares shall be held within 40 (forty) days from the moment of representation of the demand on carrying out an extraordinary General Shareholders Meeting of the Company.

In conformity with item 2 of article 55 of Federal Law “On Joint Stock Companies”, if the proposed agenda of the extraordinary General Shareholders Meeting contains item on election of the members of the Company's Board of Directors, General Shareholders Meeting shall be held within 70 (seventy) days from the moment of presentation of demand for carrying out extraordinary General Shareholders Meeting.

Persons entitled to submit proposals to the agenda of the Issuer's Supreme management body meeting (proceedings), and procedure of submission of such

proposals:

In accordance with clause 13 of JSC “IDGC of the South” Charter, shareholders (shareholder) of the Company who are in aggregate owners of at least 2 (two) percent of the Company’s voting shares in the term not later than 60 (sixty) days after termination of the fiscal year are entitled to propose items for the agenda of the annual General Shareholders Meeting and to nominate candidates for the Board of Directors and the Audit committee of the Company, whereas the number of the candidates must not exceed the quantitative structure of the corresponding body.

Proposal on inclusion of items on the agenda of the General Shareholders Meeting and the proposal on nomination of candidates shall be submitted in writing with indication of the name of the shareholders (shareholder) who presented them, quantity and category (type) of shares belonging to them and shall be signed by the shareholders (shareholder).

Proposal moving items in the agenda of General Shareholders Meeting shall formulate each proposed item, and the proposal on nomination of candidates should contain name and data of the document proving the identity (series and (or) number of the document, date and place of its issuing, the body which issued the document) of each proposed candidate, name of body he/she is proposed to.

The Company’s Board of Directors shall be obliged to consider the received proposals and to make the decision on their inclusion on the agenda of the General Shareholders Meeting of the Company or on refusal to include them in the specified agenda not later than 5 (five) days after termination of the term specified in item 13.1 of clause 13 of the Company’s Charter.

Board of Directors of the Company shall be entitled to refuse to include the items proposed by the shareholder (shareholders) on the agenda of the General Shareholders Meeting and also to refuse to include the proposed candidates on the list of nominees for voting at election to the corresponding body of the Company on the bases stipulated by the Federal Law “On Joint-Stock Companies” and other legal statements of the Russian Federation.

Grounded decision of Board of Directors of the Company on refusal to include an item in the agenda of the General Shareholders Meeting of the Company or to include a candidate on the list of nominees for voting at election to the corresponding body of the Company shall be sent to the shareholder (shareholders) who proposed an item or a nominee not later than 3 (three) days from the moment of its taking.

The Company’s Board of Directors shall not be entitled to change the wording of the items proposed for inclusion on the agenda of the General Shareholders Meeting, and (if available) the wording of decisions on such items

In addition to the items proposed for inclusion on the agenda of the General Shareholders Meeting by shareholders, and also in case of absence of such proposals, absence or insufficient quantity of the candidates proposed by shareholders for forming the respective body, the Board of Directors of the Company shall be entitled to include items or candidates for the list of nominees on the agenda of General Shareholders

Meeting at their own discretion.

Persons entitled to examine information (materials) provided for preparation and carrying out the meeting (proceedings) of the Supreme management body of the Issuer, and also the procedure of examination of such information (materials)

According to p. 11.7 of clause 11 of JSC “IDGC of the South” Charter, information (materials) on the agenda items of General Shareholders Meeting should be available to the persons entitled to participate in General Shareholders Meeting within 20 (twenty) days, and, in case of carrying out General Shareholders Meeting with agenda on reorganization of the Company - within 30 (thirty) days prior to carrying out General Shareholders Meeting, for examination in the office of the Company’s executive body and other places the addresses of which are specified in the message on carrying out General Shareholders Meeting. The specified information (materials) should be available to the persons taking part General Shareholders Meeting during the meeting.

Procedure of examining information (materials) on the agenda items of General Shareholders Meeting and the list of such information (materials) by persons entitled to participate in General Shareholders Meeting shall be determined by the decision of the Company’s Board of Directors.

Procedure of announcement (bringing to notice) of shareholders (participants) information on the decisions taken by the Supreme management body of the Issuer, and the results of voting:

Results of voting and decisions taken by the General Shareholders Meeting of the Company may be announced at the Company’s General Shareholders Meeting.

If the results of voting and the decisions taken by the Company’s General Shareholders Meeting were not announced at the General meeting, they must be announced not later than 10 (ten) days after drawing up the minutes on results of voting on the decisions taken by the Company’s General Shareholders Meeting and the results of voting are brought to the notice of persons included on the list of persons entitled to participate in General Shareholders Meeting, in accordance with the procedure stipulated by the Charter of the Company for informing shareholders on carrying out General Shareholders Meeting unless otherwise specified by the Company Charter.

#### **8.1.5 Data on commercial entities in which the Issuer holds at least 5 percent of the authorized (share) capital (share fund) or at least 5 percent of ordinary shares**

1. Full company name: **Open Joint Stock Company “Astrakhanelektrosetremont”**

Short company name: **JSC “Astrakhanelektrosetremont”**

Location: **204 Kramatorskaya Str., Astrakhan, Russian Federation**

Issuer’s stake in the authorized capital: **100,00%**

Issuer’s stake of the ordinary shares: **100,00%**

Stake of the commercial organization in the Issuer’s authorized capital: **0%**

Stake of the Issuer’s ordinary shares held by the commercial organization: **0%**

2. Full company name: **Open Joint Stock Company “Volgogradsetremont”**

Short company name: **JSC “Volgogradsetremont”**

Location: **1a Granovitaya Str., Volgograd, Russia**

Issuer's stake in the authorized capital: **100,00%**.

Stake of the commercial organization in the Issuer's authorized capital: **0%**.

Stake of the Issuer's ordinary shares held by the commercial organization: **0%**.

3. Full company name: **Open Joint Stock Company “Grechko A.A. Enterprise of Agriculture”**

Short company name: **JSC “Grechko A.A. PSKh”**

Location: **21 Teatralnaya Str., village Kuibyshevo, Kuibyshevskiy district, Rostov area, Russia**

Issuer's stake in the authorized capital: **100,00%**

Issuer's stake of the ordinary shares: **100,00%**

Stake of the commercial organization in the Issuer's authorized capital: **0%**

Stake of the Issuer's ordinary shares held by the commercial organization: **0%**

4. Full company name: **Open Joint Stock Company “Agricultural enterprises Sokolovskoye”**

Short company name: **JSC “Sokolovskoye PSKh”;**

Location: **32 Kurskaya Str., settlement Sokolovo-Kurduchenskiy, Novoshakhtinsk, Russia;**

Issuer's stake in the authorized capital: **100,00%**

Issuer's stake of ordinary shares: **100,00%**

Stake of the commercial organization in the Issuer's authorized capital: **0%**

Stake of the Issuer's ordinary shares held by the commercial organization : **0%**

5. Full company name: **Open Joint Stock Company “Recreation Centre “Energetik”;**

Short company name: **JSC “Recreation Centre “Energetik”;**

Location: **3 Shkolnaya Str., village Shepsi, Tuapsinskiy district, Krasnodar region, Russian Federation**

Issuer's stake in the authorized capital: **100,00%**

Issuer's stake of ordinary shares: **100,00%**

Stake of the commercial organization in the Issuer's authorized capital: **0%**

Stake of the Issuer's ordinary shares held by the commercial organization: **0%**

6. Full company name: **Closed Joint Stock Company “Sphere - Income”;**

Short company name: **CJSC “Sphere - Income”;**

Location: **13 Prazhskaya Str., Volgograd, Russia;**

Issuer's stake in the authorized capital: **12,89%**

Issuer's stake of ordinary shares: **12,89%**

Stake of the commercial organization in the Issuer's authorized capital: **0%**

Stake of the Issuer's ordinary shares held by the commercial organization: **0%**

7. Full company name: **Open Joint Stock Company “Joint Stock Electric Grid Company”;**

Short company name: **JSC “Joint Stock Electric Grid Company”;**

Location: **27 Osipenko Str., Moscow3, Russia**

Issuer's stake in the authorized capital: **5,22%**

Issuer's stake of ordinary shares: **5,22%**

Stake of the commercial organization in the Issuer's authorized capital: **0%**

Stake of the Issuer's ordinary shares held by the commercial organization: **0%**

#### **8.1.6 Data on important transactions closed by the Issuer**

In the accounting period the Issuer did not make transactions (groups of associated transactions) obligations on which amount to 5 and more percent of the balance sheet cost of the assets as of the accounting period prior to the date of transaction.

#### **8.1.7 Data on credit ratings of the Issuer**

The Issuer has not been assigned credit ratings.

### **8.2 DATA ON EACH CATEGORY (TYPE ) OF THE ISSUER'S SHARES**

Share category: **ordinary;**

Nominal value of each share: **0,1 ruble;**

Amount of shares in circulation: **49 811 096 064 units;**

Amount of additional shares which are in the process of placement (amount of the shares of additional issue the report on the results of the issue on which has not been registered by state authorities): **0 unit;**

Amount of declared shares: **31 078 103 936 units;**

Amount of shares on the Issuer's balance: **0 units;**



Amount of additional shares which can be placed after converting placed securities to shares or as the result of executing liabilities on the Issuer's options: **0**;

Number and date of state registration:

Number and date of state registration:				
Issue, registration date	Volume, rub.	Number, units		Nominal value, rub.
		Ordinary	Privileged	
1 <sup>st</sup> issue of shares				
No1-01-34956-E  dd 20.09.2007	10 000 000	100 000 000	-	0,1
Additional issues of shares				
No1-01-34956-E-001D  dd 20.03.2008	228 296 779,1	2 282 967 791	-	0,1
No1-01-34956-E-002D  dd 20.03.2008	1 620 347 283, 7	16 203 472 837	-	0,1
No1-01-34956-E-003D  dd 20.03.2008	439 059 322,3	4 390 593 223	-	0,1
No1-01-34956-E-004D  dd 20.03.2008	2 029 712 678,4	20 297 126 784	-	0,1
No1-01-34956-E-005D  dd 20.03.2008	192 111 155	1 921 111 550	-	0,1
No1-01-34956-E-006D  dd 20.03.2008	461 582 387,9	4 615 823 879	-	0,1

**Note:** In accordance with notification from FFMS of Russia as of 12.08.2008 No08-EK -03/17099, individual numbers (codes) have been cancelled: 001D state registration number 1-01-34956-E-001D dd 20.03.2008, 002D state registration number 1-01-34956-E-002D dd 20.03.2008, 003D state registration number 1-01-34956-E-003D dd 20.03.2008, 004D state registration number 1-01-34956-E-004D dd 20.03.2008, 005D state registration number 1-01-34956-E-005D dd 20.03.2008, 006D state registration number 1-01-34956-E-006D dd 20.03.2008.

### Shareholders' rights on the shares:

In accordance with clause 6 of JSC “IDGC of the South” Charter, a shareholder of the Company is a person who holds the Company's shares on the principles provided by the legislation of the Russian Federation and the Company's Charter. Each ordinary registered share of the Company gives to the shareholder (its owner) equal powers.

Shareholders-owners of ordinary registered shares of the Company have the following rights:

- 1) to participate personally or through representatives in the General Shareholders Meeting of the Company with a vote on all issues of his/ her competence;
- 2) to enter proposals to the General meeting's agenda in the order stipulated by the legislation of the Russian Federation and the Charter;
- 3) to get information on the Company's activity and study the Company's documents in accordance with article 91 of Federal Law “On Joint-Stock Companies”, other regulatory acts and the Charter;
- 4) to get dividends declared by the Company;
- 5) primary acquisition of additional shares placed by means of subscription and issue securities converted to shares in the number proportional to the number of ordinary shares belonging to them, in cases provided in the legislation of the Russian Federation;
- 6) in case of the Company's liquidation to receive part of its property;
- 7) to carry out other rights provided by the legislation of the Russian Federation and the Company's Charter.

The Company has not issued preferred shares.

The Issuer's shares cross-held by its subsidiaries and (or) affiliated companies: the Company's subsidiaries and dependent entities do not hold the Company's shares.

### **8.3 DATA ON PREVIOUS ISSUES OF SECURITIES OF THE ISSUER EXCEPT FOR THE SHARES OF THE ISSUER**

#### **8.3.1 Data on issues all securities of which were repaid (cancelled)**

The Issuer did not place securities except for shares.

#### **8.3.2 Data on issues securities on which are in circulation**

The Issuer did not place securities except for shares.

#### **8.3.3 Information on issues where the Issuer did not fulfill obligations on the securities (default)**

The Issuer did not place securities except for shares.

#### 8.4 INFORMATION ABOUT THE PERSON (PERSONS) WHO PROVIDED SECURITY FOR THE ISSUED BONDS

Data is not presented, because the Issuer did not issue bonds.

#### 8.5 CONDITIONS OF SURETY FOR THE FULFILLMENT OF OBLIGATIONS ON THE ISSUED BONDS

Data is not presented, because the Issuer did not issue bonds.

#### 8.6 INFORMATION ON THE ENTITIES RECORDING THE RIGHTS TO THE ISSUED SECURITIES OF THE ISSUER

Person keeping the register of the Issuer's bearer securities holders	<b>Registrar</b>
Full company name of the registrar	<b>Open Joint Stock Company “Central Moscow depositary”</b>
Short company name of the registrar	<b>JSC “CMD” or JSC “Central Moscow depositary”</b>
Location of the registrar	<b>Building B, 3 Orlikov per., Moscow, 107078.</b>
Number of the license for keeping the register of securities holders	<b>10-000-1-00255</b>
Issuing date of the license	<b>13.09.2002.</b>
License validity term	<b>Without limitation of the period of validity</b>
License issuing authority	<b>Federal securities and exchange commission of Russia</b>
Other data on keeping the register of the Issuer's bearer securities holders (entered at the Issuer's discretion)	<b>Postal address of the Registrar: Building 8, 34 Bolshaya Pochtovaya, Moscow, 105082</b> <b>Tel./fax: (495) 221-13-34, 221-13-30, 221-13-33, (495) 221-13-83</b> <b>E-mail address of the Registrar: <a href="mailto:info@mcd.ru">info@mcd.ru</a>, <a href="mailto:dre@mcd.ru">dre@mcd.ru</a></b>

<b>Data on the transfer agents of the Registrar working with Company's shareholders</b>	
1. Full company name	<b>Limited liability company “Registrar “DonFAO”</b>
Sort company name	<b>LLC (OOO) “Registrar “DonFAO”</b>
Location of transfer agent	<b>98-100 Pushkinskaya Str., Rostov-on-Don, 344002</b>
Number of the license for keeping the register of securities holders	<b>No.10-000-1-00310</b>
Date of issue of the license	<b>19.03.2004</b>
Validity term of the license	<b>Without limitation of the period of validity</b>

License issuing authority	<b>Federal securities and exchange commission of Russia</b>
Other data on keeping the register of the Issuer's bearer securities holders (entered at the Issuer's discretion)	<b>Postal address of the transfer agent: 344002, 98-100 Pushkinskaya Str., Rostov-on-Don</b> <b>Tel./fax: (863) 269-88-01, (863) 269-88-02, (863) 269-88-03</b> <b>E-mail address of the Registrar: <a href="mailto:info@mcd.ru">info@mcd.ru</a>, <a href="mailto:dre@mcd.ru">dre@mcd.ru</a></b>
2. Full company name	<b>Open Joint Stock Company “Interregional distribution grid company of the South”</b>
Short company name	<b>JSC “IDGC of the South”</b>
Location of the transfer agent, contact telephone numbers	<b>15 pr. Lenina, Volgograd, 400066</b> <b>Tel. (8442) 96-47-34</b> <b>Contact person Dolgova Larisa Nikolaevna</b>
Location of the transfer agent, contact telephone numbers	<b>32 Krasnaya Naberezhnaya Str., Astrakhan, 414000</b> <b>Tel. (8512) 40-30-03</b> <b>Contact person - Kalinicheva Yelena Vladimirovna</b>

Centralized deposit of the issue securities is not provided by the Issuer, because the Issuer did not issue certificated securities.

Data on the amount of remuneration of the Issuer's Registrar:

In 2008 agreements were concluded with the Registrar for rendering services of preparation and mailing materials for annual General Shareholders Meeting; for rendering services of preparation and holding annual General Shareholders Meeting; for rendering services of preparation and submitting information from the system of register keeping through the Internet. In 2008 the Registrar was paid **1 851 197,4 rubles**.

For quarter II of 2009 the Company's Registrar was paid remuneration equal to **1 115 751,9 rubles**, including:

- **176 820 rubles** for rendering services on keeping and storing the register of the registered securities;
- **73 278 rubles** for preparing information materials of the annual General Shareholders Meeting;
- **431 402,1 rubles** for mailing information materials of the annual General Shareholders Meeting;
- **434 251,8 rubles** for carrying out functions of the tabulation commission at the annual General Shareholders Meeting.

## 8.7 DATA ON THE ACTS REGULATING ISSUES OF IMPORT AND EXPORT OF THE

## **CAPITAL THAT CAN INFLUENCE DISTRIBUTION OF DIVIDENDS, INTEREST, AND OTHER PAYMENTS TO NONRESIDENTS**

The main legislation acts regulating issues of capital import and export are:

- Federal Law dd 10.12.2003 N173-Φ3 “On Currency Regulation and Currency Control” (further amended and revised);
- Federal Law dd 09.07.1999 N 160-Φ3 “On Foreign Investment in the Russian Federation” (further amended and revised);
- Federal Law dd 25.02.1999 N 39-Φ3 “On Investment Activities in the Russian Federation Performed in the Form of Capital Investments” (further amended and revised);

Besides:

- Tax Code of the Russian Federation (part I)” dd 31.07.1998 N 146-Φ3 (revised and amended as of 01.01.2009);
- Tax Code of the Russian Federation (part II)” dd 05.08.2000 N 117-Φ3;
- Federal Law dd 22.04.1996 . N 39-Φ3 “On Securities Market”;
- Federal Law dd 10.07.02 N 86-Φ3 “On the Central Bank of the Russian Federation (Bank of Russia)” (revised and amended as of 10.01.2009);
- Federal Law dd 07.08.2001 N 115-Φ3 “On Counteraction of Legitimization (Laundering) Proceeds of Crime and Financing of Terrorism”;
- Instruction of the Central Bank of the Russian Federation dd 15.06.2004 N 117-И “On the Order of Document and Information Presentation by Residents and Nonresidents to the Entitled Banks in the Course of Currency Operations, on the Order of Currency Operations Reporting and Drawing-Up Transaction Certificates by the Entitled Banks” (further amended and revised);
- Letter of the Ministry for Taxes and Charges of the Russian Federation dd 04.09.2003 N CA-6-04/942 “On Taxation of Dividends”;
- Letter of the Ministry for Taxes and Charges of the Russian Federation dd 16.06.2003 N ПД-6-23/664 “On usage of the Article “Dividends” of Certain Agreements for the Avoidance of Double Taxation”;
- International agreements of the Russian Federation for avoidance of double taxation;
- Other regulatory legal acts of the Russian Federation.

## **8.8 DESCRIPTION OF THE TAXATION SCHEME FOR THE REVENUE ON THE ISSUER'S SECURITIES THAT WERE PLACED OR ARE IN THE PROCESS OF PLACEMENT**

### **I Taxation of incomes of physical persons under the placed securities in the form of dividends**

No	Categories of security holders	
	Physical persons – RF tax	Physical persons who gain income from sources

	residents	situated in RF and are not RF tax residents
<b>Name of the income on the placed securities</b>	Dividends	
<b>Name of the securities income tax</b>	Tax on income of physical persons	
<b>Tax rate</b>	9%	15% (since 01.01.08)
<b>Order and terms of tax payment</b>	<p>The duty to subtract the sum of the tax from the income of the tax bearer and to discharge it to the corresponding budget is imposed to a Russian organization which is a source of income of the tax bearer in the form of dividends ( tax agent).</p> <p>The accrued sum of the tax is subtracted directly from the income of the tax bearer at their actual payment. Tax agents are obliged to list the sums of the calculated and retained tax not later than the day of actual receipt of cash money resources in the bank for income payment, and also the day of the income transfer from the accounts of tax agents in bank into the accounts of the tax bearer or, under its commission, into the accounts of the third parties in banks.</p>	
<b>Peculiarities of taxation order this category of security holders</b>	<p>Total sum of the tax is calculated as product of the tax rate and the difference between the sums of dividends that are subject to distribution between shareholders - residents, and the sum of the dividends received by the tax agent for the accounting period. In case the received difference is negative, the tax may not be paid, and there is No.compensation from the budget. The sum of the tax which is subject to deduction from incomes of the tax bearer - recipient of dividend - is calculate on the basis of the total sum of the tax and the part of each tax bearer's dividend in the total sum of dividends</p>	<p>Elimination of the double taxation. For remission of tax payment, carrying out offset, reception of tax deductions or other tax benefits, the tax bearer should submit official documents to the tax bodies of the Russian Federation that show that he/she is a resident of the state with which during the corresponding tax period (or its parts) the Russian Federation concluded a contract (agreement) on avoidance of double taxation, and also the document on the received income and on payment of the tax by him/her outside of the Russian Federation approved by the tax body of the corresponding foreign state. Such documents may be presented both before tax payment and within one year after the termination of the tax period by the results of which the tax bearer applies for remission of the taxation, tax deductions or benefits.</p>
<b>Legal and standard acts that stipulate the taxation order of this income</b>	Tax Code of the Russian Federation, chapter 23 Tax on income of physical persons (revised and amended)	

## II Taxation of incomes of physical persons under the placed securities conversion

No	Categories of security holders	
	Physical persons – RF tax residents	Physical persons who gain income from sources situated in RF and are not RF tax residents
<b>Name of the income on the placed securities</b>	Income (loss) from securities conversion calculated as a difference between the sums received from securities conversion and costs for acquisition, use and storage of securities made by the tax bearer and presented in the documents.	
<b>Name of the securities income tax</b>	Taxes on incomes of physical persons	
<b>Tax rate</b>	13%	30%
<b>Order and terms of tax payment</b>	Total sum of the tax to be paid in the budget is calculated on the basis of the tax declaration and paid to the residential place of the tax bearer No.later than 15 July of the year following the past tax period	
<b>Peculiarities of taxation order this category of security holders</b>		<p>Elimination of the double taxation. For remission of tax payment, carrying out offset, reception of tax deductions or other tax benefits, the tax bearer should submit official documents to the tax bodies of the</p>

		Russian Federation that show that he/she is a resident of the state with which during the corresponding tax period (or its parts) the Russian Federation concluded a contract (agreement) on avoidance of double taxation, and also the document on the received income and on payment of the tax by him/her outside of the Russian Federation approved by the tax body of the corresponding foreign state. Such documents may be presented both before tax payment and within one year after the termination of the tax period by the results of which the tax bearer applies for remission of the taxation, tax deductions or benefits.
<b>Legal and standard acts that stipulate the taxation order of this income</b>	<p style="text-align: center;">Tax Code of the Russian Federation</p> <p style="text-align: center;">Chapter 23 “Tax on income of physical persons”</p>	

### III Taxation of juridical bodies’ income from securities placed in the form of dividends

No	Categories of security holders	
	<b>Juridical bodies – tax residents of the RF</b>	<b>Foreign juridical bodies who gain income from sources situated in RF and are not RF tax residents</b>
<b>Name of the income on the placed securities</b>	Dividends	
<b>Name of the securities income tax</b>	Income tax	
<b>Tax rate</b>	9% or 0% (on conforming to conditions of c.3 art.284of the Tax Code of the RF)	15%
<b>Order and terms of tax payment</b>	Taxes from income in the form of dividends are collected from the source of this income and transferred to the budget by the tax agent who performed payment within ten days from the day of the income payment	
<b>Peculiarities of taxation order this category of security holders</b>	<p>Total sum of the tax is calculated as product of the tax rate and the difference between the sums of dividends that are subject to distribution between shareholders - residents, and the sum of the dividends received by the tax agent for the accounting period. In case the received difference is negative, the tax may not be paid, and there is No.compensation from the budget. The sum of the tax which is subject to deduction from incomes of the tax bearer - recipient of dividend - is calculate on the basis of the total sum of the tax and the part of each tax bearer’s dividend in the total sum of dividends</p>	<p>In case Russian organization - tax agent pays dividends to the foreign organization and (or) to a physical person who is not a resident of the Russian Federation, the tax base of the tax bearer - recipient of dividend on each such payment is calculated as the sum of the paid dividends, and a rate set accordingly by subitem 2 of item 3 of section 284 (15 %) or item 3 section 224(15 %) of the Tax Code of the Russian Federation is applied to it.</p> <p>Elimination of double taxation.</p> <p>At submitting documents by the foreign organization to the tax agent that prove that this foreign organization has permanent establishment in the state with which Russian Federation has international contracts regulating issues of taxation concerning income on which the international contract provides a preferential mode of taxation in the Russian Federation, before the date of the income payment, the source of payment is remitted from tax deduction or tax is deducted under lowered rates.</p>
<b>Legal and standard acts that stipulate the taxation order of this income</b>	Tax Code of the Russian Federation, chapter 25 “Tax on income of organizations”	

### IV Taxation of income of juridical bodies under the placed securities conversion

No	Categories of security holders
----	--------------------------------

	<b>Juridical bodies – tax residents of the RF</b>	<b>Foreign juridical bodies who gain income from sources situated in RF and are not RF tax residents</b>
<b>Name of the income on the placed securities</b>	Income from security conversion operations	Income from sale of shares of Russian organizations, more than 50% of whose assets consist of real estate situated on the territory of the RF
<b>2. Name of the securities income tax</b>	Income tax	
<b>Tax rate</b>	20%	20%
<b>Order and terms of tax payment</b>	Sum of the tax by the results of the tax period is calculated by the tax bearer independently. The tax that is subject to payment after the tax period is paid not later than March 28 of the year following the expired tax period. Quarterly advance payments are paid No.later than 28 days from the date of termination of the quarter. Monthly advance payments are paid in time No.later than the 28th day of each month of this accounting period. Tax bearers who pay monthly advance payments on actually received profit pay advance payments No.later than the 28th day of the month following the month by results of which tax calculation is made. According to the results of the accounting period, sums of monthly advance payments are set off at payment of quarterly advance payments. Quarterly payments are set off on account of payment of the tax according the results of the tax period.	The obligation of determining the sum of the tax, deduction of this sum from the incomes of the tax bearer and tax transfer in the budget is imposed to a Russian organization or a foreign organization that performs activity in the Russian Federation through permanent establishment and pays the specified income to the tax bearer.
<b>Peculiarities of taxation order this category of security holders</b>		At submitting documents by the foreign organization to the tax agent that prove that this foreign organization has permanent establishment in the state with which Russian Federation has international contracts regulating issues of taxation concerning income on which the international contract provides a preferential mode of taxation in the Russian Federation, before the date of the income payment, the source of payment is remitted from tax deduction or tax is deducted under lowered rates.
<b>Legal and standard acts that stipulate the taxation order of this income</b>	Tax Code of the Russian Federation, chapter 25 “Tax on income of organizations”	

## 8.9 DATA ON THE DECLARED (ACCRUED) AND PAID DIVIDENDS UNDER THE ISSUER'S SHARES AND ALSO ON REVENUE UNDER THE ISSUER'S BONDS

For the period of existence of “IDGC of the South” JSC, No.decisions were taken on payment of dividends on the shares placed.

The Issuer has not issued bonds for the time of its operation, and, correspondingly, has not paid revenues on bonds.



## **8.10 DATA ON THE ACTS REGULATING ISSUES OF IMPORT AND EXPORT OF THE CAPITAL THAT CAN INFLUENCE DISTRIBUTION OF DIVIDENDS, INTEREST, AND OTHER PAYMENTS TO NONRESIDENTS**

### **Review of the Issuer's organizational structure and the basic functional relations between the key operational divisions**

At present organizational structure of JSC “IDGC of the South” approved on June 03, 2009 is used (minutes dd 05.06.2009 No.28/2009).

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 development and rendering;
- Investments and capital construction;;
- Technical block;
- Corporate management;
- Security and controlling;
- Development of Sochi power district;
- Administrative issues.

The key sectors are attached to independent structural units directly subordinate to The Company's General Director:

- Department for accounting and tax reporting;
- Department for technical inspection;
- Department for information technologies;
- Department for personnel management and organization design;
- Department for logistics and procurement.

In the organizational structure, Deputy CEOs (branch General Directors) are represented who (on the basis of powers of attorney issued by the Company's CEO) manage operation of the following branches of the Company founded in accordance with the decision of the Company's Board of Directors (minutes No6/2008 dd 11.01.2008):

1. “Astrakhanenergo” branch of JSC “IDGC of the South” (32 Krasnaya Naberezhnaya Str., Astrakhan, 414000);
2. “Volgogradenergo” branch of JSC “IDGC of the South” (15 prospect Lenina, Volgograd, 400066);
3. JSC “IDGC of the South” branch “Kalmenergo” (Northern industrial area, Elista, Republic of Kalmykia, 358007);
4. “Kubanenergo” branch of JSC “IDGC of the South” (2 Stavropolskaya Str., Krasnodar, Russian Federation);
5. “Rostovenergo” branch of JSC “IDGC of the South” (49 Bolshaya Sadovaya Str., Rostov-on-Don, 344002).

JSC “IDGC of the South” organizational scheme is available at the corporate website of the Company on the Internet at: <http://www.mrsk-yuga.ru/about/struktura/index.shtml>.

**The Issuer’s key calendar events and the news. Information on the Issuer’s participation in exhibitions and conferences, activity of international organizations**

**Key events:**

1. In June of 2009 representatives of the Open Joint Stock Company “Interregional Distributive Grid Company of the South” took part in the VIII International conference on project management “PMSOFT and Primavera – successful investments to industry and construction”.

At the conference the Issuer was awarded prize “For the best decision in the sphere of project management system implementation”.

2. On June 19, 2009 annual General Shareholders Meeting of JSC “IDGC of the South” took place summarizing the results of operation in 2008.

**Key news of the Company in the accounting period:**

Item No.	Publication date	News	Place of publication
1	07.04.2009	In JSC “IDGC of the South” branch “Astrakhanenergo” a “Scheme of perspective development of distribution electric power grid with voltage of 35-110kV” has been worked out.	Corporate website of “Astrakhanenergo” branch of “IDGC of the South”, JSC
2	11.04.- 12.04.2009	An executive retreat took place in Sochi, chaired by GENERAL DIRECTOR of “IDGC holding” N.N.Shvets	Magazine “Fuel and energy complex of Kuban”, “Rossijskaya gazeta”, newspapers “Izvestiya”, “Volnaya Kuban”, “Our time”, “Soviet Adyghea”, “Volgogradskaya pravda”, “Gorozhanin”

3	17.04.2009	JSC “IDGC of the South” branch “Astrakhanenergo” organized an open day for schoolchildren. Management of JSC “IDGC of the South” branch “Astrakhanenergo” continued the information campaign among the senior schoolchildren of the Astrakhan area in order to popularize the profession of power engineer.	Corporate website of JSC “IDGC of the South”
4	27.04.2009	JSC “IDGC of the South” branch “Astrakhanenergo” accomplished the investment programme by 130% in quarter I of 2009	Corporate website of JSC “IDGC of the South”;  Corporate website of JSC “IDGC of the South” branch “Astrakhanenergo”
5	13.05.2009	JSC “IDGC of the South” branch “Volgogradenergo” spent more than 2 mln. rubles on the programme of training of young specialists	<a href="http://www.interfax-russia.ru">www.interfax-russia.ru</a>
6	19.05.2009	JSC “IDGC of the South” branch “Volgogradenergo” spent more than 1,2 mln. rubles on creating reserve power supply system for the district hospital	<a href="http://www.interfax-russia.ru">www.interfax-russia.ru</a> ; <a href="http://www.v102.ru">www.v102.ru</a>  <a href="http://www.novostivolgograda.ru">www.novostivolgograda.ru</a>  Newspaper “Volgogradskaya Pravda”
7	21.05.2009	JSC “IDGC of the South” branch “Volgogradenergo” invested 6,5 mln. rubles to telemechanizing of the substations in Uryupinsk district of the Volgograd area	<a href="http://www.regnum.ru">www.regnum.ru</a> ; <a href="http://www.interfax-russia.ru">www.interfax-russia.ru</a>  <a href="http://www.eprussia.ru">www.eprussia.ru</a> ; <a href="http://www.yuga.ru">www.yuga.ru</a>
8	21.05.2009	Preventive measures are actively carried out as part of a special programme in JSC “IDGC of the South” branch “Kalmenergo”	Corporate website of JSC “IDGC of the South”
9	27.05.2009	Staff of JSC “IDGC of the South” branch “Kalmenergo” celebrated its 45 <sup>th</sup> anniversary	Corporate website of JSC “IDGC of the South”;  Corporate website of JSC “IDGC of the South” branch “Kalmenergo”;  TV “Vesti+Kalmykia”; “TV “Khamdan”
10	27.05.2009	Negotiations took place between GENERAL DIRECTOR of JSC “IDGC of the South” A.I. Gavrilov and the Mayor of Volgograd and the Head of Administration of the Volgograd area. A decision was taken to create a special committee to control payment discipline of the electric power users.	<a href="http://www.interfax-russia.ru">www.interfax-russia.ru</a> ; <a href="http://www.volganet.ru">www.volganet.ru</a> ; <a href="http://www.v102.ru">www.v102.ru</a> ; <a href="http://www.regnum.ru">www.regnum.ru</a> ; <a href="http://www.eprussia.ru">www.eprussia.ru</a> ; <a href="http://www.yuga.ru">www.yuga.ru</a> ; <a href="http://www.volgograd.ru">www.volgograd.ru</a> .  Television programme “News of the day”; AHO “Volzhskaya television and radio broadcasting company” Television programme “News week” State television company “T-34”; Radio broadcasts: “New wave”, “Russian radio” (Volgograd), “Avtoradio” (Volgograd), “Sputnik” (Volgograd)

11	01.06.2009	GENERAL DIRECTOR of JSC “IDGC of the South” A.I. Gavrilov gave an interview:  “IDGC of the South ” ensures investment flow to the distribution grid sector of the Southern federal district .	“Rossijskaya Gazeta”, “Izvesiya”
12	01.06.2009	A meeting took place between GENERAL DIRECTOR of JSC “IDGC of the South” A.I. Gavrilov and the governor of the Volgograd area N.K. Maksyuta concerning the issues of the region's electric power safety.	Newspaper “Volgogradskaya Pravda”, “Izvestiya. Volga-Kaspy”, newspaper “Citynews. Tsaritsin-Stalingrad-Volgograd”, newspaper “City news”, newspaper “Delovoye Povolzhye”
13	02.06.2009	A campaign for children's' health protection started in JSC “IDGC of the South” branch JSC “Astrakhanenergo”	RIA “Avers”, “Astrakhan.ru”, “Astrakhan – grand entrance, information portal of the Southern region “Yuga.ru”
14	09.06.2009	End of renovating of substation “Sportivnaya” in Volgograd	<a href="http://www.yuga.ru">www.yuga.ru</a>
15	10.06.2009	A press-conference took place on the problems of debt retirement to power companies of the Volgograd area for supplying energy resource to the major enterprises of the region.	<a href="http://www.v1.ru">www.v1.ru</a> ; <a href="http://www.v102.ru">www.v102.ru</a> ; <a href="http://www.interfax-russia.ru">www.interfax-russia.ru</a>  Newspaper “Inter”, newspaper “Oblastnye Vesti”; “Vesti -Volgograd” (State television and radio company “Volgograd - TRV”); “News of the day” (Television and radio broadcasting company “Akhtuba”); News of “Radio of Russia - Volgograd” (produced by State television and radio company “Volgograd - TRV”); “New wave”, “Russian radio” (Volgograd), “Sputnik FM” (Volgograd), Newspaper “Novye Delovye Vesti”
16	10.06.2009	Amount of theft from the power objects of the electric grid complex reduced in the Astrakhan area	RIA “Avers”, “Astrakhan.ru” “Astrakhan – grand entrance”, website of the power company “Generent Ru”, “Astrakhan.ru” (the second message with reference to the portal of authorities of the Astrakhan area), “Portal of authorities of the Astrakhan area”, “Yuga.ru”
17	11.06.2009	Specialists of JSC “IDGC of the South” branch “Astrakhanenergo” managed to save 8 children's lives.	RIA “Avars”, “Astrakhan.ru”, “Astrakhan – grand entrance”, “Ruskable Ru”, Information service of “Astrakhan.fm”, “Yuga.ru”;  “Russian radio” (1+2 broadcasts), “Radio Chanson” (1+2 broadcasts);  IA “Astrakhan.ru” (with reference to “Arguments and facts”), website of the newspaper “Arguments and facts”, newspaper “Arguments and facts”

18	15.06.2009	Customer service centre (CSC) of the industrial enterprises “Volgograd electric grid” of JSC “IDGC of the South” “Volgogradenergo” celebrated 1,5 years of its existence.	<a href="http://www.yuga.ru">www.yuga.ru</a>
19	19.06.2009	In JSC “IDGC of the South” the annual General Shareholders Meeting took place summarizing the results of the 2008 activity.	“Kuban News”, “Gorozhanin”, “Izvestiya Kalmykii”, “Volgogradskaya Pravda”, “Rossijskaya Gazeta”

### Brief description of the Company’s main internal regulations

Certain structures, procedures, and corporate management practice are regulated by the Charter and internal documents of the Company, including:

Item No.	Name of the internal document	Description	Data on the approval of the internal regulations by management bodies of the Company
1	<b>Regulations on the preparatory set and General Shareholders Meeting of JSC “IDGC of the South”</b>	The document specifies the order of convening, preparation, holding of the shareholders’ meetings and also interaction between the operating bodies of the meetings.	Approved by the decision of sole shareholder JSC RAO “UES of Russia” (Minutes of Management Board meeting of JSC RAO “UES of Russia” dd 28.02.2008No1829np/7).
2	<b>Regulations on the order of convening and holding the meetings of Board of Directors of the company</b>	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 the decision of sole shareholder JSC RAO “UES of Russia” (Minutes of the Management Board meeting of JSC RAO “UES of Russia” dd 28.02.2008No1829np/7).
3	<b>Regulations of JSC “IDGC of the South” Management Board</b>	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 the decision of sole shareholder JSC RAO “UES of Russia” (Minutes of the Management Board meeting of JSC RAO “UES of Russia” dd 28.02.2008No1829np/7).
4	<b>Regulations on JSC “IDGC of the South” Audit Committee</b>	The document specifies the objectives, the terms of activity of the Audit committee, regulates the questions of its interaction with the management bodies of the Company, also settles the rights and duties of the members of the Audit committee.	Approved by the decision of sole shareholder JSC RAO “UES of Russia” (Minutes of the Management Board meeting of JSC RAO “UES of Russia” dd 05.10.2007No1751np/4).
5	<b>Regulations on paying remunerations and compensations to JSC “IDGC of the South” CEO and members of</b>	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, who hold at the same	Approved by the decision of the annual General Shareholders Meeting of JSC “IDGC of the South” dd 30.05.2008 (Minutes dd 04.06.2008 No1)

	<b>Board of Directors (new revision)</b>	time the positions of CEO and/or members of Management Board).	
<b>6</b>	<b>Regulations on paying remunerations and compensations to the members of the JSC “IDGC of the South” Audit Committee (new revision)</b>	The document specifies the amount and order of paying remunerations and compensations to the members of Audit Committee.	Approved by the decision of annual General Shareholders Meeting of JSC “IDGC of the South” dd 30.05.2008 (Minutes dd 04.06.2008 No.1)
<b>7</b>	<b>Regulations on JSC “IDGC of the South” Corporate secretary</b>	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 the decision of Board of Directors of JSC “IDGC of the South” (Minutes dd 20.07.2007 No1/2007).
<b>8</b>	<b>Code of corporate management of JSC “IDGC of the South”</b>	The documents the Company’s self-imposed liabilities in the sphere of ensuring transparency of the Company’s management and conforming to standards of proper corporate management	Approved by the decision of Board of Directors of JSC “IDGC of the South” (Minutes dd 03.09.2007 No2/2007).
<b>9</b>	<b>Regulations on JSC “IDGC of the South” insider information</b>	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 the decision of Board of Directors of JSC “IDGC of the South” (Minutes dd 03.09.2007 No2/2007).
<b>10</b>	<b>Regulations on information police of JSC “IDGC of the South”  (Changes to the Regulations on information policy of the Company)</b>	The document determines rules of information disclosure and to it, the list of information sources and documents subject to disclosure to shareholders, creditors, investors-to-be and other persons, as well as regulates the order, terms of disclosure and presentation of the specified information.	Approved by the decision of Board of Directors of JSC “IDGC of the South” (Minutes dd 03.09.2007 No2/2007).  (Amendments to the Regulations are approved by the decision of Board of Directors of JSC “IDGC of the South” (Minutes dd 18.04.2008 No12/2008)
<b>11</b>	<b>Regulations on organizing purchase of goods, works and services with the cost up to 500 thousand rubles</b>	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 JSC “IDGC of the South”, its structural and detached divisions.	Approved by Order of JSC “IDGC of the South” GENERAL DIRECTOR dd 11.06.2008 No.133 “On approving regulation on organizing purchases of goods, works and services with the cost up to 500 thousand rubles”
<b>12</b>	<b>Regulations on option programme of JSC “IDGC of the South”</b>	The document determines the order and terms of acquiring the Issuer’s shares by the employees	Approved by the decision of Board of Directors of JSC “IDGC of the South” (Minutes dd 23.07.2008 No16/2008).
<b>13</b>	<b>Regulations on</b>	The Regulations point out the key	Approved by the decision of the

	<b>providing insurance protection of JSC “IDGC of the South” for the period until 01.01.2010</b>	principles of organizing insurance protection of JSC “IDGC of the South” for the period until 2010, and the norms of providing insurance protection of the Company, the order of planning and insurance protection and closing insurance contracts.	Board of Directors of JSC “IDGC of the South” (Minutes dd 03.09.2007 No2/2007).
14	<b>Regulations on the procedure of scheduled purchase of goods, works, services for the needs of JSC “IDGC of the South”</b>	The documents 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 JSC “IDGC of the South” GENERAL DIRECTOR dd 21.05.2008 No.110 “On approving regulations on the procedure of scheduled purchases, goods, works and services of JSC “IDGC of the South”
15	<b>Regulations on dividend policy of JSC “IDGC of the South”</b>	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 the decision of the Board of Directors of JSC “IDGC of the South” (Minutes dd 23.12.2008 No21/2008).
16	<b>Regulations on the internal control of purchase activities of JSC “IDGC of the South”</b>	The Regulations single out goals and objectives of the internal control system of the purchasing activity, stipulates unified rules of organizing procedures and carrying out activities of internal control.	Approved by order of JSC “IDGC of the South” dd 23.06.2008 No.139 “On approving regulations on internal control of purchasing activity of JSC “IDGC of the South”
17	<b>Regulations on the procedures of internal control of JSC “IDGC of the South”</b>	The document determines goals and objectives of internal control procedures, and the form of the report for the Committee on audit under the Board of Directors of JSC “IDGC of the South”	Approved by the decision of the Board of Directors of JSC “IDGC of the South” (Minutes dd 11.02.2009 No22/2009)
18	<b>Regulations on the Committee for technical connection to the electric grid under the Board of Directors of JSC “IDGC of the South”</b>	The document regulates the order of forming the Committee, rights and responsibilities of the members, the order of holding the Committee’s meetings, and its cooperation with management bodies of the Company and other persons.	Approved by the decision of the Board of Directors of JSC “IDGC of the South” (Minutes dd 11.02.2009 No22/2009)
19	<b>Regulations on organizing contractual work in JSC “IDGC of the South”</b>	The document determines the unified order of concluding contracts, amending and revising the contracts, order of their suspension and storage.	Approved by Order of JSC “IDGC of the South GENERAL DIRECTOR” dd 25.02.2009 No.40 “On approving regulations on organizing contractual work in JSC “IDGC of the South
20	<b>The order of cooperation of JSC “IDGC of the South” with economic entities whose shares (parts) JSC “IDGC of the South” holds</b>	The document general terms of corporate co-working of the Company with its SACs, including the issues of organizing and auditing of corporate activities on consideration of items where the Company’s (its representatives’) position must be clarified	Approved by the decision of the Board of Directors of JSC “IDGC of the South” (Minutes dd 10.03.2009 No24/2009)

21	<b>Regulations on additional benefits, guarantees and compensations for the employees of JSC “IDGC of the South” executive office (new revision)</b>	The document is worked out with the purpose of providing social security of the employees of JSC “IDGC of the South” executive office.	Approved by Order of GENERAL DIRECTOR of JSC “IDGC of the South” dd 30.06.2009 No.189-A “On approving Regulations on additional benefits, guarantees and compensations for the employees of JSC “IDGC of the South” executive office (new revision)
----	--	--	---

The abovementioned internal documents of the Company are worked out in conformance with the legislation of the Russian Federation and the Company’s Charter and considers basic regulations of Corporate behaviour code recommended to implementation by FSEC (Executive order of FSEC dd 04.04.02 No.421/p).

Internal regulations on the Issuer’s management and audit authorities are made available on the Company’s corporate Internet website at: <http://www.mrsk-yuga.ru/rus/management/documents/index.shtml>.

**Data on the procedures of candidates’ promotion to Board of Directors of the Company, procedure of questions’ lodgment to Board of Directors of the Company. Brief review of Board of Directors’s activity in the accounting quarter with reference to the Company’s corporate Internet website**

**Procedure of promoting candidates to the Company’s Board of Directors**

Shareholders (shareholder) of the Company who in aggregate own of at least 2 (two) percent of the Company’s voting shares in the term not later than 60 (sixty) days after termination of the fiscal year are entitled to propose items for the agenda of the annual General Shareholders Meeting and to nominate candidates for the Board of Directors and the Audit committee of the Company, whereas the number of the candidates must not exceed the quantitative structure of the corresponding body.

Proposal on inclusion of items on the agenda of the General Shareholders Meeting and the proposal on nomination of candidates shall be submitted in writing with indication of the name of the shareholders (shareholder) who presented them, quantity and category (type) of shares belonging to them and shall be signed by the shareholders (shareholder).

Proposal moving items in the agenda of the General Shareholders Meeting should formulate each proposed item, and the proposal on nomination of candidates should contain name and data of the document proving the identity (series and (or) number of the document, date and place of its issuing, the body which issued the document) of each proposed candidate, name of body he/she is proposed to.

The Company’s Board of Directors shall be obliged to consider the received proposals and to make the decision on their inclusion on the agenda of the General Shareholders Meeting of the Company or on refusal to include them in the specified agenda not later than 5 (five) days after termination of the term specified in item 13.1 of clause 13 of the



## Company's Charter.

Board of Directors of the Company shall be entitled to refuse to include the items proposed by the shareholder (shareholders) on the agenda of the General Shareholders Meeting and also to refuse to include the proposed candidates on the list of nominees for voting at election to the corresponding body of the Company on the bases stipulated by the Federal Law “On Joint-Stock Companies” and other legal statements of the Russian Federation.

Grounded decision of Board of Directors of the Company on refusal to include an item in the agenda of General Shareholders Meeting of the Company or to include a candidate on the list of nominees for voting at election to the corresponding body of the Company shall be sent to the shareholder (shareholders) who proposed an item or a nominee not later than 3 (three) days from the moment of its taking.

The Company's Board of Directors shall not be entitled to change the wording of the items proposed for inclusion on the agenda of the General Shareholders Meeting, and (if available) the wording of decisions on such items

In addition to the items proposed for inclusion on the agenda of the General Shareholders Meeting by shareholders, and also in case of absence of such proposals, absence or insufficient quantity of the candidates proposed by shareholders for forming the respective body, the Board of Directors of the Company shall be entitled to include items or candidates for the list of nominees on the agenda of the General Shareholders Meeting at their own discretion.

## Procedures submitting questions to the Company's CEO

Order of submitting questions to Board of Directors of JSC “IDGC of the South” is stipulated by Regulations “On procedure of convocation and carrying out proceedings of the Board of Directors of JSC “IDGC of the South” (new revision) approved by the decision of the Management Board of JSC RAO “UES of Russia” (minutes dd 20.02.2008 No1829np/7).

In accordance with subpoint 5.3.3. of point 5.3. of clause 5 of Regulations On procedure of convocation and carrying out proceedings of the Board of Directors of JSC “IDGC of the South”, work schedule of the Board of Directors is made up on the basis of proposals of the Board of Directors's Chairman and members, the Audit committee, the Company's CEO, the Company's Auditor.

The specified proposals are directed to Board of Directors Chairman in a written form and copies of the proposals are at the same time sent to Corporate secretary by fax.

## Brief review of activity of the Company's managing authorities

**On June 19, 2009 annual General Shareholders Meeting took place, its agenda included the following items:**

1. On approving annual report, annual accounting reporting, including profit and loss statement of the Company, and distribution of income (including payment of dividends)

and loss of the Company, following the results of 2008 financial year.

2. On electing members of the Company's Board of Directors.
3. On electing members of the Company's Audit committee.
4. On approving the Company's auditor.

Decisions taken on the agenda items:

**Decision on item 1: To approve annual report, annual accounting reporting, including profit and loss statement of the Company, and distribution of income and loss of the Company for 2008 financial year:**

Item description:	(rubles in thousands)
Net profit of the accounting year	486 049
Reserve fund	24 302
Production development	461 747
Dividends	0

**Dividends on ordinary shares were not paid at the end of 2008.**

**Decision on item 2: To elect the Board of Directors of the Company composed of:**

1. Gavrilov Aleksandr Ilyich;
2. Dorofeev Andrey Vasilievich;
3. Yezimov Sergey Sergeevich;
4. Zimin Aleksandr Vladimirovich;
5. Ilienکو Vladimir Vasilievich;
6. Maslov Aleksey Viktorovich;
7. Nikulov Aleksandr Yevgenjevich;
8. Okley Pavel Ivanovich;
9. Ptitsin Igor Vasilievich;
10. Popovskiy Sergey Nikolaevich;
11. Shogenov Valery Mukhamedovich.

**Decision on item 3: To elect the Audit committee of the Company composed of:**

1. Kormushkina Lyudmila Dmitrievna;
2. Matyunina Lyudmila Romanovna;
3. MikhNo.Irina Vasilievna ;
4. Stepanova Maia Dmitrievna;
5. Shmakov Igor Vladimirovich.

**Decision on item 4: To approve Ltd “Nexia Pacioli”, license NoE000733, validity term – until June 25, 2012 as the Company’s Auditor.**

In quarter II of 6 (six) meetings of the Board of Directors took place (all of them were extramural), 79 items were considered, among them:

- Noncore assets register of JSC “IDGC of the South” (new revision) and Investment programme of JSC “IDGC of the South” for 2009 (minutes dd 10.04.2009 No.25/2009) were approved;
- Candidates were nominated for the audit authorities of JSC “Astrakhanelektrosetremont” and JSC “Volgogradsetremont”. Candidates were proposed for selecting as auditors at General Shareholders Meetings of JSC “Astrakhanelektrosetremont” and JSC “Volgogradsetremont”. Decisions were taken on the Company’s position on the agenda items of the Board of Directors meetings and annual General Shareholders Meetings of SACs of JSC “IDGC of the South”. Besides, Collective agreements made between the employer and the employees of JSC “IDGC of the South” branch “Rostovenergo” for 2009-2011 (with amendments to the current agreement) and Collective agreements made between the employer and the employees of JSC “IDGC of the South” branch “Kalmenergo” for 2009-2011 (minutes dd 08.05.2009 No.26/2009) got preliminary approval;
- insurance organizations are approved for carrying out insurance protection of the Company in 2009 (minutes dd 25.05.2009 No.27/2009);
- Programme on traumatism risk mitigation in JSC “IDGC of the South” is approved. Reports of JSC “IDGC of the South” GENERAL DIRECTOR on investment programme implementation 2008 and quarter I of 2009 are considered (minutes dd 22.06.2009 No.29/2009).

In accordance with the decision on the demand from an shareholder (holding more than

10 % of shares) about convocation an extraordinary General Shareholders Meeting of JSC “IDGC of the South” (EGNSh), decisions were taken at a meeting of JSC “IDGC of the South” Board of Directors to convene EGShM on 14.09.2009 (Minutes dd 02.07.2009 No.30/2009) in the form a meeting (of collective presence) with agenda of early termination of the powers of the Company’s Board of Directors, and other decisions necessary for holding EGShM.

Minutes of Board of Directors meetings are made available on the Internet corporate website of the Company at: <http://www.mrsk-yuga.ru/rus/management/info2/index.shtml>.

### **Brief review of the Audit committee activity in the accounting period with reference to the internet corporate website of the Company**

In the accounting period 1 meeting of JSC “IDGC of the South” Audit committee was held where one item was considered. Minutes of the Audit committee meetings for the whole period of the Issuer’s operation are made available on the Internet corporate website of the Company at: <http://www.mrsk-yuga.ru/rus/management/revision/index.shtml>

### **Information on corporate management assessment**

On March 23, 2009 Consortium of the Russian institute and Directors and the rating agency “Expert RA” rated JSC “IDGC of the South” for corporate management as NPCM 5+ (“Normal practice of corporate management”).

This class of rating mark certifies that JSC “IDGC of the South” corporate management practice is assessed as exposed to moderate risks of corporate management. JSC “IDGC of the South” fulfills all the requirements of the Russian legislation in the sphere of corporate management.

Authority responsible for assignment and supporting corporate management rating of the Issuer: **head of the section for corporate management and reforming of the Department of corporate management Shershukov S.Yu., tel.. 8(861) 279-85-29.**

Report on corporate management practice in JSC “IDGC of the South” is available on the Internet corporate website of JSC “IDGC of the South” at: <http://www.mrsk-yuga.ru/rus/stockholders/reiting/index.shtml>

JSC “Kubanenergo” in relation to which the Company carries out functions of sole executive body is rated as “B+”, described as normal level of corporate management practice.

Subsidiaries of JSC “IDGC of the South” were not rated for corporate management.

### **Information on transactions made between the Issuer ad state-owned companies**

**and quarterly review of such transactions; quarterly review of internal corporate transactions of the Issuer**

In the accounting period the Issuer and its branches closed 208 transactions with state-owned companies for the total sum of **59 711 354,57** rubles (VAT inclusive).

Subject of the transactions with state-owned companies in the accounting period:

- rendering services of technological connection;
- rendering services of electric power transmission;
- carrying out urban construction works;
- municipal property lease;
- rendering services of technical inventory;
- provision of services for a fee;
- rendering services of meteo data provision for the districts of the Republic Kalmykia;
- rendering services for carrying out the state expert examination of planning documentation;
- purchase of strong-box for correspondence;
- rendering services of training and instruction of the qualified personnel;
- rendering services of carrying out medical checkups.

Nothing of the following list was performed in the accounting period:

- transaction between the Issuer and the Issuer's shareholders holding at least 5% of voting shares of the Issuer;
- transactions between the Issuer's subsidiaries and affiliated companies;
- transaction between the Issuer and the shareholders of the Issuer's SACs holding at least 5% of voting shares;
- transactions between the Issuer and members of the Issuer's SAC's management.

Information on important transactions and quarterly review of the most important transactions of the Issuer's SACs; quarterly report of the Issuer's SAC's transactions with the Company's shareholders holding at least 5% of voting shares of the Company; quarterly report of intragroup transactions of SACs: data on these transactions is presented in p. “Additional data on the subsidiaries and affiliated companies of the Issuer”.

## Other data on circulation of placed shares of the Issuer on the securities market

Data on the trading organizations and quotation list on which the Company's securities are included:

1. Full company name:	<b>Closed Joint Stock Company “Stock exchange MICEX”</b>
Short company name:	<b>CJSC “SE MICEX”</b>
Location:	<b>13 Bolshoy Kislovskiy pereulok, Moscow, 125009</b>
Website:	<b><a href="http://www.micex.ru">www.micex.ru</a></b>
Number of the stock market license:	<b>No.077-10489-000001</b>
Issuing date of the stock market license:	<b>August 23, 2007.</b>
Validity term of the stock market license:	<b>Without limitation of the validity term</b>
Issuing authority of the stock market license:	<b>Federal financial markets service</b>
2. Full company name:	<b>Open Joint Stock Company “Stock exchange RTS”</b>
Short company name:	<b>JSC “RTS”</b>
Location:	<b>Building 1, 38 Dolgorukovskaya Str., Moscow, 127006</b>
Website:	<b><a href="http://www.rts.ru">www.rts.ru</a></b>
Number of the stock market license:	<b>077-10519-000001</b>
Issuing date of the stock market license:	<b>06.09.2007</b>
Validity term of the stock market license:	<b>Without limitation of the validity term</b>
Issuing authority of the stock market license:	<b>Federal financial markets service</b>

As of 30.06.2009, the Issuer's shares circulate at the following stock exchanges:

- JSC “RTS” - without listing at two trading floors – “Exchange Market” (ticker **MRKYG**) and “Classical Market” (ticker **MRKY**);
- CJSC “FE MICEX” – shares are included on the sector “Nonlisted stock” (ticker **MRKA**).

Data on the Issuer's market-makers:

Full company name	<b>Open Joint Stock Company «Brokerage House “Otkrytuye”</b>
-------------------	--

Short company name		JSC “Brokerage House “Otkrytiye”
Location		Building 10,19 Protopopovskiy Per., Moscow, 129010
Telephone and fax numbers		Telephone: (495) 232-03-00; fax: (495) 956-47-00
Internet website used by the financial advisor for information disclosure of data about the Issuer		<a href="http://www.bdopen.ru">http://www.bdopen.ru</a>
Number, date and validity term of the license for carrying out professional activities on the securities market		License for broker’s activity No.177-06097-100000; date of issue: June 28, 2002, without limitation of the validity term
License issuing authority (for consultants who are professional participants of the securities market)		Federal securities market commission
Amount of market-maker’s fee	RTS (classical market) (Non-listed stock)	100 000 rubles (VAT inclusive) a month  300 000 rubles a quarter
Information on the change of market-maker		In quarter II of 2009 market-maker of JSC “Securities exchange RTS” did not change
Criteria for making bids by the market-maker		From the inception date of the contract, market maker services the securities circulation by way of making bids and their continuous supporting

**Conditions of fulfilling obligations by the market-maker during the trade session of “Stock Market RTS” JSC (classical market) on the securities admitted to trading by organizer without listing procedure:**

1. Bilateral listing spread (in percent)	3
2. Bilateral listing volume (in USD)	30 000
3. Market making duration for bilateral listings (percent on duration of the trading session), at least	70
4. Maximum volume of transactions (in USD) closed under claims of the market-maker for the trading session on achieving which market-maker is discharged from liabilities on market-making for bilateral listings in the current trading session	1 000 000
5. Duration of market-making of bilateral listings in the last hour of the trading session (percent on duration of the last hour of the trading session), at least	33

**Information on the total amount and of the Company's security transactions made at the stock exchanges for each month and each quarter of the completed financial year**

**2008**

Total amount of transactions closed							Total cost of transactions closed								
month				quarter				month				quarter			
	RTS (USD) classical market	PTC (RUB) exchanging market	MICEX		RTS (USD) classical market	RTS (rub.) exchanging market	MICEX		RTS (USD) classical market	PTC (RUB) exchanging market	MICEX		RTS (USD) classical market	PTC (RUB) exchanging market	MICEX
Period				Period				Period				Period			
July	13	14	330	q.III	35	59	720	July	568645,55	629346	5344546,88	q. III.	985784	3036971	25018061,7
August	15	21	292					August	318104,83	1257608	15323364,76				
September	7	24	98					September	99033,91	1150016,56	4350150,1				
October	2	0	102	q.IV	3	1	616	October	59250	0	1474026	q. IV	67022,3	44955	26407109,7
November	1	0	19					November	7772,26	0	66419,73				
December	0	1	495					December	0	44955	24866663,93				
TOTAL:	38	60	1336		38	60	1336		1052806,5	3081925,56	51425171,4		1052807	3081926	51425171,4

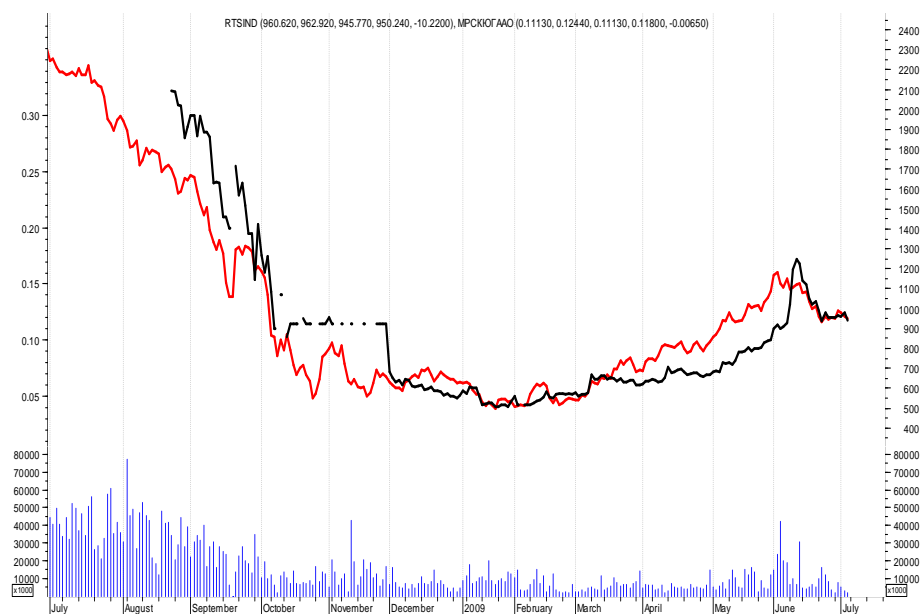
**2009**

Total amount of transactions closed								Total cost of transactions closed							
month				quarter				month				quarter			
Period	RTS (USD) classical market	Period	RTS (USD) classical market	Period	RTS (USD) classical market	Period	RTS (USD) classical market	Period	RTS (USD) classical market	Period	RTS (USD) classical market	Period	RTS (USD) classical market	Period	RTS (USD) classical market
January	2	1	191	q.I	2	1	158	January	19200	802	1219402,31	q.I.	19200	802	12567836.3



February	0	0	574	q.II	7	2	5503	February	0	0	508151,34	q.II	89302,35	3158	64880617,27
March	0	0	420					March	0	0	8840282,62				
April	0	0	1094					April	0	0	9118975,47				
May	1	0	1595					May	5000	0	24398842,8				
June	6	2	2814					June	84302,35	3158	31362799				
TOTAL:	9	3	6661						108502,35	3960	77448453,57		108502,35	3960	77448453,57

### Dynamics of share prices change for the last completed financial year (2008) and 1 half-year period of 2009



\_\_\_ RTSIND

\_\_\_ IDGC

## Additional data on the Issuer’s subsidiaries and affiliated companies

### JSC “Astrakhanelektrosetremont”

#### Indicators of financial and economic activity of JSC “Astrakhanelektrosetremont”

Indicator description	Value of the indicator as of:	
	30.06.2008	30.06.2009
Net asset worth of the Issuer, rub.	49 339 000	46 757 000
Raised funds to equity and reserves ratio, %	25,32	59,61
Short-term liabilities to equity and reserves ratio, %	25,32	59,61
Debt service payment coverage, %	-0,66	-7,10
Past due debt rate, %	0,00	0,00
Receivables turnover	1,21	0,60
Labor productivity, rubles/person	378,44	828,39
Depreciation to earnings ratio, %	14504/6812	17819/14911
Equity to raised funds ratio, %	0,57	0,59

#### Indexes of profitability and loss

Indicator description	Value of the indicator as of:	
	30.06.2008	30.06.2009
Revenue, rubles	6 812 000	14 911 000
Cost of production, rubles	7 945 000	17 371 000
Net profit, rubles	-1 649 000	-2 582 000
Gross profit, rubles	-133 000	-2 460 000
Return on equity, %	-3,34	-5,52
Net profit ratio	-0,18	-0,21
Profitability of products (sales), %	-23,97	-20,30
Capital turnover	0,14	0,32

Amount of uncovered loss as of balance sheet date, rubles	-23 240 000	-24 551 000
Ratio between uncovered loss as of balance sheet date and the balance sheet total	-0,00	-0,03

Indicators of the Company's liquidity:

Indicator description	30.06.2008	30.06.2009
Working capital, rubles	-4 114 000	-1 832 000
Permanent asset index	1,09	1,04
Current liquidity ratio	0,66	0,93
Quick liquidity ratio	0,53	0,90
Equity Ratio	0,80	0,63

Data on the amount of accounts payable

Accounts payable	Maturity			
	As of 31.03.2009		A 30.06.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts payable to suppliers and contractors, rub.	9 188 449	-	23 683 390	-
- including overdue accounts, rub.	8 530 011	-	23 683 390	-
Accounts payable to the personnel of the Organization, rub.	164 718	-	279 306	-
- including overdue accounts, rub.		-	117 989	-
Accounts payable to the budget and state extrabudgetary funds, rub.	2281905	-	2 482 779	-
- including overdue accounts, rub.	1547708	-	2 173 576	-

Credits, rub.	-	-	-	-
- including overdue accounts, rub.	-	-	-	-
Loans, total	-	-	-	-
- including overdue loans, rub.	-	-	-	-
- including bond loans, rub.	-	-	-	-
- including overdue bond loans, rub.	-	-	-	-
Other accounts payable, rub.	1 497 475	-	1 425 487	-
- including overdue accounts, rub.	771 771	-	1 258 921	-
Total, rub.	13 132 547	-	27 870 962	-
- including overdue accounts, rub.	10 849 490	-	27 233 869	-

Data on the amount of accounts receivable

Account receivable	Maturity			
	As of 31.03.2009		As of 30.06.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts receivable of buyers and customers, rub.	11 823 746	-	21 655 180	-
including accounts overdue, rub.	11 742 748	-	21 403 958	-
Notes payable, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-
Accounts receivable of participants (founders) for contributions to authorized capital, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-
Accounts receivable for advances paid, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-

Other accounts receivable, rub.	613 865	-	3 108 738	-
including accounts overdue, rub.	82 367	-	234 972	-
Total, rub.	12 437 611	-	24 763 918	-
including accounts overdue, rub.	11 825 115	-	21 638 930	-

**Quarterly review of transactions made by JSC “Astrakhanelektrosetremont” in quarter II of 2009**

Item No.	Subject of the transaction	Contractor	Transaction price, VAT inclusive, rubles	Data on approval of the transaction by management authorities of SAC in cases stipulated in the legislation of the RF and  /or SAC Charter, with requisites of the document on transaction's approving
1. Transactions (groups of associated transactions) made with the amount of obligations of at least 10 percent of the balance sheet asset cost of JSC “Astrakhanelektrosetremont”, based on its accounting reporting for the previous completed accounting period:				
None				
2. Transactions between JSC “Astrakhanelektrosetremont” and JSC “IDGC of the South” or holders of more than 5 % of shares of JSC “IDGC of the South” (JSC “IDGC Holding”, Oflamenta Trading Limited, LLC “Management - Consulting”):				
1.	Real estate lease	JSC “IDGC of the South” branch “Astrakhanenergo”	40 818,56 kop. a month (VAT inclusive 6 226,56 kop.)	Minutes of the Board of Directors meeting of JSC “IDGC of the South” meeting dd 03.02.2009 No.22/2009
3. Transactions between JSC “Astrakhanelektrosetremont” and subsidiaries of JSC “IDGC of the South” (JSC Volgogradsetremont, JSC “Grechko A.A. PSKh”, JSC “Sokolovskoye PSKh”, JSC “Recreation Centre “Energetik”)				
None				
4. Transactions between JSC “Astrakhanelektrosetremont” and state-owned companies				
None				

Amount of JSC “Astrakhanelektrosetremont” total assets, according to the accounting reporting for the previous completed quarter (as of June 30, 2009), makes up 74 629 488 rubles.

## JSC “Volgogradsetremont”

### Indicators of financial and economic activity of JSC “Volgogradsetremont”

Indicator description	Indicator value as of:	
	30.06.2008	30.06.2009
Net asset worth of the Issuer, rub.	43 014	37 107
Raised funds to equity and reserves ratio, %	18,98	7,52
Short-term liabilities to equity and reserves ratio, %	18,98	7,52
Debt service payment coverage, %	-85,4	-147,7
Past due debt rate, %	-	-
Receivables turnover	2,90	0,39
Labor productivity, rubles/person	398,5	180,8
Depreciation to earnings ratio, %	7,08	8,81
Equity to raised funds ratio, %	-	-

### Indexes of profitability and loss

Indicator description	Indicator value as of:	
	30.06.2008	30.06.2009
Revenue, rubles	30685	4519
Cost of production, rubles	38443	8742
Net profit, rubles	-9144	-4521
Gross profit, rubles	-7758	-4223
Return on equity, %	-21,26	-12,18
Net profit ratio	-29,80	-100,04
Profitability of products (sales), %	-25,28	-93,45
Capital turnover	0,71	0,12

Amount of uncovered loss as of balance sheet date, rubles	-9144	-15051
Ratio between uncovered loss as of balance sheet date and the balance sheet total	-0,18	-0,38

Indicators of the Company's liquidity:

Indicator description	30.06.2008	30.06.2009
Working capital, rubles	25275	19020
Permanent asset index	0,41	0,49
Current liquidity ratio	4,09	7,81
Quick liquidity ratio	3,56	7,57
Equity Ratio	0,84	0,93

Data on the amount of accounts payable, rubles in thousands

Accounts payable	Maturity			
	As of 31.03.2009		As of 30.06.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts payable to suppliers and contractors, rub.	1944		1279	
- including overdue accounts, rub.				
Accounts payable to the personnel of the Organization, rub.	413		805	
- including overdue accounts, rub.				
Accounts payable to the budget and state extrabudgetary funds, rub.	649		573	
- including overdue accounts, rub.				
Credits, rub.				

- including overdue accounts, rub.				
Loans, total				
- including overdue loans, rub.				
- including bond loans, rub.				
- including overdue bond loans, rub.				
Other accounts payable, rub.	135		135	
- including overdue accounts, rub.				
Total, rub.	3141		2792	
- including overdue accounts, rub.				

Data on amount of accounts receivable, rubles in thousands

Account receivable	Maturity			
	As of 31.03.2009		As of 0.06.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts receivable of buyers and customers, rub.	10047		9984	
including accounts overdue, rub.				
Notes payable, rub.				
including accounts overdue, rub.				
Accounts receivable of participants (founders) for contributions to authorized capital, rub.				
including accounts overdue, rub.				
Accounts receivable for advances paid, rub.	320		228	
including accounts overdue, rub.				
Other accounts receivable, rub.	1362		1499	
including accounts overdue, rub.				
Total, rub.	11729		11711	



including accounts overdue, rub.				
----------------------------------	--	--	--	--

**Quarterly review of transactions made by JSC “Volgogradsetremont” in quarter II of 2009**

Item No.	Subject of the transaction	Contractor	Transaction price, VAT inclusive, rubles	Data on approval of the transaction by management authorities of SAC in cases stipulated in the legislation of the RF and  /or SAC Charter, with requisites of the document on transaction's approving
<u>1. Transactions (groups of associated transactions) made with the amount of obligations of at least 10 percent of the balance sheet asset cost of JSC “Volgogradsetremont”, based on its accounting reporting for the previous completed accounting period:</u>				
<b>None</b>				
<u>2. Transactions between JSC “Volgogradsetremont” and JSC “IDGC of the South” or holders of more than 5 % of shares of JSC “IDGC of the South” (JSC “IDGC Holding”, Oflamenta Trading Limited, LLC “Management - Consulting”):</u>				
<b>None</b>				
<u>3. Transactions between JSC “Volgogradsetremont” and subsidiaries of JSC “IDGC of the South” (JSC Astrakhanelektrosetremont, JSC “Grechko A.A. PSKh”, JSC “Sokolovskoye PSKh”, JSC “Recreation Centre “Energetik”):</u>				
<b>None</b>				
<u>4. Transactions of JSC “Volgogradsetremont” with state-owned companies</u>				
<b>None</b>				

Amount of JSC “Astrakhanelektrosetremont” total assets, according to the accounting reporting for the previous completed quarter (as of June 30, 2009), makes up **37 107** thousand rubles.

**JSC “Recreation Centre “Energetik”**

**Indicators of financial and economic activity of JSC “Recreation Centre “Energetik”**

Indicator description	Value of the indicator as of:	
	30.06.2008	30.06.2009
Net asset worth of the Issuer, rub.	109853000	97223000

Raised funds to equity and reserves ratio, %	15,2	11,2
Short-term liabilities to equity and reserves ratio, %	15,2	11,2
Debt service payment coverage, %	0,0	0,0
Past due debt rate, %	0,0	0,0
Receivables turnover	0,04	0,2
Labor productivity, rubles/person	9286	40313
Depreciation to earnings ratio, %	395,4	56,1
Equity to raised funds ratio, %	15,2	11,2

#### Indicators of profitability and loss

Indicator description	Value of the indicator as of:	
	30.06.2008	30.06.2009
Revenue, rubles	260	1290
Cost of production, rubles	11821	6001
Net profit, rubles	-5756	-4593
Gross profit, rubles	-11561	-4711
Return on equity, %	-5,2	-4,7
Net profit ratio	-2213,9	-356,0
Profitability of products (sales), %	-4446,5	-365,2
Capital turnover	0,002	0,01
Amount of uncovered loss as of balance sheet date, rubles	-1520	-13299
Ratio between uncovered loss as of balance sheet date and the balance sheet total	-0,01	-0,1

#### Indicators of the Company's liquidity:

Indicator description	30.06.2008	30.06.2009
Working capital, rubles	87959000	6654000

Permanent asset index	0,2	0,9
Current liquidity ratio	6,3	1,6
Quick liquidity ratio	6,2	0,7
Equity Ratio	0,9	0,9

Data on the amount of accounts payable, rubles in thousands.

Accounts payable	Maturity			
	As of 31.03.2009		As of 31.03.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts payable to suppliers and contractors, rub.	7214	-	2680	-
- including overdue accounts, rub.	-	-	-	-
Accounts payable to the personnel of the Organization, rub.	239	-	365	-
- including overdue accounts, rub.	-	-	-	-
Accounts payable to the budget and state extrabudgetary funds, rub.	163	-	161	-
- including overdue accounts, rub.	-	-	-	-
Credits, rub.	-	-	-	-
- including overdue accounts, rub.	-	-	-	-
Loans, total	-	-	7676	-
- including overdue loans, rub.	-	-	-	-
- including bond loans, rub.	-	-	-	-
- including overdue bond loans, rub.	-	-	-	-
Other accounts payable, rub.	108	-	55	-
- including overdue accounts, rub.	-	-	-	-
Total, rub.	7724	-	10937	-

- including overdue accounts, rub.	-	-	-	-
------------------------------------	---	---	---	---

Data on the amount of accounts receivable, rubles in thousands

Account receivable	Maturity			
	As of 31.03.2009		As of 30.06.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts receivable of buyers and customers, rub.	202	-	113	-
including accounts overdue, rub.	-	-	-	-
Notes payable, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-
Accounts receivable of participants (founders) for contributions to authorized capital, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-
Accounts receivable for advances paid, rub.	5192	-	5784	-
including accounts overdue, rub.	-	-	-	-
Other accounts receivable, rub.	1647	-	1481	-
including accounts overdue, rub.	-	-	-	-
Total, rub.	7041	-	7378	-
including accounts overdue, rub.	-	-	-	-

Quarterly review of transactions made by JSC “Recreation Centre “Energetik” in quarter II of 2009

Item No.	Subject of the transaction	Contractor	Transaction price, VAT inclusive, rubles	Data on approval of the transaction by management authorities of SAC in cases stipulated in the legislation of the RF and  /or SAC Charter, with requisites of the document on transaction's approving
----------	----------------------------	------------	--	--

<u>1. Transactions (groups of associated transactions) made with the amount of obligations of at least 10 percent of the balance sheet asset cost of JSC “Recreation Centre “Energetik”, based on its accounting reporting for the previous completed accounting period:</u>
<b>None</b>
<u>2. Transactions between JSC “Recreation Centre “Energetik” and JSC “IDGC of the South” or holders of more than 5 % of shares of JSC “IDGC of the South” (JSC “IDGC Holding”, Oflamenta Trading Limited, LLC “Management - Consulting”):</u>
<b>None</b>
<u>3. Transactions between “Recreation Centre “Energetik” and subsidiaries of JSC “IDGC of the South” (JSC Volgogradsetremont, JSC “Astrakhanelektrosetremont, JSC “Grechko A.A. PSKh”, JSC “Sokolovskoye PSKh”):</u>
<b>None</b>
<u>4. Transactions of JSC “Recreation Centre “Energetik” with state-owned companies</u>
<b>None</b>

Amount of JSC “Recreation Centre “Energetik” total assets, according to the accounting reporting for the previous completed quarter (as of June 30, 2009), makes up 109 011 thousand rubles.

### JSC “Grechko A.A. PSKh”

#### Indicators of financial and economic activity of JSC “Grechko A.A.”

Indicator description	Value of the indicator, as of:	
	30.06.2008	30.06.2009
Net asset worth of the Issuer, rub.	80599000	79933000
Raised funds to equity and reserves ratio, %	37,1	30,4
Short-term liabilities to equity and reserves ratio, %	37,1	30,4
Debt service payment coverage, %	1,36	4,3
Past due debt rate, %	-	-
Receivables turnover	1,27	3,26
Labor productivity, rubles/person	33737	78167
Depreciation to earnings ratio, %	10,4	5,55

Equity to raised funds ratio, %	9,23	25,39
---------------------------------	------	-------

Indicators of profitability and loss

Indicator description	Value of the indicator as of:	
	30.06.2008	30.06.2009
Revenue, rubles	7590	13132
Cost of production, rubles	7789	13358
Net profit, rubles	-1194	-1787
Gross profit, rubles	-199	-226
Return on equity, %	-1,48	-2,2
Net profit ratio	-15,7	-13,6
Profitability of products (sales), %	-2,62	-1,72
Capital turnover	0,09	0,16
Amount of uncovered loss as of balance sheet date, rubles	0	0
Ratio between uncovered loss as of balance sheet date and the balance sheet total	0	0

Indicators of the Company's liquidity:

Indicator description	30.06.2008	30.06.2009
Working capital, rubles	29036000	30253000
Permanent asset index	0,64	0,62
Current liquidity ratio	1,98	2,24
Quick liquidity ratio	0,20	0,17
Equity Ratio	0,73	0,77

Data on the amount of the accounts payable, rubles in thousands

Accounts payable	Maturity	
	As of 31.03.2009	As of 30.06.2009

	Less than one year	More than one year	Less than one year	More than one year
Accounts payable to suppliers and contractors, rub.	8457	-	7781	-
- including overdue accounts, rub.	-	-	-	-
Accounts payable to the personnel of the Organization, rub.	1434	-	2778	-
- including overdue accounts, rub.	-	-	-	-
Accounts payable to the budget and state extrabudgetary funds, rub.	1058	-	1770	-
- including overdue accounts, rub.	-	-	-	-
Credits, rub.	-	-	5000	-
- including overdue accounts, rub.	-	-	-	-
Loans, total	2680	-	2680	-
- including overdue loans, rub.	-	-	-	-
- including bond loans, rub.	-	-	-	-
- including overdue bond loans, rub.	-	-	-	-
Other accounts payable, rub.	3641	-	4290	-
- including overdue accounts, rub.	-	-	-	-
Total, rub.	17270	-	24299	-
- including overdue accounts, rub.	-	-	-	-

Data on the amount of accounts receivable, rubles in thousands

Account receivable	Maturity			
	As of 31.03.2009		As of 30.06.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts receivable of buyers and customers, rub.	2537	-	2925	-

including accounts overdue, rub.	2222	-	2222	-
Notes payable, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-
Accounts receivable of participants (founders) for contributions to authorized capital, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-
Accounts receivable for advances paid, rub.	248	-	965	-
including accounts overdue, rub.	-	-	-	-
Other accounts receivable, rub.	382	-	148	-
including accounts overdue, rub.	-	-	-	-
Total, rub.	3167	-	4038	-
including accounts overdue, rub.	2222	-	2222	-

**Quarterly review of transactions made by JSC “Grechko A.A. PSKh” in quarter II of 2009**

Item No.	Subject of the transaction	Contractor	Transaction price, VAT inclusive, rubles	Data on approval of the transaction by management authorities of SAC in cases stipulated in the legislation of the RF and /or SAC Charter, with requisites of the document on transaction's approving
<u>1. Transactions (groups of associated transactions) made with the amount of obligations of at least 10 percent of the balance sheet asset cost of JSC “Grechko A.A. PSKh”, based on its accounting reporting for the previous completed accounting period::</u>				
<b>None</b>				
<u>2. Transactions between JSC “Grechko A.A. PSKh” and JSC “IDGC of the South” or holders of more than 5 % of shares of JSC “IDGC of the South” (JSC “IDGC Holding”, Oflamenta Trading Limited, LLC “Management - Consulting”):</u>				
<b>None</b>				
<u>3. Transactions between JSC “Grechko A.A. PSKh” and subsidiaries of JSC “IDGC of the South” (JSC Volgogradsetremont, JSC “Astrakhanelektrosetremont”, JSC “Sokolovskoye PSKh”, JSC “Recreation Centre “Energetik”)</u>				



None			
4. Transactions of JSC “Grechko A.A. PSKh” with state-owned companies			
	Medical checkups	Municipal health care institution “Central district hospital”	32063-00

Amount of JSC “A.A Grechko PSKh” total assets, according to the accounting reporting for the previous completed quarter (as of June 30, 2009), makes up **104 246** thousand rubles.

### JSC “Sokolovskoye PSKh”

#### Indicators of financial and economic activity of JSC “Sokolovskoye PSKh”

Indicator description	Indicator value as of:	
	30.06.2008	30.06.2009
Net asset worth of the Issuer, rub.	162531000	163776000
Raised funds to equity and reserves ratio, %	16,4	11,2
Short-term liabilities to equity and reserves ratio, %	13,7	9,1
Debt service payment coverage, %	-38,2	0,8
Past due debt rate, %	3,4	2,0
Receivables turnover	1,7	3,0
Labor productivity, rubles/person	55817	67821
Depreciation to earnings ratio, %	20,5	27,1
Equity to raised funds ratio, %	16,4	11,2

#### Indicators of profitability and loss

Indicator description	Indicator value as of:	
	30.06.2008	30.06.2009
Revenue, rubles	7033	9088
Cost of production, rubles	9111	8556
Net profit, rubles	-3522	-2434

Gross profit, rubles	-2078	532
Return on equity, %	-2,2	-1,5
Net profit ratio	-50,1	-26,8
Profitability of products (sales), %	-29,6	5,9
Capital turnover	0,04	0,05
Amount of uncovered loss as of balance sheet date, rubles	-3522	-2434
Ratio between uncovered loss as of balance sheet date and the balance sheet total	0,02	0,01

Indicators of the Company's liquidity:

Indicator description	30.06.2008	30.06.2009
Working capital, rubles	43619000	52355000
Permanent asset index	0,7	0,7
Current liquidity ratio	3,2	4,8
Quick liquidity ratio	0,2	0,2
Equity Ratio	0,9	0,9

Data on the amount of accounts payable

Accounts payable	Maturity			
	As of 31.03.2009		As of 30.06.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts payable to suppliers and contractors, rub.	7124	-	8969	-
- including overdue accounts, rub.	236	-	236	-
Accounts payable to the personnel of the Organization, rub.	818	-	1162	-

- including overdue accounts, rub.	-	-	-	-
Accounts payable to the budget and state extrabudgetary funds, rub.	246	-	359	-
- including overdue accounts, rub.	-	-	-	-
Credits, rub.	4000	3434	4000	3378
- including overdue accounts, rub.	-	-	-	-
Loans, total	-	-	-	-
- including overdue loans, rub.	-	-	-	-
- including bond loans, rub.	-	-	-	-
- including overdue bond loans, rub.	-	-	-	-
Other accounts payable, rub.	152	-	423	-
- including overdue accounts, rub.	126	-	126	-
Total, rub.	12340	3434	14913	3378
- including overdue accounts, rub.	362	-	362	-

Data on the amount of accounts receivable, rubles in thousands

Account receivable	Maturity			
	As of 31.03.2009		As of 30.06.2009	
	Less than one year	More than one year	Less than one year	More than one year
Accounts receivable of buyers and customers, rub.	670	-	670	-
including accounts overdue, rub.	670	-	670	-
Notes payable, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-
Accounts receivable of participants (founders) for contributions to authorized capital, rub.	-	-	-	-
including accounts overdue, rub.	-	-	-	-

Accounts receivable for advances paid, rub.	1257	-	65	-
including accounts overdue, rub.	46	-	31	-
Other accounts receivable, rub.	2019	-	2299	-
including accounts overdue, rub.	1439	-	1424	-
Total, rub.	3946	-	3034	-
including accounts overdue, rub.	2155	-	2125	-

### Quarterly review of transactions made by JSC “Sokolovskoye PSKh” in quarter II of 2009

Item No.	Subject of the transaction	Contractor	Transaction price, VAT inclusive, rubles	Data on approval of the transaction by management authorities of SAC in cases stipulated in the legislation of the RF and /or SAC Charter, with requisites of the document on transaction's approving
<u>1. Transactions (groups of associated transactions) made with the amount of obligations of at least 10 percent of the balance sheet asset cost of JSC “Sokolovskoye PSKh”, based on its accounting reporting for the previous completed accounting period::</u>				
<b>None</b>				
<u>2. Transactions between JSC “Sokolovskoye PSKh” and JSC “IDGC of the South” or holders of more than 5 % of shares of JSC “IDGC of the South” (JSC “IDGC holding”, Oflamenta Trading Limited, LLC “Management - Consulting”):</u>				
<b>None</b>				
<u>3. Transactions between JSC “Sokolovskoye PSKh” and subsidiaries of JSC “IDGC of the South” (JSC Volgogradsetremont, JSC “Astrakhanelektrosetremont”, JSC “Grechko A.A. PSKh”, JSC “Recreation Centre “Energetik”)</u>				
<b>None</b>				
<u>4. Transactions of JSC “Sokolovskoye PSKh” with state-owned companies</u>				
<b>None</b>				

Total assets of **JSC “Sokolovskoye PSKh”**, according to the accounting reporting for the last completed quarter (as of June 30, 2009) are equal to **182 067** thousand rubles.

## 8.11 DATA ON THE REPRESENTED SECURITIES AND THE ISSUER OF REPRESENTED

**SECURITIES WITH THE PROPERTY RIGHT CERTIFIED BY THE RUSSIAN DEPOSITARY RECEIPTS**

As of the end of the quarter under report, the Issuer did not issue Russian depositary receipts.