

Auditor's opinion on
financial (accounting) report of open joint stock company
“Interregional distribution grid company of the South”
for 2011

FinExpetriza,
audit and consultant company

to Shareholders

Information on the audited company

Name: Open joint stock company “IDGC of the South” (“IDGC of the South” JSC)

State registration number: 1076164009096

Location: 49 Bolshaya Sadovaya Str., Rostov-on-Don, RF 344002

Information on the Auditor

Name: Limited liabilities company “FinExpertixa” (“FinExpertiza” LLC)

State registration number: 1027739127734

Location: building1, 69 Prospekt Mira, Moscow, RF 129110

Self-regulatory organization of auditors: Non-profit Partnership “Audit Chamber of Russia” (certificate No. 4209 dated December 28, 2009)

Number in registry of auditors and audit organizations of self-regulatory organization of auditors: 10201028038

The company has carried out the audit of accounting report of “IDGC of the South” JSC that included the following:

- Accounting balance as of December 31, 2011
- Profit and loss statement for 2011
- Report on changes in cash for 2011
- Cash flow statement for 2011
- Other appendixes to accounting balance and profit and loss statement
- Explanatory note

Responsibility of the auditing entity for accounting report

Management of “IDGC of the South”, JSC bears responsibility for preparation and credibility of the accounting report in accordance with Russian rules of preparing the accounting report and for system of internal audit necessary for preparation of accounting report without material misstatements that can be caused by fraud or faults.

Responsibility of the auditor

The responsibility of the auditor consists in providing the opinion on credibility of the accounting report on the basis of the carried out audit. We have carried out the audit in accordance of federal standards of audit activities. These standards require the observance of code of ethics as well as planning and performing the audit the

way to make sure that the accounting report does not content material misstatements.

The audit presupposed the audit procedures aimed to find the audit evidences proving the figures in accounting report and the disclosed information. The choice of the procedures is the subject-matter of our estimations that are based on the risk assessment of the material misstatements caused by fraud or faults. During the risk assessment we checked the system of internal audit (which provides preparation and credibility of accounting report) in order to choose the appropriate audit procedures, but not for evaluation of the effectiveness of internal audit system.

The audit also included the appraisal of the accounting policy and validity of estimated figures, as well as the appraisal of performance of accounting report in general.

We consider the proofs found during the audit to be enough to give positive opinion on the credibility of the accounting report.

Auditor's opinion

The auditor considers that the accounting report gives a true and fair view of the financial situation of "IDGC of the South", JSC as of December 31, 2011 and the results of company's business activity and cash flow for 2011 as per Russian accounting standard (RAS).

General director of
"FinExpertiza" LLC

Kozlova N.A.

March 1, 2012