

QUARTERLY REPORT

*"Interregional Distribution Grid Company of Centre",
Joint-Stock Company
Issuer's code: 10214-A*

FOR QUARTER IV, 2011

Location: 4/2 Glukharev lane, Moscow, 129090 Russian Federation

The information containing in this quarterly report is subject to disclosure in accordance with the legislation of the Russian Federation on securities.

General Director	
Date: February 10, 2012.	_____ D.O. Gudzhoyan signature
Acting Chief Accountant – Head of Financial and Tax Accounting and Reporting Department	
Date: February 10, 2012.	_____ M.V. Danilova signature

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Table of contents

Table of contents	2
Introduction	6
I. Brief data on the persons forming a part of the governance bodies of the issuer, data on bank accounts, on the auditor, appraiser and the financial adviser of the issuer, and also on other persons who signed the prospectus	7
1.1. The persons who are a part of the governance bodies of the issuer	7
1.2. Data on bank accounts of the issuer	7
1.3. Data on the auditor(s) of the issuer	10
1.4. Data on the appraiser(s) of the issuer	16
1.5. Data on advisers of the issuer	19
1.6. Data on other persons who signed the quarterly report	19
II. Main information on financial and economic condition of the issuer	19
2.1. Indicators of financial and economic activities of the issuer	19
2.2. Market capitalization of the issuer	19
2.3. Liabilities of the issuer	20
2.3.1. Accounts payable	20
2.3.2. The issuer's credit history	20
2.3.3. Liabilities of the issuer from the maintenance given to the third parties	21
2.3.4. Other liabilities of the issuer	22
2.4. The purposes of issue and direction of use of the funds received as a result of placement of issue securities	22
2.5. The risks connected with purchase of placed (or being in the process of placement) issue securities	22
2.5.1. Industry risks	23
2.5.2. Country and regional risks	28
2.5.3. Financial risks	30
2.5.4. Legal risks	32
2.5.5. The risks connected with activity of the issuer	34
III. Detailed information on the issuer	34
3.1. Creation and development history of the issuer	34
3.1.1. Data on company name of the issuer	34
3.1.2. Data on the state registration of the issuer	35
3.1.3. Data on creation and development of the issuer	36
3.1.4. Contact information	38
3.1.5. Taxpayer identification number	39
3.1.6. Branches and representative offices of the issuer	39
3.2. Main economic activities of the issuer	39
3.2.1. Issuer's industry	39
3.2.2. Main economic activities of the issuer	39
3.2.3. Materials, goods (raw material) and suppliers of the issuer	39
3.2.4. Sales markets of products (works, services) of the issuer	40
3.2.5. Data on the issuer's licenses	40
3.2.6. Joint activity of the issuer	45
3.3. Plans of the future activity of the issuer	45
3.4. Participation of the issuer in industrial, bank and financial groups, holdings, concerns and associations	48
3.5. Associated and dependent economic entities of the issuer	48
3.6. Composition, structure and value 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 means charging	51
3.6.1. Fixed assets	51

IV. Data on financial and economic activities of the issuer	51
4.1. Results of financial and economic activities of the issuer	51
4.1.1. Profit and losses.....	51
4.1.2. The factors which influenced change of the amount of the receipt by the issuer of the goods, products, works, services, and profit (loss) of the issuer from primary activity	51
4.2. Liquidity of the issuer, sufficiency of the capital and circulating assets	51
4.3. Amount and structure of the capital and circulating assets of the issuer	51
4.3.1. Amount and structure of the capital and circulating assets of the issuer	51
4.3.2. Financial investments of the issuer.....	51
4.3.3. Immaterial assets of the issuer	51
4.4. Data on the policies and charges of the issuer in the field of scientific and technical development, concerning licenses and patents, new development and researches	51
4.5. Analysis of tendencies of development in the sphere of primary activity of the issuer	52
4.5.1. Analysis of factors and conditions influencing the issuer's activity	53
4.5.2. Competitors of the issuer.....	57
V. Detailed data on the persons forming a part of governance bodies 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.....	57
5.1. Data on the structure and competence of the issuer's governance bodies	57
5.2. Information on the persons forming a part of governance bodies of the issuer	64
5.2.1. Issuer's Board of Directors (Supervisory Board).....	64
5.2.2. Data on the sole executive body	77
5.2.3. Collegial executive body of the issuer.....	78
5.3. Data on amount of remuneration, privileges and/or indemnifications of charges concerning each governance body of the issuer	86
5.4. Data on structure and competence of the issuer's financial and economic activities control bodies.....	88
5.5. Information on the persons forming a part of financial and economic activities of control bodies of the issuer	91
5.6. Data on amount of remuneration, privileges and/or indemnification of charges on the body of control over financial and economic activity of the issuer.....	96
5.7. Data on the number and the generalized data on education and structure of the staff (employees) of the issuer, and also on change of number of the staff (employees) of the issuer.....	96
5.8. Data on any obligations of the issuer to the staff (employees) concerning the possibility of their participation in the authorized (joint-stock) capital (share fund) of the issuer	97
VI. Data on participants (shareholders) of the issuer and transactions of interest made by the issuer	97
6.1. Data on total amount of shareholders (participants) of the issuer.....	97
6.2. Data on the participants (shareholders) of the issuer owning at least 5 percent of its authorized (joint-stock) capital (share fund) or at least 5 percent of its ordinary shares, as well as data on participants (shareholders) of such persons owning at least 20 percent of the authorized (joint-stock) capital (share fund) or at least 20 percent of their ordinary shares	97
6.3. Data on the stake of the state or municipal formation in the authorized (joint-stock) capital (share fund) of the issuer, presence of the special right ("golden share")	98
6.4. Data on restrictions on participation in the authorized (joint-stock) capital (share fund) of the issue.....	99
6.5. Data on changes in the composition and stake of shareholders (participants) of the issuer owning at least 5 percent of its authorized (joint-stock) capital (share fund) or at least 5 percent of its ordinary shares	99
6.6. Data on the interested-party deals of the issuer	101
6.7. Data on accounts receivable amount	102
VII. Accounting reporting of the issuer and other financial information	102
7.1. Annual accounting reporting	102
7.2. Quarter accounting reporting of the issuer for the last completed reporting quarter	102
7.3. Summary accounting reporting of the issuer for the last completed fiscal year	102
7.4. Data on the accounting policy of the issuer	102

7.5. Data on total sum of export, and on export share in the total amount of sales	102
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 date of the last completed fiscal year.....	102
7.7. Data on participation of the issuer in litigations if such participation can essentially influence financial and economic activities	102
VIII. Additional data on the issuer and on the equity securities floated by it.....	103
8.1. Additional data on the issuer	103
8.1.1. Data on the amount, structure of the authorized (joint-stock) capital (share fund) of the issuer	103
8.1.2. Data on change of the amount of the authorized (joint-stock) capital (share fund) of the issuer.....	103
8.1.3. Data on formation and use of the reserve fund and of other funds of the issuer.....	104
8.1.4. Data on the procedure of convening and holding the meeting (conference) of the issuer supreme management body.....	104
8.1.5. Data on the commercial organizations, in which the issuer owns at least 5 percent of the authorized (joint-stock) capital (share fund) or at least 5 percent of ordinary shares	106
8.1.6. Data on material transactions completed by the issuer	107
8.1.7. Data on credit ratings of the issuer.....	107
8.2. Data on each category (type) of shares of the issuer.....	108
8.3. Data on the previous issues of equity securities of the issuer except for shares of the issuer.....	108
8.3.1. Data on the issues all the securities of which are repaid (annulled)	109
8.3.2. Data on the issues, the securities of which are in circulation	109
8.3.3. Data on the issues, the obligations of the issuer under the securities of which were not executed (Default)	109
8.4. Data on the person (persons), who provided security on bonds of the issue	109
8.5. Data of security of obligations execution on bonds of the issue.....	109
8.5.1. Conditions of maintenance of execution of obligations under bonds with mortgage covering	109
8.6. Data on the organizations which carry out accounting of the rights to the equity securities.....	109
8.7. Data on the legislative acts regulating questions of import and export of the capital, which can influence payment of dividends, interests and other payments to non-residents	109
8.8. Description of incomes taxation procedure of the issuer's floated equity securities and equity securities which are in the process of floatation	111
8.9. Data on declared (accrued) and paid dividends per shares of the issuer, as well as on income from the issuer's bonds	116
8.9.1. Data on declared (accrued) and paid dividends per shares of the issuer for the last 5 completed financial years or the each completed financial year, if the issuer performs its activity less than 5 years	116
8.9.2. Issues of bonds, on which the income has been paid out for the last 5 completed financial years prior to the date of completion of the last reporting quarter, and if the issuer performs its activity less than 5 years – for each completed financial year prior to the date of completion of the last reporting quarter.....	117
8.10. Other data.....	118
8.11. Data on the represented securities and the issuer of the represented securities, the property right to which is certified by Russian depositary receipts	128

Introduction

Grounds of the issuer's obligation to fulfill information disclosure in the form of the quarterly report

The issuer performed registration of securities prospectus in relation to securities.

March 20, 2008 the Federal Financial Markets Service performed the state registration of the Prospectus of IDGC Center, JSC.

This quarterly report contains estimations and forecasts of the authorized governance bodies of the issuer concerning future events and/or actions, prospects of development of the economy sector, in which the issuer carries out its primary activity, and results of activity of the issuer, including plans of the issuer, probability of occurrence of the certain events and fulfillment of certain actions. Investors should not fully rely on estimations and forecasts of governance bodies of the issuer as actual results of activity of the issuer in the future can differ from those predicted for many reasons. Purchase of securities of the issuer is connected with the risks described in this quarterly report.

I. Brief data on the persons forming a part of the governance bodies of the issuer, data on bank accounts, on the auditor, appraiser and the financial adviser of the issuer, and also on other persons who signed the quarterly report

1.1. The persons who are a part of the governance bodies of the issuer

Issuer's Board of Directors

Full name	Year of birth
Alexey Yuryevich Perepelkin (Chairman)	1970
Svetlana Alexandrovna Balaeva	1973
Alexander Markovich Branis	1977
Dmitry Olegovich Gudzhoyan	1977
Madina Valeryevna Kaloeva	1980
Mikhail Yuryevich Kurbatov	1981
Alexander Albertovich Popov	1955
Alexey Vladimirovich Sergutin	1961
Alexandr Grigoryevich Starchenko	1968
Roman Alexeyevich Filkin	1983
Alexander Viktorovich Shevchuk	1983

Issuer's Sole Executive Body

Full name	Year of birth
Dmitry Olegovich Gudzhoyan	1977

Issuer's collegial executive body

Full name	Year of birth
Dmitry Olegovich Gudzhoyan (Chairman)	1977
Dmitry Alexandrovich Andryushin	1977
Dmitry Igorevich Gotlib	1979
Ivan Petrovich Kleymenov	1960
Rustem Leronovich Nabiullin	1961
Konstantin Nikolayevich Orlov	1977
Olga Vladimirovna Tkacheva	1961
Sergey Anatolievich Schumacher	1955

1.2. Data on bank accounts of the issuer

Information on the credit organization

Full company name: **"Bank of Moscow " Joint-Stock Commercial Bank (Open Joint-Stock Company)**
Abbreviated company name: **"Bank of Moscow ", JSC**
Location: **107996, Moscow, Rozhdestvenka Street, 8/5, bld.3**
Taxpayer identification number: **7702000406**
BIC: **044525219**
Number of the account: **40702810800120001813**
Correspondent account: **30101810500000000219**
Type of the account: **ruble settlement account**

Information on the credit organization

Full company name: **"TransCreditBank", Open Joint-Stock Company**
Abbreviated company name: **"TransCreditBank", OJSC**
Location: **105066, Moscow, Novaya basmannaya Street, 37A**
Taxpayer identification number: **7722080343**
BIC: **044525562**
Number of the account: **40702810300000006996**
Correspondent account: **0101810600000000562**
Type of the account: **ruble settlement account**

Information on the credit organization

Full company name: **VTB Bank branch (joint-stock company) in Belgorod city**
Abbreviated company name: **VTB Bank branch (JSC) in Belgorod city**
Location: **190000, St. Petersburg, Bolshaya Morskaya 29**
Taxpayer identification number: **7702070139**
BIC: **041403757**
Number of the account: **40702810616000001807**
Correspondent account: **30101810400000000757**
Type of the account: **rouble settlement account**

Information on the credit organization

Full company name: **Joint-Stock Commercial Savings Bank of the Russian Federation (Open Joint-Stock Company)**
Abbreviated company name: **Savings Bank of Russia, JSC**
Location: **117997, Moscow, Vavilov street, 19**
Taxpayer identification number: **7707083893**
BIC: **044525225**
Number of the account: **40702810540020002105**
Correspondent account: **30101810400000000225**
Type of the account: **ruble settlement account**

Information on the credit organization

Full company name: **"Alpha-Bank", Open Joint-Stock Company**
Abbreviated company name: **"Alpha-Bank", OJSC**
Location: **107078, Moscow, Kalanchevskaya Street, 27**
Taxpayer identification number: **7728168971**
BIC: **044525593**
Number of the account: **40702810801100001161**

Correspondent account: **30101810200000000593**

Type of the account: **ruble settlement account**

Information on the credit organization

Full company name: **VTB Bank branch (joint-stock company) in Belgorod city**

Abbreviated company name: **VTB Bank branch (JSC) in Belgorod city**

Location: **190000, St. Petersburg, Bolshaya Morskaya 29**

Taxpayer identification number: **7702070139**

BIC: **041403757**

Number of the account: **40702840216000000265**

Correspondent account: **30101810400000000757**

Type of the account: **hard currency settlement account**

Information on the credit organization

Full company name: **VTB Bank branch (joint-stock company) in Belgorod city**

Abbreviated company name: **VTB Bank branch (JSC) in Belgorod city**

Location: **190000, St. Petersburg, Bolshaya Morskaya 29**

Taxpayer identification number: **7702070139**

BIC: **041403757**

Number of the account: **40702840016008000564**

Correspondent account: **30101810400000000757**

Type of the account: **hard currency settlement account**

Information on the credit organization

Full company name: **Gazprombank (joint-stock company)**

Abbreviated company name: **GPB (JSC)**

Location: **117420, Moscow, Nametkina Street 16, bld. 1**

Taxpayer identification number: **7744001497**

BIC: **044525823**

Number of the account: **407028103000000004749**

Correspondent account: **30101810200000000823**

Type of the account: **ruble settlement account**

Information on the credit organization

Full company name: **Joint-stock commercial bank "ROSBANK" (joint-stock company)**

Abbreviated company name: **JSC "JSCB "ROSBANK"**

Location: **107078, Moscow, Mashki Poryvaevoy Street 11**

Taxpayer identification number: **7730060164**

BIC: **044525256**

Number of the account: **40702810000000001985**

Correspondent account: **30101810000000000256**

Type of the account: **ruble settlement account**

Information on the credit organization

Full company name: *Closed Joint-Stock Company "Raiffeisenbank"*

Abbreviated company name: *ZAO Raiffeisenbank*

Location: *129090, Moscow, Troitskaya Street 17, bld. 1*

Taxpayer identification number: *7744000302*

BIC: *044525700*

Number of the account: *40702810300001411928*

Correspondent account: *30101810200000000700*

Type of the account: *ruble settlement account*

1.3. Data on the auditor(s) of the issuer

Auditor (auditors) conducting independent audit of the accounting and financial (accounting) statements of the issuer on the grounds of the contract concluded with him as well as the provision relating to an auditor (auditors) approved (selected) for the audit of the annual (financial) statements of the issuer following the results of the current or completed financial year:

Auditor that performed the audit of financial statements of IDGC of Centre for the last completed financial year - 2010:

Full company name: *Closed Joint-Stock Company "BDO"*

Abbreviated company name: *CJSC "BDO"*

Location: *Legal address: section 1, bld. 1, Varshavskoe shosse, 125, Moscow, 117587; Mail address: bld. 7, Dubininskaya St., 53, Moscow, 115054.*

Taxpayer identification number: *7716021332*

Primary State Registration Number (OGRN): *1037739271701*

Phone: *(495) 797-5665*

Fax: *(495) 797-5660*

E-mail: *info@bdo.ru*

License for realization of the auditor activity

Authority which issued the license: *Ministry of Finance of the Russian Federation*

Number: *E 000547*

Date of issue: *25.06.2001*

Date of expiry: *25.06.2012*

Data on the Auditor's membership in self-regulating organisations of auditors

Full name: *Non-commercial partnership "Auditor Chamber of Russia" (NP ACR)*

Location

Bld. 3, the 3rd Syromyatnichesky Lane 3/9, Moscow, 105120 Russia

Supplementary information:

Organisation registration number of CJSC "BDO" 10201018307 in the register of auditors and auditing organisations – members of SRO NP ACR

Data on membership of the auditor in boards, associations or other professional professional associations (organisations):

CJSC "BDO" is a participant of the Association of the Russian Banks, member of Non-Commercial Partnership "Self-regulated organisation of the association of the Russian Assessment Masters", Association of Managers (AMR).

Financial year (years) within which the auditor conducted independent audit of the issuer's accounting and financial (accounting) statements.

Year
2010

Factors which can influence independence of auditors of the issuer, including the information on presence of the essential interests connecting auditors (officials of auditors) with the issuer (officials of the issuer)

Factors which can influence independence of auditors of the issuer, including the information on presence of the essential interests connecting auditors (officials of auditors) with the issuer (officials of the issuer): none.

The procedure of selection of the auditor of the issuer

Presence of the procedure of the tender connected with selection of the auditor, and its main terms:
The candidate of the Auditor of the issuer is defined as a result of the Competitive Selection of the auditor by the issuer. For participation in the Competition, the auditor organizations should meet the following requirements:

- *not to be in the process of liquidation;*
- *absence of the decision on abeyance of activity adopted in accordance with the procedure stipulated by the Code of the Russian Federation on Administrative Offences, at the date of consideration of the Application Form for participation in the Competition;*
- *not to have debts under the accrued taxes, tax collections 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 reporting period;*
- *not to fall under terms (in relation to the Company and subsidiaries and affiliates of IDGC Holding, JSC) enlisted in item 1 of the Article 8 of the Federal Law "On Auditing activities";*
- *and others.*

Procedure of nomination of the candidate of the auditor for approval at the meeting of shareholders (participants), including the governance bodies who made the corresponding decision:
In accordance with the Article 47 of the Federal Law «On joint-stock companies» approval of the Auditor of the Company is related to the competence of the General meeting of shareholders.

Having considered the proposal of the Committee for Audit on the auditor's candidate of IDGC of Centre, JSC (Minutes of the meeting of the Committee for Audit No. 04/10 dated April 23, 2010) at the meeting dated May 04, 2010 (Minutes No.10/10) the Board of Directors of the Company took the decision to recommend the General meeting of shareholders to approve CJSC "BDO" as the auditor of IDGC of Centre, JSC for audit of financial and economic activity.

CJSC "BDO" is approved as the issuer's auditor for 2010 at the annual General meeting of shareholders of IDGC of Centre, JSC dated June 22, 2010 (Minutes No. 01/10 dated June 24, 2010).

Information on the works performed by the auditor within the frameworks of special audit engagements:

Works within the frameworks of special audit engagements were not performed by the auditor.

The procedure of determination of the remuneration amount to the auditor, actual remuneration amount paid by the issuer to the auditor following the results of each from five last completed financial years, for which the auditor conducted independent audit of the accounting and financial (accounting) statements of the issuer:
The procedure of payment and amount of monetary remuneration to the auditor organizations and individual auditors for carrying out the audit (including the obligatory) and rendering associated services are defined by contracts of rendering auditor services and may not be attached to performance of any requirements of the audited persons about the contents of the conclusions which can be made as a result of the audit.

The amount of payment for the auditors' services of the issuer approved by the general shareholders meeting of the issuer for obligatory annual check and acknowledgement of the annual financial reports of the issuer shall be determined by the issuer's Board of Directors. By the decision of the Board of Directors of the Company (Minutes No.16/10 dated July 30, 2010) the amount of payment

for the auditors' services (CJSC "BDO") on the audit of the issuer's statements in accordance with the Russian Accounting Standards in 2010 is 4,557 mln Rubles, including VAT. The remuneration was paid to the auditor in full.

Information on deferred and back payments for services rendered by auditors:

There are no deferred and back payments for services rendered by auditors.

The Auditor that performed IFRS reporting for 2010:

Full company name: **KPMG, Closed Joint-Stock Company**

Abbreviated company name: **KPMG, CJSC**

Location: **123317, Moscow, Presnenskaya Embankment, 10**

Taxpayer identification number: **7702019950**

Primary State Registration Number (OGRN): **1027700125628**

Phone: **(495) 937-4477**

Fax: **(495) 937-4499**

E-mail: **moscow@kpmg.ru**

License for realization of the auditor activity

Authority which issued the license: **Ministry of Finance of the Russian Federation**

Number: **E003330**

Date of issue: **17.01.2003**

Date of expiry: **17.01.2013**

Data on the Auditor's membership in self-regulating organisations of auditors

Full name: **Non-commercial partnership "Auditor Chamber of Russia" (NP ACR)**

Location

Bld. 3, 3/9, the 3rd Syromyatnichesky Lane, Moscow, 105120, Russia

Supplementary information:

Organisation registration number 10301000804 in the register of auditors and auditing organisations – members of SRO NP ACR

Data on membership of the auditor in boards, associations or other professional entities (organizations):

KPMG, CJSC is a member of the following professional associations:

- **Association of the European Business;**
- **Russian-British Chamber of Commerce;**
- **American Chamber of Commerce in Russia;**
- **Japanese Business Club;**
- **International Forum of Leaders of Business;**
- **Union of German Economy in the Russian Federation;**
- **Russian-American Business Council;**
- **French Club;**
- **Canadian-Eurasian Business Association of Russia;**
- **Auditor Chamber of Russia;**
- **Association of the International Community of Nizhny Novgorod;**
- **Association of Russian Banks;**
- **National Corporate Governance Council;**
- **Institute of Professional Bookkeepers and Auditors.**

Financial year (years) conducted independent audit of the accounting and financial (accounting) statements of the issuer

Year

2006
2007
2008
2009
2010

Factors which can influence independence of auditors of the issuer, including the information on presence of the essential interests connecting auditors (officials of auditors) with the issuer (officials of the issuer)

Factors which can influence independence of auditors of the issuer, including the information on presence of the essential interests connecting auditors (officials of auditors) with the issuer (officials of the issuer): none

The procedure of selection of the auditor of the issuer

Presence of the procedure of the tender connected with selection of the auditor, and its main terms:

The candidate of the Auditor of the issuer is defined as a result of the Competitive Selection of the auditor by the issuer.

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

- *not to be in the process of liquidation;*
- *absence of the decision on abeyance of activity adopted in accordance with the procedure stipulated by the Code of the Russian Federation on Administrative Offences, at the date of consideration of the Application Form for participation in the Competition;*
- *not to have debts under the accrued taxes, tax collections 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 reporting period;*
- *not to fall under the terms (in relation to the Company and subsidiaries and affiliates of IDGC Holding, JSC) enlisted in clause 1 of Article 8 of the Federal Law "On Auditing activities".*

Procedure of nomination of the candidate of the auditor for approval at the meeting of shareholders (participants), including the governance bodies which made the corresponding decision:

Candidacy of an auditor involved for audit of the combined financial reporting of IDGC of Centre, JSC in compliance with the International Financial Reporting Standards is not submitted for approval of the General meeting of shareholders.

Information on the works performed by the auditor within the frameworks of special audit engagements:

Works within the frameworks of special audit engagements were not performed by the auditor.

The procedure of determination of the remuneration amount to the auditor, actual remuneration amount paid by the issuer to the auditor following the results of each from five last completed financial years, for which the auditor conducted independent audit of the accounting and financial (accounting) statements of the issuer:

Amount of remuneration and procedure of payment for the auditor's services that conducted audit of the financial reporting is determined in the contract concluded between the Company and the auditor.

Under the concluded contract, for audit of the reporting for 2006 the issuer paid to the auditor (CJSC "KPMG") – 4,012 mln RUB, including VAT, including for audit of RAS reporting – 2,242 mln RUB, including VAT, for audit of IFRS reporting – 1,77 mln RUB, including VAT.

Under the concluded contract, for audit of the reporting for 2007 the issuer paid to the auditor (CJSC "KPMG") – 4,963 mln RUB, including VAT, including for audit of RAS reporting – 2,444 mln RUB, including VAT, for audit of IFRS reporting – 2,519 mln RUB, including VAT.

For audit of the compound reporting drawn up in accordance with IFRS for 2007 and taking into

account the Companies affiliated to the issuer in the 1st quarter 2008, under the concluded contract the issuer paid to the auditor (CJSC "KPMG") 18,585 mln RUB, including VAT.

Under the concluded contract, for audit of the reporting for 2008 drawn up in accordance with RAS the issuer paid to the auditor (CJSC "KPMG") 12,980 mln RUB, including VAT. Under the concluded contract, for audit of the reporting for 2008 drawn up in accordance with IFRS the issuer paid to the auditor (CJSC "KPMG") 6,962 mln RUB, including VAT.

Under the concluded contract, for audit of the reporting for 2009 drawn up in accordance with IFRS the issuer paid to the auditor (CJSC "KPMG") 19,000 mln RUB, including VAT.

Under the concluded contract, for audit of the reporting for 2010 drawn up in accordance with IFRS the issuer paid to the auditor (CJSC "KPMG") 9,251 mln RUB, including VAT.

Information on deferred and back payments for services rendered by auditors:

There are no deferred and back payments for services rendered by auditors.

The Auditor that was elected at the Annual General Meeting of Shareholders of IDGC of Centre, JSC on 17.06.2011 to perform the audit following the results of 2011:

Full company name: **"RSM Top Audit", Limited Liability Company**

Abbreviated company name: **"RSM Top Audit" LLC**

Location:

Legal address: Russia, 119285, Moscow, Pudovkina street 4

Postal address: Russia, 119017, Moscow, B. Ordynka 54, building 2

Taxpayer identification number: **7722020834**

Primary State Registration Number (OGRN): **1027700257540**

Phone: **(495) 363-2848**

Fax: **(495) 981-4121**

E-mail: **mail@top-audit.ru**

License for realization of the auditor activity

No license to perform audit, a member of the self-regulatory organization

Data on the Auditor's membership in self-regulating organisations of auditors

Full name: **Non-commercial partnership "Russian Collegium of Auditors"**

Location

107045 Russia, Moscow, Kolokolnikov Lane2/6

Supplementary information:

Non-commercial partnership "Russian Collegium of Auditors" is a self-regulatory association of auditors, accredited at the Ministry of Finance of Russia (Order of the Ministry of Finance of Russia No. 145 dated from 16.07.02, Certificate of Russian Collegium of Auditors accreditation No.5 dated from 17.07.02).

"RSM Top Audit" LLC registration number is 10305006873

Data on membership of the auditor in boards, associations or other professional entities (organizations):

"RSM Top Audit" LLC is a founder and full member of the Institute of Professional Bookkeepers and Auditors, member of Auditor Chamber of Russia (ACR):

Financial year (years) conducted independent audit of the accounting and financial (accounting) statements of the issuer

Year
2011

Factors which can influence independence of auditors of the issuer, including the information on presence of the essential interests connecting auditors (officials of auditors) with the issuer (officials of the issuer)

Factors which can influence independence of auditors of the issuer, including the information on presence of the essential interests connecting auditors (officials of auditors) with the issuer (officials of the issuer): none.

The procedure of selection of the auditor of the issuer

Presence of the procedure of the tender connected with selection of the auditor, and its main terms:

The candidate of the Auditor of the issuer is defined as a result of the Competitive Selection of the auditor by the issuer.

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

- ***not to be in the process of liquidation;***
- ***absence of the decision on abeyance of activity adopted in accordance with the procedure stipulated by the Code of the Russian Federation on Administrative Offences, at the date of consideration of the Application Form for participation in the Competition;***
- ***not to have debts under the accrued taxes, tax collections 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 reporting period;***
- ***not to fall under the terms enlisted in clause 1 of Article 8 of the Federal Law "On Auditing activities";***
- ***and others.***

Procedure of nomination of the candidate of the auditor for approval at the meeting of shareholders (participants), including the governance bodies who made the corresponding decision:

In accordance with Article 47 of the Federal Law "On Joint Stock Companies" the approval of the Auditor is within the competence of the General Meeting of Shareholders.

The Board of Directors of the Company at the meeting on May 3, 2011 (Minutes # 11/11 of 06.05.2011) reviewed the proposal of the Audit Committee on the candidacy of an auditor of IDGC of Center, JSC and decided to recommend to the General Meeting of Shareholders for the audit of financial and economic activities to approve the auditor of IDGC of Center, JSC - "RSM Top-Audit" LLC.

At the Annual General Meeting of Shareholders of IDGC of Center, JSC, on June 17, 2011 (Minutes # 01/11 of 21.06.2011) "RSM Top-Audit" LLC was approved as the auditor of the issuer for 2011.

Information on the works performed by the auditor within the frameworks of special audit engagements:

Works within the frameworks of special audit engagements were not performed by the auditor.

The procedure of determination of the remuneration amount to the auditor, actual remuneration amount paid by the issuer to the auditor following the results of each from five last completed financial years, for which the auditor conducted independent audit of the accounting and financial (accounting) statements of the issuer:

The order of payment and amount of remuneration to audit companies and individual auditors for audit (including mandatory) and the provision of accompanying services is defined by audit services agreements and cannot be dependent on the fulfillment of any requirements of audited persons on the content of conclusions that can be drawn from the audit. The amount of payment to the auditor of the issuer, approved by the General Meeting of Shareholders of the issuer for a mandatory annual audit and confirmation of the annual financial statements of the issuer is determined by the Board of Directors of the issuer. The decision of the Board of Directors (Minutes # 17/11 of 08.01.2011) defined the size of the auditor's fee ("RSM Top-Audit" LLC) for the audit of the issuer in accordance with RAS for 2011 in the amount of 2.714 mln RUB, including VAT.

In accordance with the terms of the agreement to audit the financial reporting for 2011 prepared in accordance with IFRS as of 31.12.2011, the auditor of the issuer ("RSM Top-Audit" LLC) has been paid 2.035 mln RUB, including VAT.

Information on deferred and back payments for services rendered by auditors:

There are no deferred and back payments for services rendered by auditors.

Services (works) which are not connected directly with the audit of the financial reporting in the current and past financial year were not conducted by the auditors.

1.4. Data on the appraiser (appraisers) of the issuer

Full name: ***Elman Bagirovich Arzumanov***

The appraiser works on the grounds of the employment agreement with the legal entity

Phone: ***(495) 363-2848***

Fax: ***(495) 981-4121***

E-mail: ***mail@top-audit.ru***

Information on the legal entity, with which the appraiser concluded the employment agreement

Full company name: ***Limited liability company "Auditing and consulting firm "Top-Audit"***

Abbreviated company name: ***ACF "Top-Audit" Ltd***

Location: ***119017 Moscow, B. Ordynka street, 54, bld. 2***

Taxpayer identification number: ***7733059640***

Primary State Registration Number (OGRN): ***1027739441553***

Data on membership of the appraiser in self-regulatory organizations of appraisers

Full name: ***Non-commercial partnership "Self-regulated interregional association of specialists-appraisers" (NP "SIASA")***

Location

125315 Russia, Moscow, Leningradsky prospect 72 bld. 4 of. 2404

Date of registration of the appraiser in the register of self-regulated organization of appraisers:
25.01.2008

Registration number: ***1636***

Information on appraisal services rendered by this appraiser:

Re-appraisal of fixed assets for adoption of management resolutions

Full name: ***Alexey Sergeevich Sergeev***

The appraiser works on the grounds of the employment agreement with the legal entity

Phone: ***(495) 363-2848***

Fax: ***(495) 981-4121***

E-mail: ***mail@top-audit.ru***

Information on the legal entity, with which the appraiser concluded the employment agreement

Full company name: ***Limited liability company "Auditing and consulting firm "Top-Audit"***

Abbreviated company name: ***ACF "Top-Audit" Ltd***

Location: ***119017 Moscow, B. Ordynka street, 54, bld. 2***

Taxpayer identification number: ***7733059640***

Primary State Registration Number (OGRN): ***1027739441553***

Data on membership of the appraiser in self-regulatory organizations of appraisers

Full name: ***Non-commercial partnership "Self-regulated interregional association of specialists-appraisers" (NP "SIASA")***

Location

125315 Russia, Moscow, Leningradsky prospect 72 bld. 4 of. 2404

Date of registration of the appraiser in the register of self-regulated organization of appraisers:
25.01.2008

Registration number: **1637**

Information on appraisal services rendered by this appraiser:

Re-appraisal of fixed assets for adoption of management resolutions

Full name: ***Egor Yaroslavovich Shablya***

The appraiser works on the grounds of the employment agreement with the legal entity

Phone: ***(812) 703-4041***

Fax: ***(812) 703-3008***

E-mail: ***mail@ipp.spb.ru***

Information on the legal entity, with which the appraiser concluded the employment agreement

Full company name: ***Limited liability company "Institute of problems of entrepreneurship"***

Abbreviated company name: ***IPE Ltd.***

Location: ***Russia, 191119, Saint-Petersburg, Marat street, 92***

Taxpayer identification number: ***780211554456***

Primary State Registration Number (OGRN): ***1027800561458***

Data on membership of the appraiser in self-regulatory organizations of appraisers

Full name: ***All-Russian public organization "Russian society of appraisers"***

Location

107078, Russia, Moscow, the 1st Basmanny pereulok 2A of 5

Date of registration of the appraiser in the register of self-regulated organization of appraisers:
10.01.2008

Registration number: ***002794***

Information on appraisal services rendered by this appraiser:

Re-appraisal of fixed assets for adoption of management resolutions

Full name: ***Sergey Yurievich Dmitriev***

The appraiser works on the grounds of the employment agreement with the legal entity

Phone: ***(495) 933-7301***

Fax: ***(495) 787-0601***

E-mail: ***hr@deloitte.ru***

Information on the legal entity, with which the appraiser concluded the employment agreement

Full company name: ***Closed Joint-stock company "Deloit Touche Tomatsu"***

Abbreviated company name: ***DTT, JSC***

Location: ***103009, Moscow, Tverskaya street, 16/2***

Taxpayer identification number: ***7703097990***

Primary State Registration Number (OGRN): ***1027700425444***

Data on membership of the appraiser in self-regulatory organizations of appraisers

Full name: *All-Russian public organization "Russian society of appraisers"*

Location

107078, Russia, Moscow, the 1st Basmanny pereulok 2A of 5

Date of registration of the appraiser in the register of self-regulated organization of appraisers:

07.11.2007

Registration number: *001403*

Information on appraisal services rendered by this appraiser:

Re-appraisal of fixed assets for adoption of management resolutions

Full name: *Alexey Vladimirovich Voronkin*

The appraiser works on the grounds of the employment agreement with the legal entity

Phone: *(495) 933-7301*

Fax: *(495) 787-0601*

E-mail: *hr@deloitte.ru*

Information on the legal entity, with which the appraiser concluded the employment agreement

Full company name: *Closed Joint-stock company "Deloit Touche Tomatsu"*

Abbreviated company name: *DTT, JSC*

Location: *103009, Moscow, Tverskaya street, 16/2*

Taxpayer identification number: *7703097990*

Primary State Registration Number (OGRN): *1027700425444*

Data on membership of the appraiser in self-regulatory organizations of appraisers

Full name: *Non-commercial partnership "Association of specialists-appraisers"*

Location

125315 Russia, Moscow, Leningradsky prospect 72 bld. 4 of. 2404

Date of registration of the appraiser in the register of self-regulated organization of appraisers:

20.03.2009

Registration number: *2882*

Information on appraisal services rendered by this appraiser:

Re-appraisal of fixed assets for adoption of management resolutions

1.5. Data on advisers of the issuer

The issuer did not attract financial consultants

1.6. Data on other persons who signed the quarterly report

Full name: *Danilova Marina Viktorovna*

Year of birth: *1960*

Principle place of works:

Organization: *IDGC of Centre, JSC*

Position: *First Deputy Chief Accountant of Financial and Tax Accounting and Reporting Department*

II. Main information on financial and economic condition of the issuer

2.1. Indicators of financial and economic activities of the issuer

It is not indicated in the 4th quarter

2.2. Market capitalization of the issuer

Market capitalization is calculated as multiplying number of shares of the relevant category (type) by the market price of one share disclosed by the trade organizer at securities market and determined in accordance with the Procedure of calculation of equity securities market price and investments units of unit investment funds admitted to circulation through trade organizers approved by the Order of Federal Securities Commission of Russia N 03-52/ps dated 24.12.2003.

Indicator	4 q. 2011
Market capitalization, RUB.	25 153 449 527

Information on trade organizer at securities market, on the grounds of which data calculation of the market capitalization is carried out, as well as other additional information on public circulation of securities at the issuer's discretion:

Closed JSC "Moscow Interbank Currency Exchange", 13, Bolshoy Kislovsky Lane, Moscow, Telephone: +7 (495) 234-48-11, Fax: +7 (495) 705-96-22.

2.3. Liabilities of the issuer

2.3.1. Accounts payable

It is not indicated in the 4th quarter

2.3.2 Credit history of the issuer

The issuer's fulfillment of obligations on credit contracts and/or loan agreements, the amount of principal debt on which is 5 or more percent of the balance value of the issuer's assets for the date of the last completed reporting quarter prior to conclusion of the relevant contract as well as other credit contracts and/or loan agreements, that the issuer considers essential for it, which have been existing within the last 5 completed financial years or for each completed financial year, if the issuer performs activity less than 5 years, and existing for the date of the reporting quarter.

In case the issuer performed bond issue, the issuer's fulfillment of obligations on each bond issue, which par value is 5 or more percent of the balance value of the issuer's assets for the end date of the last completed quarter prior to the state registration of the report of bond issue results is described, and in case bond allocation is not completed or the state registration of the report of bond issue results is not performed by other reasons – for the end date of completed quarter prior to the state registration of bond issue.

Name of liability	Name of creditor (lender)	Amount of main debt	Currency	Credit (loan) term / Payments period	Late fulfillment of liability in payment of amount of main debt and /or fixed interests, overdue time period, days
Opening of credit line contract No. 50/08-P dated	GPB (JSC)	1 300 000 000	RUB	18 months/ 28.09.2009	no

28.03.2008					
The Contract on Crediting in the form of overdraft No. 51/08-P dated 28.03.2008	GPB (JSC)	700 000 000	RUB	12 months/ 27.03.2009	no
Agreement No. 1157 on general conditions of conclusion of transactions dated 28.03.2008	GPB (JSC)	800 000 000	RUB	with prolongation 36 months/ 28.03.2011	no
Crediting contract No. RK 053/08 dated 28.03.2008	"ROSBANK" JSCB (OJSC)	5 000 000 000	RUB	58 months/ 01.02.2013	no
Crediting contract (credit line) No. 32-260/15/567-08-KP dated 28.03.2008	"Bank of Moscow" (JSC)	1 300 000 000	RUB	6 months/ 24.09.2008	no
Credit agreement No. RBA/4698 dated 28.03.2008	"Raiffeisenbank" (CJSC)	1 400 000 000	RUB	15 months/ 28.06.2009	no
Credit contract No. CL-1099/08 dated 28.03.2008	"Nordea Bank" (JSC) (till 16.09.2009 "ORGRESBANK" (JSC))	2 000 000 000	RUB	36 months/ 28.03.2011	no

From the date of establishment (17.12.2004) up to 21.12.2011 the Company has not concluded other credit contracts under which liabilities amount exceeds 5% of the assets balance sheet value as of the last reporting date prior to the contract conclusion. For the reporting date there is no debt in regards with the abovementioned contracts.

As of 31.12.2011 the debt of IDGC of Centre, JSC was 21 236 112 750,67 Rubles and the liabilities amount for each valid credit contract does not exceed 5% of the assets balance sheet value for the reporting date.

The Company did not issue bonds for the period since the moment of formation of IDGC of Centre, JSC before the date of the end of the reporting quarter.

2.3.3. Liabilities of the issuer from the maintenance given to the third parties

Unit of measure: **Rubles**

Indicator	2011
Total amount of the issuer's liabilities out of security provided by it	755 333 966.64
including total amount of liabilities of third parties according to which the issuer provided third parties with security, including in the form of pledge or guarantee	755 333 966.64

The issuer's obligations out of security provided the third persons for the period from the date of the current financial year start and till the date of the reporting quarter end, including in the form of pledge or guarantee, which amount to not less than 5 percent from the balance value of the issuer's assets for the end date of the last completed reporting period prior to security provision.

There were no specified circumstances within this reporting period
From the moment of its establishment up to 31.12.2011 the issuer did not have liabilities out of security provided to third persons in the form of a pledge or guarantee, which are not less than 5 percent of book value of assets.

2.3.4. Other liabilities of the issuer

There are no other liabilities which were not reflected in the accounting balance which can be significantly affect the financial position of the issuer, its liquidity, sources of financing and conditions of their use, results of activity and charges

2.4. The purposes of issue and direction of use of the funds received as a result of placement of issue securities

Within the reporting period the issuer did not implement placement of the securities by subscription.

2.5. The risks connected with purchase of placed (or being in the process of placement) issue securities

The issuer's policy in the field of risk management:

In accordance with the Risk Management Policy (Minutes of the Board of Directors #13/10 of 15.06.2010) IDGC of Centre defined the following tasks and objectives of its risk management:

1. Provide reasonable assurance to achieve the strategic objectives
 - Identification and evaluation of material nature of events affecting the achievement of strategic objectives;
 - Provision of preventive measures to minimize probability and negative impact of risks on targets;
 - Strategic planning with risks taken into account;
 - Timely provision of information to the General Director (Management) of the issuer and interested parties about the presence of threats and opportunities;
 - Monitoring of activities to control risks.
2. Preservation of assets and maintenance of business efficiency
 - Identification, assessment and management of business processes risks;
 - Provide information about risks when taking management decisions;
 - Formation of the matrix of risk controls;
 - Creation and management of key risk indicators (KRI);
 - Elimination of fraud.
3. Ensuring continuity of electricity transmission
 - Establishing programs to respond to risky situations;
 - Regulation of processes to isolate impact of risky events;
 - Coordination, provision and evaluation of timely response to emergencies.

The implementation of the risk management Policy is based on the following basic principles:

- System approach. Management of all types of risks is carried out on all the key areas of activity and at all levels of governance of the issuer.
- Responsibility for risk management. Each employee of the issuer as one of his objectives considers risk management within his competence, knowledge and information available.
- Cross-functional interaction. The process of managing cross-functional (cross-process) risks (risks affecting targets of several functions (business processes)) based on the collective decisions taken jointly, based on information available with various departments (members and leaders of business processes).
- A single information channel. Information provision of the risk management system makes it possible to promptly and fully inform about risks of decision makers.
- Splitting decision-making levels. Decisions about minimizing risks taken on different levels, depending on the significance of risks. Boundaries to determine the level of decision-making are set based on risk appetite of the issuer.
- Binding to targets. Risk management is carried out based on the goals at the issuer's strategy

and goals of specific processes and functions.

- Movement of risks from the bottom up and top down. Flow of information about risks for decision-making is carried out from lower management levels to higher. Decisions to minimize risks and control over risk management extends from higher management levels to lower ones.
- Cost-effectiveness of risk management. Risk Management System provides cost-effective measures to manage risk. Reducing risk is done due to economic viability.
- Monitoring the effectiveness of risk management. Effectiveness of risk management through monitoring of key risk indicators (KRI) that are developed for each priority area of risk management.

The risk management policy creates the requirements for risk management process and system architecture of risk management and establishes the composition of accountability within the system operation.

2.5.1. Industrial risks

The most significant events (changes) in the branch of the electric power industry for the issuer are:

- transition to a new system of tariff regulation;
- adoption of the Federal Law “On energy saving and on raising of energy efficiency and on alteration of certain legislative acts of the Russian Federation” (dated 23.11.2009 No.261-FZ).

The Unified operating company IDGC of Centre, JSC (UOC) was formed during the reform of the power engineering industry. Transformation into UOC allowed the issuer to increase control level and to ensure efficiency and reliability of operation of electric grid complex of its responsibility zone.

Starting from 01.01.2011 the tariff rates regulation in all the divisions in the service area of the issuer is performed based on Return on Asset Base method (RAB). The start of the RAB regulation implementation was during the period of the complicated economic situation in the country. The global financial crisis of 2008 affected the state of the industry, causing the following negative consequences:

- overall reduction in electricity consumption in 2009, offset by only up to 2010;
- rise in the cost of borrowed funds.

In connection with the above mentioned consequences at present it is difficult to forecast in details the probability and correlation of risks connected with change of tariff regulation system.

In addition, as part of the crisis management measures of the Government of the Russian Federation in 2009 the following measures were identified, which are still being implemented up to this day:

- putting restraints on the growth of tariffs on product (services) of natural monopolies in comparison with the earlier planned schedule;
- implementation of the mechanisms of financing of investment programs of natural monopolies not so much at the expense of increase of tariffs, as at the expense of increase of inner efficiency of the companies themselves, decrease of expenses, restriction of increase of salary of workers and remunerations of management;
- establishment of reduced tariffs on technological connection to the electric networks for small businesses.

The abovementioned measures significantly increases the probability of underfunding of current investment program of the issuer, in this connection the issuer realizes the program on internal costs saving and optimization of financial flow.

Adoption of the Federal Law on energy efficiency supposes energy saving in Russian economy-wide average on 10% that can be compensated by means of diversification of the issuer's business, as in part of integration of territorial and municipal network assets, so as in part of composition of services provided.

According to the issuer's estimation, now deterioration of the situation in the industry may be connected with:

1. The operational (industrial) risks, connected with physical deterioration, infringement of terms of operation and drastic change of parameters of the equipment operation. Occurrence of these risks may lead to damage (failures) and destruction of constructions.

The unsatisfactory condition of the equipment due to its physical deterioration and obsolescence is a principal cause of occurrence of industrial risks, the main of which are:

- risk of down-grade performance of obligations under contracts on rendering services on delivery of electric energy;

- risk of failures with partial or full electric power not delivered with corresponding adverse social consequences.

Actions of the issuer on this risk management:

The probability of failure of electrical facilities is at average level therewith at the realization of risks the consequences for activities of the issuer may fluctuate from insignificant up to medium. For the purpose of minimizing of consequences of production risks, all the main industrial facilities of the issuer are insured. Besides, a complex of measures on maintenance of reliability of the equipment and constructions is carried out by the issuer, namely:

1. Fixed parameters of repair program and investment program regarding changes and reconstruction (up to 50% of total volume of investment program) are fulfilled in the volume necessary for ensuring of power supply continuity);
2. The structure and amount of volume of purchase of spare parts is constantly optimized;
3. The tender selection of the service and supplying organizations was implemented for the purpose of improvement of quality of these services and materials, the responsibility of counterparts and decrease in specific expenses;
4. For maintenance of the system reliability, the emergency control automatics were implemented and are modernized according to the modern requirements.
5. To decrease deterioration level, re-equipment of grid capacities is carried out on the basis of implementation of the innovative power equipment;
6. The automated asset management system is being implemented. Its aim is to optimize processes of operation, maintenance service and repairs of grid assets and also to put in order the investment activity of the issuer.

Risk management in the field of observance of requirements of industrial safety in the total structure of management of the issuer and its DGC industrial risks is provided by observance of the federal laws in the field of industrial safety and the system of industrial inspection over observance of the industrial safety requirements at the specified enterprises functioning on its basis.

2. The risks connected with state regulation of tariffs for services, rendered by the issuer

Activities on delivery of the electric power through distribution grids and also technological connection to electric networks are regulated by the State. Thus, adoption by the regulatory bodies of tariff rates for services of the issuer directly influences volumes of the received proceeds. Even at RAB implementation, the role of the respective authorities in the process of tariff formation is still preserved. Besides, currently the Government of the Russian Federation realizes the policy of containment of increase of tariffs on product (services) of natural monopolies – in particular, according to resolution of the Government of the Russian Federation # 1172 dated from 29.12.10 "On approval of the rules of the wholesale electricity market and power ...", in 2011, the growth of tariffs for electricity transmission should be limited to the level of 15% starting from 01.05.2011. In pursuance of this resolution, in the second and third quarters of 2011 all the divisions of the Company performed the revision of tariff-making. According to the outlook of the Ministry of Economic Development and Trade Political the restriction of growth of tariffs for electricity transmission in 2012 is projected at 6% to the approved rates of 2011.

In addition, in the first quarter of 2012 it is expected to make changes to the existing legislation in the field of pricing in the electric utilities industry, providing for changes in approaches to the establishment of tariffs by the return on invested capital (RAB) in the conditions of limiting the growth rate. In particular, starting from 01.07.2012 it is planned to perform correction/revision of the parameters of long-term tariff regulation by the RAB.

The given circumstances imply the following risks:

- reduction of volumes of proceeds in connection with changes of actual structure of delivery of the electric power by the voltage levels concerning that adopted at approval of tariffs;
- occurrence of additional charges connected with:
 - providing benefits for technological connection services of consumers below 15 kW;
 - repeating non-regulated prices for electricity purchase to compensate for transmission losses;
 - transition of consumers connected to electrical equipment leased by the Company relating to the UNPG to direct agreements with FGC UES;
 - existence of cross subsidizing. Presence of cross subsidizing does not allow establishing economically proven tariffs by voltage levels; in this connection initialization by consumers of judicial claims is possible;

- lack of funds to finance the issuer's own costs;
- reduction of investment programs;
- increase in credit load.

The following measures are applied to eliminate the given risks:

1. Work with Federal Service for tariffs and bodies of regulation of tariffs of the Russian Federation entities on economic substantiation of the expenses included in tariffs, also including the shortfall in income of the previous periods into the tariff rates, on amending the legislation of the Russian Federation in the sphere of pricing on services of natural monopolies for the purpose of the account of interests of the distributive network companies is held at establishment of tariffs for electric energy in the retail market;
2. On an ongoing basis, the work on the economic justification of costs included in rates, including for inclusion of "shortfall in income" of previous periods into rates;
3. Development and coordination of long-term programs of development of regions of the zones of activity of issuer's divisions with regional and local authorities with signing Agreements in which volumes of sources of financing of investment programs, in particular, are coordinated;
4. Regular work on reduction of the issuer's costs and investment program optimization is held.

3. Environmental risks

Ecological risks can rise from the sources of permanent and single action. Sources of the permanent action include hazardous emissions of stationary installations (in respect to the issuer – insignificant), as well as transport systems – movable sources. In the process of startup, warm-up, entrance and departure of motor vehicles there is emission of carbon, nitrogen, carbon hydride and soot. But according to the results of measuring maximum-single emission do not exceed accepted values in surface air at the sanitary protection zone limit. To prevent possible negative impacts on the environment the issuer performs control over toxicity of burnt transport gases. On this ground environmental risks connected with emissions of polluting agents in the atmosphere are minimal and, besides, with insignificant consequences for the issuer's activity in case of their implementation.

Environmental risks can be expressed in possibility of leakage of transformer oil at substations providing that there are no oil-receiving devices at surface water run-offs into a river or lake, it can cause pollution of water of fish economic importance with oil products. In the consequence of these infringements of nature protection law high fines can be imposed on the issuer in accordance with the Federal law. Probability of these risks is estimated as insignificant with insignificant consequences for the issuer's activity.

Environmental policy approved by the Board of Directors of the issuer serves as the instrument for reduction of environmental risks. The issuer bears serious expenses for environmental policy implementation: in 2011 – 23 730, 36 thousand Rubles were spent on its implementation.

Environmental policy of the issuer aims to increase the environmental security level for the account of ensuring of reliable and environmentally safety transport and power distribution, complex approach to use of natural power resources. Much attention is paid to work on handling with hazardous waste – observance of rules of storage, transportation, recycling – this considerably reduces influence of toxic agents on soil and in consequence on human health.

Reduction of environmental risks is contributed by multi-year program implemented by IDGC of Centre on change of oil circuit breakers to vacuum ones in distribution grids of 6-10 kV, including installation of reclosers, this reduces technological cycles of dielectric oils and excludes their penetration in the environment and necessity to bear expenses for recycling of used oils. Effectiveness of change of oil circuit breakers to vacuum ones consists in the following: noiselessness, clean, serviceability, grounded by low energy release in the arc and absence of oil slobbering and gas exhaust at short-circuit current; absence of pollution of the environment.

In the course of implementation of measures provided by perspective program of technical re-equipping and reconstruction the issuer changes elements and electric equipment sites to upgrading, which construction ensures high environmental safety of production.

4. Risks of receiving less income than one is due, connected with payment from retailers or decrease in their level of power consumption in comparison with the target level

The main issuer's buyers are the retail companies, which carry out delivery of electric energy to end users. Accordingly, the main risk connected with buyers is the probability of increase in the debt receivable in connection with infringement by payment discipline of end users of electric energy and occurrence of necessity of attraction of additional credit resources. During certain periods, there is

risk of insufficiency of money resources on the issuer's accounts in connection with presence of time cash breaks between reception of money resources from the marketing company and necessity of financing of current operations. The foregoing risk probability decreased a little bit in the first half of 2010, but, nevertheless, it still draws attention at present. For minimization of the probability of the given risk and its consequences, the financial management of the issuer develops the well-thought credit policy, on management of debt receivable directed to optimization of its amount and collection of debt. The issuer performs as well active claim-related work on debt collection, implements policy of conclusion of direct contracts with electric power consumers.

As the proceeds of the issuer are influenced by dynamics of power consumption of regions of IDGC of Centre's divisions' activity zone, there is a risk of receiving less income than one is due in connection with decrease in electric power consumption by separate large consumers in relation to the target level. At present this risk probability is estimated as low, with consequences for the issuer's activity from medium to heavy.

To reduce this risk probability and minimize its consequences the issuer implements a complex of measures on expansion of sales markets and diversification of package of services rendered to electric power consumers.

5. Risks connected with construction by large consumers of alternative grid facilities

Construction by large consumers of alternative power grid facilities can lead in the future to reduction of the volume of services rendered by the issuer on delivery of electric energy. This risk probability is estimated as insignificant with unessential consequences for the issuer's activity.

For leveling this risk, the issuer carries out active work with consumers directed to formation of mutually advantageous relations.

Additional actions of the issuer for reduction of the designated risks:

- increase of operational efficiency by realization of programs on decrease in industrial costs and saving;
- carrying out of works on increase in the share of long-term contracts at rendering services on delivery of electric energy in the total amount of the concluded contracts;
- carrying out by the issuer of the well thought-out financial policy.

6. Risk of uncertainty of limiting volumes of rendering services on transmission of electric energy.

The risk of uncertainty of the limiting volumes of rendering services consists in:

- absence in some RF entities and municipal formations of actual economic development plans with indication of the behavior of growth of power consumption for a certain period;

- probability of reduction of electric power consumption over the Russian economy in whole in connection with the adoption of the Federal Law "On energy saving and on raising of energy efficiency and on alteration of certain legislative acts of the Russian Federation" (dated 23.11.2009 No.261-FZ);

- reduction of electric power consumption due to start of economic recession.

The specified circumstances make it impossible to perform exact forecasting of volumes of investments into the sector capable to satisfy an increasing demand for electric energy in medium-term and long-term prospect. Also these circumstances can result in fall of profitable component of the issuer's budget within the long-term perspective. Basically, the given risk influences performance of obligations on rendering services on delivery of the electric power. This risk probability is estimated as medium with medium consequences for the issuer's activity. Minimization of the given risk is carried out by means of the following actions:

- work with the state bodies of the Russian Federation entities and institutions of local government on formation of plans of economic development of the region in the medium-term and long-term prospect;
- justification of tariffs for delivery of electric energy in the authorized state bodies in view of the investment component aimed at increase of the capacity of the electric grid facilities;
- implementation of diversification of the issuer's services portfolio with it further transformation into power service company rendering among all services related to increase of energy efficiency.

7. Risks connected with shortage of qualified specialists in the industry

At present inflow of qualified personnel in the industry is reducing. Keeping the current reduction rates the issuer can confront with shortage of qualified personnel in the region of the issuer's presence. This risk is estimated as average within the long-term period with consequences for the issuer's activity varying from insignificant up to medium. For the purposes of minimization of this risk probability the issuer performs the following measures:

- support of industrial secondary special and higher industrial institutions in the region of the issuer's presence including creation of financial support of implementation of the program on training of specialists in the field of electric power with subsequent guaranteed employment of trained specialists;

- implementation of a series of programs intended to increase of motivation and reduction of volumes of staff turnover including implementation of a series of non-material motivation methods, constructive interaction with trade unions (conclusion of collective agreements).

8. The risks connected with possible change of prices for component parts and services used by the issuer in the activity (separately in the internal and external markets), and their influence on activity of the issuer and execution of obligations under securities.

In the process of the issuer's activity, the issuer can run the risks connected with increase of the prices for component parts, equipment and other material resources. The given risks are caused basically, by the inflationary processes and can be minimized by the following actions:

- increase of operational efficiency on the basis of realization of programs on decrease in industrial costs (creation of the competitive environment in the sphere of works and products purchases, optimization of expenses for repairs and operational needs and capital construction, etc.);
- centralization of purchasing activity (scale effect with purchases);
- increase in share of purchasing of equipment and parts of Russian production (reduction of dependence on foreign currency fluctuations).

In opinion of the issuer, influence of the given risks on activity of the issuer (under condition of their minimization on the part of the issuer) under conditions of the economic crisis at the current rate of inflation processes is medium at medium probability of risks.

9. The risks connected with possible change of the prices for services of the issuer (separately in the internal and external markets), and their influence on activity of the issuer and execution of obligations under securities

The issuer does not carry out and does not plan to carry out activity in the external market and the issuer purchases a small deal of parts and equipment abroad. Therefore, risks connected with possible aggravation of the situation in the issuer's industry in the external market; risks connected with possible change of prices for component parts and services used by the issuer in its activity in the external market as well as risks connected with change of prices in external markets cannot influence the issuer's activity.

Risks of failure of the issuer to fulfill obligations before holders of equity securities is minimal. There are no issuer's obligations relating to payment of dividends to holders of preference shares and payment interests and redemption of bonds.

2. Country and regional risks

Country risks

Currently the sovereign rating of the Russian Federation remains at the level «BBB+» (in sovereign currency, Standard & Poor's), «BBB» (Fitch) and «Baa1» (Moody's). Along with this the outlook level varies from "stable" to "positive".

Financial problems or aggravated perception of risks of investment in the countries with a developing economy lowered the volume of foreign investments into Russia and rendered negative influence on the Russian economy. Besides, as Russia makes and exports great volumes of natural gas and oil, the Russian economy is especially vulnerable to changes of the world prices for natural gas and oil, and falling of the price for natural gas and oil can slow down or shake development of the Russian economy. Besides, dynamics of growth of prices for consumer products in the country remains to be the problem. All these events can limit access of the issuer to the capital and render adverse influence on purchasing capacity of consumers of the issuer's products. Also at present the Government of the Russian Federation commenced to implement policy of containment of growth of tariffs for products and services of natural monopolies, this can result in shortage of financing of the issuer's investment program.

Probability of these risks is estimated as medium with consequences for the issuer's activity varying from average to severe.

Within the framework of minimization of the foregoing risks the issuer performs work on reduction of internal costs and optimization of the investment program as well as implements factored policy in the field of taking out borrowed funds.

The main political risks of the issuer's activity (in terms of the country risks) are: probability of change of the current policy of the Government of the country, which can impact the industry on the whole. In case of above said events, the following consequences of the issuer's activity are forecasted: establishing a level of tariff lower than the economically grounded level, nationalization of the issuer's assets, radical change of the current model of management of distribution grids with possible

decentralization / recentralization of IDGC.

At present probability of these risks is estimated as low with consequences for the issuer's activity from average to severe.

Political risks are beyond the control of the issuer because of their scale, but within the framework of their minimization the issuer leads active work with superior and regulating organizations in common interests of the industry development.

Regional

risks

The issuer performs its activity on the territory of the Central Federal District of the Russian Federation being an economically developed region of the country, the center of financial and political activity.

According to the Investment Rating of Regions of Russia 2010-2011 (prepared by the "Expert RA" Rating Agency), the majority of regions (8 out of 11), with which the issuer's activity is connected, are referred to the territories with moderate investment risks and various investment potential, two of the regions (Belgorod and Lipetsk regions) – to the regions with minimal investment risks, and one (Kostroma region) – to the regions with high investment risks. Positive dynamics is seen as following the results of 2009-2010 two regions belonged to the territories with minimal risk (Lipetsk and Voronezh regions); and no regions belonged to the regions with high investment risks in the service area of the issuer.

Regional risks in the activity of the issuer are as follows:

- disagreement of the authorized state tariff establishment bodies of the part of economically proved charges declared by the issuer for inclusion in the corresponding tariff;
- reduction of electric power consumption by large industrial enterprises of the regions.

The given circumstances can have essential influence on realization of the large scale investment program of the issuer, and their probability remains high. In order to decrease influence of regional risks on realization of the investment program, the issuer on a constant basis cooperates with the state bodies and other stakeholders (stakeholder relations) for the purpose of the control over and management of the choice of stakeholders concerning their actions in connection with investment projects of the issuer. The issuer performs as well measures on optimization of the investment program financing for the account of reduction of internal costs.

The main political risk of the issuer's activity at the regional level is possible change of the government of regions with subsequent change of the existing model of relations with the issuer. The principle consequences for the issuer's activity under these risks are: establishing a level of regional tariff lower than the economically grounded level, absence of support on the part of regional authorities for integration of municipal electric grid assets by the issuer.

At present probability of these risks is estimated as minimal with the consequences for the issuer's activity from insignificant up to medium.

Within the framework of minimizing of these risks the issuer conducts constant work on compliance of the long-term programs of development of regions, zones of activity of the issuer's divisions with regional and local authorities as well as interacts actively with superior organizations on the items of activity in the regions.

Other negative changes of situation in the regions of the issuer's activity, which can influence negatively on its activity and economic condition, are not forecasted in the nearest future.

The risks, connected with possible military conflicts, introduction of state of emergency and strikes in the country and regions in which the issuer is registered as the tax bearer and/or carries out its primary activity.

The probability of military conflicts and introductions of state of emergency in the country and in regions of presence of the issuer is insignificant. In case of occurrence of possible military conflicts, the issuer bears risks of its fixed assets destruction.

The risks, connected with geographical features of the country and region, in which the issuer is registered as the tax bearer and/or carries out primary activity, including the raised danger of acts of nature, the possible interruption of transport communication due to remoteness and/or inaccessibility, etc.

Geographic features of the region, in which the issuer performs its activity, suppose risk of natural disasters within the autumn and winter period (AWP). These risks are valued by the issuer as high. The issuer implements complex of measures on preparing of the grid complex for autumn and winter period,

each division of the issuer is certified for readiness to AWP. Constantly activities on reduction of time period, which is necessary for timely elimination of consequences of natural disasters during autumn and winter periods, are carried out.

The management of the issuer on a mandatory basis submits to the Board of Directors reports on the preparation for the autumn-winter period, as well as reports on the outcome of the completion of AWP.

2.5.3. Financial risks

In case of occurrence of one or several risks listed below, IDGC of Centre will undertake all possible measures on minimization of negative consequences. To neutralize a part of risks possible measures on the issuer's actions, following this or that risk described below, are developed. However, it is necessary to remark that preliminary development of appropriate measures, which correspond to the events, is handicapped by uncertainty of the situation development, and parameters of conducted measures will to the great extent depend on particularities of the situation in each certain case. The issuer cannot guarantee that actions directed to overcoming of arisen negative changes will be able to remedy the situation because described factors are beyond the control of the Company.

Risks, connected with exchange rates change

The issuer sells services carrying out settlements in rubles (currency of the Russian Federation) in the internal market of the Russian Federation, in this connection it is not subject to risks of exchange rate change. In this case it is necessary to underline that the issuer can purchase products from foreign suppliers, value of services of which depends on currency fluctuation, when performing investment activity. In this connection it can be said that exchange risk is minimal for the issuer.

Risks, connected with interest rate change

Taking into the stabilization of the situation at financial markets the risk of interest rate change is estimated by the issuer as medium.

For the purposes of leveling of credit interest rate growth risk the issuer performs work on interaction with credit organizations, which deal with the budgetary funds (state, constituent entities of the Federation, municipal) as well as with international financial organizations.

In this case the issuer, being a natural monopoly entity, performs selection of financial organizations for rendering of services by means of open one-stage tender or open auction in accordance with the procedures established by the law of the Russian Federation (the Federal Law No. 135-FZ dated 26.07.2006 "On competition protection", the Federal Law No. 94-FZ dated 21.07.2005 "On placement of orders for goods supplies, work performance, service rendering for state and municipal needs"). In compliance with part 4.1 of Article 9 of the Law on placement of orders, price of the state order or municipal contract is fixed and cannot change in the course of its fulfillment. Thus, the risk of interest rate change on valid credit contracts decreases.

Tax risk

It has a series of attributes: probability of new types of taxes and duties for performance of individual aspects of business activity, possibility of increase of rate level of the existing taxes and duties, change of terms and conditions of effecting of separate tax payments; probability of cancellation of the tax privileges existing in the field of business activity of the enterprise. This risk affects essentially on the results of its financial activity.

Currently, taking into consideration the measures of the Government of the Russian Federation conducted for stimulation of the national economy under the crisis conditions, this risk is estimated as minimal.

Risks, connected with inflation influence

Change of consumer prices index has certain influence on the profitability level of the issuer and as the consequence on financial situation and possibility of fulfillment of obligations, however, this influence is not the direct dependence factor.

Notwithstanding that the issuer saved activity profitability even at considerable increase if consumer prices level, there are no firm guarantees that possible increase or decrease of consumer prices will result in fall of profitability level of the issuer in the future. It is impossible to forecast critical inflation level of the issuer, because except consumer prices level it is necessary to take into account change of actual ruble purchasing power, conjuncture in the regional sales markets and the further policy of the state in relation to tariffs for electric power delivery.

Influence of financial risks on financial statements indicators

Change of prices on electric power delivery will firstly impact on the volume of sales income of the issuer and essentially influence on the net profit of the issuer.

Inflation processes resulting in appreciation of materials and raw materials used in production can essentially influence on balance currency increase taking into consideration growth of accounts receivable and devaluation of accounts payable.

Also inflation processes in the economy of the Russian Federation can essentially influence on the net profit of the issuer in connection with that opportunities of the issuer relating to increase of prices on electric power delivery are limited by the annual state regulation, that is they cannot be changed by the issuer depending on inflation rate changes, and at the same time the issuer's expenses expressed primarily in rubles are changes in accordance with inflation rates.

The issuer implements a series of measures intended to decrease of consequences of influence of inflation processes on the activity:

- increase of operating efficiency by means of reduction of production costs;
- performance of works on increase of stake of long-term service contracts for electric power delivery in the total volume of concluded contracts;
- implementation of a better financial policy.

Political and economic risks

In accordance with the changes of political and economic environment and for the purposes of improvement of bank, judicial, tax, administrative and legislative systems the Government of the Russian Federation performs a series of consequent reforms intended to stabilization of the contemporary Russian economy and its integration to the world system. During the process of reforming of business and legislative infrastructure the risks, such as low liquidity level in the long-term crediting and investment markets as well as inflation level exceeding inflation of the developed countries.

Risks connected with globalization process

Globalization of economic activity is one of principle development trends of the present-day world. Globalization consequences are reflected on economic development practically of all countries of the world, including Russia, which is at the stage of active integration to the world economy.

Globalization factors, which include formation of the unified energy space, enhancement of the international cooperation, establishment of consortiums for implementation of large investment projects, result in increase of competitiveness, enhancement of competitive positions of certain companies and growth of dependence of partners in the consequence of necessity to implement joint projects.

However, in whole, at present time the probability of risks connected with globalization is insignificant for the issuer.

Risks connected with development of crisis signs in the world economy

The world economy is in the state of recovery after the global economic crisis that incurred reduction of consumption, investments as a result recession of industrial production. Financial and economic situation in the world reflected to the great extent at the economy of the Russian Federation.

Under the conditions of continuing instability of the world economy there are no guarantees that measures undertaken by the leading economies of the world will allow to compensate probable negative development of the events (in particular, the possibility of crisis associated with an increase of the government debt in U.S. and EU peripheral countries). Thus, there is a threat of the further aggravation of the situation, including bankruptcy of significant entities of economic relations, growth of unemployment and social tension, either in developed so in developing countries.

Up to now there is still probability of the issuer's financial risks. Retention or aggravation of unfavorable conditions in the world financial markets can influence negatively on capability of the issuer to attract new loans and refinance the current part of the debt under former conditions. General decrease of liquidity level typical for the current market situation can affect solvency of counterparts and their capacity to ensure timely redemption of debts before the issuer. Uncertainty of development of the situation the capital markets can require to review forecasts of the issuer in relation to future money flows and reserves for devaluation of financial and non-financial assets.

Under the current conditions the issuer undertakes necessary measures on ensuring stable activity development, including but not limited:

- reduction of volumes and forming the investment program with maximum positive combined effectiveness and complying with the requirements related to reliability and quality;
- working out of the item relating to possibility of being included into the list of system forming

enterprises;

- conclusion of agreements with credit institutions relating to saving of risk limits for the issuer, this implies their obligations on debt refinancing.

The issuer developed its strategic model of activity planning, which takes into account different scenarios of development of raw material and finance markets, and in the opinion of the management of the issuer, will allow adequately react to possible aggravation of the situation. At the same time taking into account the high uncertainty of scenarios of further developments in the global economy, there is no absolute guarantee that the implementation of this strategy will achieve the desired results.

2.5.4. Legal risks

Legal risks, in particular, connected with ambiguous treatment of norms of the legislation can lead to incorrect calculation and payment of taxes. For their decrease the works is constantly performed on legitimate improvement of methods of calculation of tax base under various taxes and the control over their conformity with the current legislation.

Besides, there are risks of the losses connected with change of the laws, and also incorrect legal official registration of papers and support of activity of the issuer. For minimization of such risks, practically all operations of the issuer pass obligatory preliminary legal examination.

The issuer (as well as for all joint-stock companies which carry out the activity on the territory of the Russian Federation) runs the risk of change of the laws (federal laws and by-law statutory acts) regulating joint-stock and corporate mutual relations.

The issuer is subject to risks of the appeal by shareholders of large transactions and interested-party transactions (at fulfillment of such transactions without appropriate preliminary approval by the Board of Directors or the General Shareholders Meeting, and also approved with infringement of the established order).

For minimization of the given risks at realization of contractual work, the issuer without fail carries out the preliminary legal analysis of concluded transactions for presence of the bases of carrying out of the preliminary corporate procedures stipulated by the current legislation and/or the Articles of Association. In case of need the corresponding transactions are submitted for consideration by the competent governance bodies of the issuer.

For minimization of the risks connected with mutual relations with shareholders (in particular: the risk of "corporate blackmailing" by shareholders; risk of realization by unfriendly shareholders of the actions directed to failure of general meetings of shareholders of the issuer in the future), keeping the register of shareholders of the issuer is performed by the professional registrar – Reestr RN LLC. The issuer carries out a complex of the measures directed to information interaction with shareholders and full observance of legitimate rights and interests of the latter (disclosing of the information in accordance with the procedure stipulated by normative legal acts, and carrying out of regular meetings of management of the companies with the shareholders, the main purpose of which is clarification of pressing issues of the current activity, and also prospects of reforming of power sector; observance of corporate procedures and internal documents).

Considering that the issuer does not carry out and does not plan to carry out the activity outside the Russian Federation, there are no legal risks connected with activity of the issuer on the foreign markets.

The risks, connected with change of the foreign currency legislation

The risks connected with change of the foreign currency legislation actually cannot affect the issuer's activity as the issuer does not plan to carry out the activity outside the Russian Federation, and volume of foreign currency transactions is insignificant and is not able essentially to influence the issuer's activity.

The risks, connected with change of the tax laws

Now tax legal relationship in the Russian Federation is regulated by the Tax Code of the Russian Federation, a number of the federal laws accepted according to the Tax Code of the Russian Federation, laws of entities of the Russian Federation, and also normative legal acts of institutions of local government. The system of lawfully established taxes and tax collections includes, in particular, the value added tax, the profit tax, the property tax, the uniform social tax and other obligatory payments. The corresponding statutory acts quite often contain indistinct formulations, or operate with the terms which do not having specific legal definition. Also official explanations of the Tax Code of Ministry of Finance of the Russian Federation and Federal Tax Service of the Russian Federation are not always

available in the necessary volume.

It is also taken into account the formation of rules and mechanisms of preparation and granting of the tax reporting together with other elements of the system of regulation of tax legal relations are in the competence, first of all, of the tax bodies having the right to make additional tax charges and tax collections charges, to charge the sums of fines, to impose significant penalties resulting in significant increase of tax risks. The issuer in full observes the tax laws concerning its activity. In connection with the foregoing, the risk is assessed as insignificant.

In case of amending the operating order and conditions of the taxation, the issuer is going to plan the financial and economic activity in view of these changes.

The risks, connected with change of rules of the customs control and duties

Change of rules of the customs control and duties does not bear any risks since the issuer does not carry out and does not plan to carry out export of services outside the boundaries of the Russian Federation.

The risks, connected with change of requirements to licensing of primary activity of the issuer or licensing of rights to use objects, which availability in its turn is limited (including natural resources)

Possible change of requirements on licensing the primary activity of the issuer can lead to increase in the term of preparation of the documents necessary for obtaining or prolongation of validity of the license, and also necessity of conformity of the issuer with the requirements set forth. However, the given risk is to be considered as insignificant, except for those cases when for obtaining or extension of the license or for realization of the activity which is subject to licensing will be stipulated requirements which cannot be met by the issuer, or conformity which will be connected with excessive expenses.

In case of change of requirements on licensing activity, the issuer will take necessary measures for obtaining corresponding licenses and permits.

The risks, connected with change of judiciary practice on the issues connected with the issuer's activity (including concerning licensing) which can negatively affect results of its activity, and also results of the current litigations in which the issuer participates

The possibility of change of the judiciary practice connected with the issuer's activity (including concerning licensing) is considered as insignificant and will not have essential influence on its activity.

In case of amending the judiciary practice concerning the issues connected with activity of the issuer, the latter is going to plan its financial and economic activity in view of these changes.

2.5.5. The risks connected with the issuer's activity

The risks, connected with the current litigations in which the issuer participates.

In the 4th quarter 2011 a major dispute arose as a result of a civil process against the issuer claimed by OJSC "NLMK". This event is relevant to the industry risks associated with state regulation of tariffs for the transmission of electric energy (section 2.5.1, paragraph 2, the use of cross-subsidization of tariffs in the region). In connection with the above event, the likelihood of significant damage to the issuer to participate in ongoing trials is currently being evaluated as average.

The risks connected with absence of an opportunity to prolong terms of the license of the issuer on conducting a certain kind of activity or on use of objects, the availability of which in its turn is limited (including natural resources).

After completion of reorganization of the issuer in the form of its RDGC consolidation with the issuer, included in the issuer's configuration, and obtaining of the status of the operational company the issuer performed procedures on acquisition of a series of licenses, which belonged to RDGC previously. The risks connected with non-receipt of the licenses necessary for operational activity of the issuer are estimated as insignificant by the issuer.

The risk, connected with the possible responsibility of the issuer under debts of the third parties, including subsidiaries of the issuer, is estimated as insignificant by the issuer in connection of absence of the issuer's corresponding obligations before the third persons.

The risk, connected with an opportunity of loss of consumers, the turnover with which is at least 10 percent of the total receipt of products (works, services), is estimated as insignificant by the issuer in connection of absence of such consumers.

The risks, connected with the possible juridical procedures as a result of non-fulfillment of obligations by the third persons before the issuer on the primary type of activity (technological connection and electric power delivery).

The risks, connected with the possible juridical procedures as a result of non-fulfillment of obligations by the third persons before the issuer on the primary type of activity (technological connection and electric power delivery) are possible in connection with the economic situation existing at present. In this case the issuer makes necessary efforts (performs pre-trial settlement of disputes, conducts necessary negotiations) on minimization of these risks and property damage for the issuer. In the issuer's opinion these risks are insignificant at present.

There are no other risks connected with activity of the issuer peculiar exclusively for the issuer and which the issuer considers necessary to be incorporated in this report.

III. Detailed information on the issuer

3.1. Creation and development history of the issuer

3.1.1. Data on company name of the issuer

Full company name of the issuer: *Joint-Stock Company "Interregional Distribution Grid Company of Centre"*

Abbreviated company name of the issuer: *IDGC of Centre, JSC*

Full or abbreviated name of the issuer (name for non-commercial organization) is similar to names of other legal entity

Name of such legal entities:
Interregional Distribution Grid Company of Centre and Volga Region, Joint-Stock Company (IDGC of Centre and Volga Region, JSC);

Interregional Distribution Grid Company of the Urals, Joint-Stock Company (IDGC of the Urals, JSC);

Interregional Distribution Grid Company of Volga, Joint-Stock Company (IDGC of Volga, JSC);

Interregional Distribution Grid Company of the South, Joint-Stock Company (IDGC of the South, JSC); Interregional Distribution Grid Company of the North Caucasus, Joint-Stock Company (IDGC of the North Caucasus, JSC);

Interregional Distribution Grid Company of Siberia, Joint-Stock Company (IDGC of Siberia, JSC);

Interregional Distribution Grid Company of the North-West, Joint-Stock Company (IDGC of North-West, JSC).

Explanations necessary for avoidance of confusion of stated names:
In order to avoid mixture of the specified names, it is necessary to pay special attention of a component of full and abbreviated names of the given organizations specifying regions of their location - Centre, Centre and Volga Region, Urals, Volga, South, North Caucasus, Siberia, North-West.

The issuer's business name (name for non-commercial organisation) was registered as the trademark or service mark

Information on registration of the indicated trademarks:
On February 11, 2010 the trademark of IDGC of Centre, JSC in Russian was registered (registration certificate No. 400905), on February 18, 2010 – in English (registration certificate No. 401660).

All previous names of the issuer within the time period of its existence

Full company name: *Joint-Stock Company "Interregional Distribution Grid Company of Centre and North Caucasus"*

Abbreviated company name: *IDGC of Centre and North Caucasus, JSC*

Date of name introduction: *17.12.2004.*

Grounds for name introduction:
Order of the Russian joint-stock company of power and electrification UES of Russia No.154-r dated

09.12.2004 (the sole founder) relating to establishment of Joint-Stock Company «Interregional distribution company of Centre and North Caucasus»; The Company is incorporated by Interdistrict inspection of Ministry of Taxation of the Russian Federation No.1 in Tver region – Certificate of State Registration of Legal Entity Series 69 No.000939402 dated 17.12.2004.

Date of introduction of the changed (and existing currently) issuer's name: 06.08.2007. Grounds for name introduction: The decision of the General Shareholders Meeting of the Issuer, the functions of which are carried out by the Board of RAO UES of Russia, at the meeting of 18.07.2007 (Minutes No.1703pr/1 of 18.07.2007). The revised Articles of Association of the issuer (in view of change of the name of the issuer) was registered by the Interdistrict IFTS of Russia No. 46 in the city of Moscow - certificate on making an entry in the uniform state register of legal entities of series 77 No. 008165394 of 06.08.2007.

3.1.2. Data on the state registration of the issuer

Primary state registration number of the legal entity: **1046900099498**

Date of state registration: **17.12.2004**

The name of registering body: *Interdistrict inspection of the Ministry of the Russian Federation for taxes and tax collections No. 1 in the Tver region.*

3.1.3. Data on creation and development of the issuer

Term of existence of the issuer from the date of its state registration, as well as the term, till which the issuer will exist, if it has been established for an indefinite term or till objective achievement:

Term of existence of the issuer - 6 years and 9 months (since 17.12.2004). The issuer was created for an indefinite term.

Brief description of history of the issuer's establishment and development. Targets of the issuer's establishment, the issuer's mission (if any) and another information on the issuer's activity significant for decision to acquire the issuer's securities:

Interregional Distribution Grid Company of Centre, Joint-Stock Company was founded with a view of efficient control over the distribution grid complex of Centre on the basis of Order No. 154r of Russian Joint-Stock Company of Power And Electrification UES of Russia as of 09.12.2004.

The issuer was registered by the IIMTS of the Russian Federation No. 1 in the Tver region on 17 December 2004. Creation of the issuer was an integral part of the Strategy Concept of RAO UES of Russia "5+5" (approved by the Decision of the Board of Directors of RAO UES of Russia, Minutes No. 168 of 23.04.2004) which provides interregional integration of the newly created enterprises after division of the power companies by kinds of business.

The decision of the Board of RAO UES of Russia of 13.04.2005 (Minutes No.1192pr) approved configuration of the interregional distribution grid companies - IDGC (hereinafter referred to as IDGC). It was originally planned that the structure of IDGC of Centre, JSC should include 31 regional grid companies (hereinafter referred to as DGC) of the Central Region of Russia and Northern Caucasus, the target model of the issuer is a holding.

Within the transition restructuring period - from the moment of creation of the interregional grid company and up to the moment of consolidation of the subordinated DGC with them, the functions of the first consist in rendering consulting services to the subordinated DGC and performance of functions of the sole executive body of the subordinated DGC (management by subordinated DGC).

By the decision of the Board of RAO UES of Russia 1637pr/3 of 23.03.2007, it was recommended to the Board of Directors of RAO UES of Russia to increase amount of IDGC up to 11 (without taking into account IDGC of the Far East) and to determine the target model of IDGC as an operational company. By the same decision of the Board of RAO UES of Russia, a new configuration of IDGC of Centre, JSC was defined made up of 11 DGC: JSC Belgorodenergo, JSC Bryanskenergo, JSC Voronezhenergo, JSC Kostromaenergo, JSC Kurskenergo, JSC Lipetskenergo, JSC Orelenergo, JSC Tambovenergo, JSC Smolenskenergo, JSC Tverenergo, and JSC Yarenergo, and the decision on reorganization of the specified companies - DGC included in the configuration of the issuer in the form of consolidation with the issuer was also made.

By the decision of the Board of Directors of RAO UES of Russia No. 250 of 27 April 2007, the specified new configuration of IDGC (including configuration of IDGC of Centre, JSC) was

approved. The basis of configuration of IDGC of Centre, JSC is the principle of territorial interlinking and comparability of the value of assets of DGC forming a part of interregional distribution grid companies.

Goal of consolidation:

- 1) Concentration of competences for taking necessary strategic decisions, an opportunity of fast and effective decision-making;
- 2) Consolidation of investment resources and opportunity of their redistribution;
- 3) Efficient control over financial flows, high financial maneuverability, cost-efficiency of the resources involved by IDGC;
- 4) Opportunity of using scale and sinergetic effects at formation of the management system;
- 5) Effective distribution of functions and business processes in IDGC and its branches;
- 6) Realization of the mission and goals of IDGC activity.

By Order No. 1857-r of the Government of the Russian Federation of 18.12.2007, Minpromenergo (Ministry of Industry and Power) of Russia and Russian Joint-Stock Company Of Power And Electrification "Unified Energy System of Russia" adopted a proposal which was coordinated with the interested federal enforcement authorities, about formation of the interregional distribution grid companies in the forms stipulated by the laws of the Russian Federation till 31 December 2008 on the basis of the shares of joint-stock companies of power and electrification belonging to the Russian Joint-Stock Company And Electrification "Unified Energy System of Russia" for the purpose of maintenance of the control by the Russian Federation over activity of the territorial grid organizations.

The Extraordinary General Shareholders Meeting of the issuer, the functions of which are exercised by the Board of RAO UES of Russia which took place on 25.12.2007 (Minutes as of 25.12.2007 No.1795pr/3), adopted the decision on reorganization of IDGC of Centre, JSC in the form of consolidation of JSC Belgorodenergo, JSC Bryanskenergo, JSC Voronezhenergo, JSC Kostromaenergo, JSC Kurskenenergo, JSC Lipetskenenergo, JSC Orelenergo, JSC Tambovenergo, JSC Smolenskenergo, JSC Tverenergo, and JSC Yarenergo with it and adoption of the Contract for Consolidation of JSC Belgorodenergo, JSC Bryanskenergo, JSC Voronezhenergo, JSC Kostromaenergo, JSC Kurskenenergo, JSC Lipetskenenergo, JSC Orelenergo, JSC Tambovenergo, JSC Smolenskenergo, JSC Tverenergo, and JSC Yarenergo with IDGC of Centre, JSC.

The same Extraordinary General Shareholders Meeting of IDGC of Centre, JSC adopted the decision to increase the authorized capital of the Company by placement of additional ordinary shares in amount of 42 118 200 000 (Forty-two billion one hundred eighteen million two hundred thousand) pieces of ordinary registered shares at the par value of 10 (ten) kopecks each for a total amount at the par value of 4 211 820 000 (Four billion two hundred eleven million eight hundred twenty thousand) Rubles placed by converting of shares of the consolidated companies into additional ordinary shares of IDGC of Centre, JSC in accordance with the procedure stipulated by the Contract for Consolidation.

On 20 March 2008 the Federal Financial Markets Service registered 21 (twenty one) additional issues of ordinary registered uncertificated shares of the issuer placed by converting of shares of consolidated DGC into them, and also the prospectus for securities of the issuer.

On 31.03.2008 - the date of making an entry in the Uniform state register of legal entities about the termination of activity of consolidated DGC - placement of ordinary registered uncertificated shares of IDGC of Centre took place by converting shares of the consolidated DGC shares into them.

As a result of placement of shares of IDGC of Centre of the additional issues which took place on 31.03.2008, additional shares for the total par value of 4 211 794 146,8 Rubles were placed. On 29 April 2008, the reports on results of additional share issues of IDGC of Centre were registered by FFMS of Russia. On 27 May 2008, changes were made in the Articles of Association of IDGC of Centre connected with increase in the authorized capital of IDGC of Centre as a result of additional issues of securities.

The amount of the registered authorized capital of IDGC of Centre, JSC as of the date of the end of the reporting quarter is 4 221 794 146,8 Rubles.

From the moment of the creation and up to 31.03.2008, the issuer was a 100 % affiliated company of RAO UES of Russia.

At the moment the Issuer is included in the group of companies chaired by Joint-Stock Company "Interregional Distribution Grid Companies Holding" (hereinafter referred to as IDGC

Holding, JSC). IDGC Holding, JSC is a majority shareholder of the Company (50,23% of the authorised capital of the Company).

On November 16, 2009 the International rating agency Standart&Poors assigned “BB-/B/ruAA-“ credit rating to IDGC of Centre, outlook “Stable” that means that risks connected with refinancing, collection of account receivable, large-scale investment program and overexpenditure of funds will be smoothed by such factors as the state support, favorable decisions of the regulating bodies, acceptable liquidity management and moderate financial leverage level. In 2010 the rating agency affirmed the credit rating at the given level.

As of the reporting date of IDGC of Center also has a credit rating assigned by "National Rating Agency" LLC, at “AA-“ - very high creditability, the third level.

On 25.01.2011 Consortium of the Russian Institute of Directors and “Expert RA” rating agency - «RID – Expert RA» raised the corporate governance rating up to NRCG 7+ “Developed Practice of Corporate Governance“ according to the scale of the National Corporate Governance Rating. This class of the rating valuation proves that the corporate governance practice of IDGC of Centre, JSC is evaluated positively. The Company has low corporate governance risks. The Company observes the requirements of the Russian Law in the field of the corporate governance, complies with the greater part of recommendations of the Russian Corporate Conduct Code and separate recommendations of the International advanced corporate governance practice. IDGC of Centre is the only company among the distribution grid companies, which has such a high level of corporate governance rating.

The shares of the Company are traded at the organized stock market –the shares of the Company were included in the quotation list “A” of the second level at CJSC “Stock Exchange MICEX”.

The issuer's shares are included in the base calculation of the power index MICEX PWR and MICEX SC Index, RTS-2 and RTS-Power Utilities.

IDGC of Centre covers about 84% of the electricity transmission market (in money terms) in its service area, and the market share of the Company's technological connection is 88% in recalculation in conditional units.

By January 1, 2011 the Company completed the transfer to the tariff making system (RAB) – all 11 divisions of the Company and its 100% subsidiary (OJSC "Yargorelecroset") operate in accordance with the new RAB system.

Goals of creation and reorganization of the issuer:

- Realization of the state policy in the field of electric power industry;*
- Creation of conditions for effective functioning of the distribution grid complex of the Central region of Russia;*
- Realization of effective operation and centralized technological management of grid facilities;*
- Realization of the uniform strategy in the field of investment and attraction of the capital for solution of common system tasks of development of the distribution grid complex;*
- Development and pursuing of scientific and technical policy and introduction of new progressive kinds of techniques and technologies;*
- Receipt of profit.*

Mission of the issuer:

“We are a many-thousand team of professionals united by an overall aim - to bring energy of light to each client. Using the advanced knowledge and experience in management by the grid complex, we care about quality of human life, family and company. Applying innovations, we render our services more qualitative and more accessible. We bear responsibility for reliable transfer of the electric power to each client and reception of stable incomes by our shareholders.

The main value for us is people, both working for the company, and those we work for”.

Other information on activity of the issuer which is important for decision-making on purchase of securities of the issuer: none.

3.1.4. Contact information

Location: *4/2 Glukharev Lane, Moscow, Russian Federation 129090*

Location of the permanent executive body

2nd Yamskaya Street, 4, Moscow, Russian Federation 127018

Address for correspondence

2nd Yamskaya Street, 4, Moscow, Russian Federation 127018

Telephone: *(495)747-92-92*

Fax: *(495)747-92-95*

E-mail: *posta@mrsk-1.ru*

The Internet website where the information on the issuer, securities issued and/or being in the process of issue are available: *www.mrsk-1.ru*

Name of the issuer's special subdivision for the work with shareholders and investors of the issuer: ***IR Division, Tatiana Nikolaevna Miroshnichenko, Head of Division***

Location of subdivision: *2nd Yamskaya Street, 4, Moscow, Russian Federation 127018*

Telephone: *(495)7479292, ext. 3181*

Fax: *(495)7479295*

E-mail: *Miroshnichenko_TN@mrsk-1.ru*

The Internet website: *www.mrsk-1.ru*

3.1.5. Taxpayer identification number

6901067107

3.1.6. Branches and representative offices of the issuer

In the reporting quarter there have been no changes in terms of branches and representative offices of the issuer.

3.2. Main economic activities of the issuer

3.2.1. Issuer's industry

Codes under the All-Russian Classifier of Economic Activities (OKVED)
40.10.2
74.15
74.14
40.10.3
40.10.5
33.20.9
63.12.21
64.20.11
80.22.22

3.2.2. Main economic activities of the issuer

It is not indicated in the 4th quarter

3.2.3. Materials, goods (raw material) and suppliers of the issuer

It is not indicated in the 4th quarter

3.2.4. Sales markets of products (works, services) of the issuer

Main markets, in which the issuer performs its activity: *IDGC of Centre, JSC performs its activity in 11 constituent entities of the Russian Federation located in the Central federal district of the Russian Federation. These constituent entities include Belgorod, Bryansk, Voronezh, Kostroma, Kursk, Lipetsk, Orel, Smolensk, Tambov, Tver and Yaroslavl regions.*

IDGC of Centre, JSC renders services for technological connection the following final applicants: individuals (private sector), legal entities (small, middle, big business), territorial cooperating grid organisations, budget organizations and generating companies.

As of the reporting period end date IDGC of Centre, JSC renders services on electric power transmission to 19 guaranteed supply companies, 61 retailers and 235 end customers, 6 of which are entities of the wholesale market of electric power and 229 are entities of the retail market of electric power. Within the total volume of income of IDGC of Centre, JSC for the 4th quarter 2011 share of mentioned consumers of services is as follows:

-	Guaranteed supply companies	-	76,02%;
-	Retailers	-	15,99%;
-	End customers	-	7,99%.

Factors, which can have negative influence on sale of products (works, services) by the issuer, and possible actions of the issuer on reduction of such influence:

Possible factors, which can have negative influence on the volume and quality of services rendered by the issuer on technological connection of power receiving installations (power plants):

- *reduction of demand for technological connection,*
- *high degree of dependence on financial stability (solvency) of applicants,*
- *adaptation to change in legislative base,*
- *increase of number of preferential categories of applicants,*
- *technological connection be means of re-distribution of the previously connected capacity,*
- *development of territorial grid organisations that render services for technological connection,*
- *increase of control over activity of a grid organisation in the terms of technological connection,*
- *regions do not have perspective development plans.*

To reduce these factors the issuer actively participates in the works on introduction of changes in the existing law, organizes work in the issuer's territory with Administrations of regions relating to working out of perspective development plans, interacts with regulating body in the terms of tariff formation, measures on conclusion of "direct" contracts for technological connection with a final applicant are taken.

Negative factors influencing the sale of services on electric power transmission are:

- *high degree of dependence on financial stability (solvency) of guaranteed supply companies;*
 - *technological connection of consumers from grids of territorial grid companies, located in cities of constituent entities of the Russian Federation.*
- To reduce influence of these factors IDGC of Center, JSC takes measures on conclusion of «direct» contracts for services on electric power transmission with «end» consumers maintained by guaranteed supply companies and power sales organizations under energy supply agreement as well as actions intended to redemption of grids of territorial grid companies.*

3.2.5. Data on the issuer's licenses

Body, which issued the license: *The center on licensing certification and protection of the state secret of FSS (Federal Security Service) of Russia*

Number: *3699*

Type (types) of activity: *performance of works with using the state secret data at the address: 129090, Moscow, Glukharev lane 4/2*

Date of issue: **16.12.2009**
Date of expiry: **16.12.2014**

Body, which issued the license: **Rossvyazkomnadzor**
(*Supervision committee for the Russian communications*)
Number: **61413**
Type (types) of activity: **Telephone communications services in dedicated communications network**
Date of issue: **05.06.2007**
Date of expiry: **05.06.2012**

Body, which issued the license: **Rosnedra**
(*Department for subsurface use over the Central Federal District*)
Number: **Series: BRN No. 00389, type: CU**
Type (types) of activity: **for the right to use subsurface resources (production of fresh ground waters at Klintsovskoe deposit site)**
Date of issue: **22.11.2002**
Date of expiry: **01.10.2012**

Body, which issued the license: **Rosnedra**
(*Department for subsurface use over the Central Federal District*)
Number: **TMB No. 56497 CU**
Type (types) of activity: **Production of fresh ground waters for water supply of enterprise and housing settlement at the South-East district of Zherdevka of Tambov region**
(*For Zherdevka electric grids*)
Date of issue: **15.10.2002**
Date of expiry: **01.06.2012**

Body, which issued the license: **Rosnedra**
(*Department for subsurface use over the Central Federal District*)
Number: **KRS 53969 CU**
Type (types) of activity: **Geological study of subsurface resources and production of technical ground waters by means of single water intake for technical purposes and fire fighting Production division**
Date of issue: **22.07.2008**
Date of expiry: **01.12.2012**

Body, which issued the license: **Rosnedra**
(*Department for subsurface use over the Central Federal District*)
Number: **VRZh 00118 CU**
Type (types) of activity: **Production of fresh ground waters**
Date of issue: **07.07.2008**
Date of expiry: **01.07.2018**

Body, which issued the license: **Rosnedra**
(*Department for subsurface use over the Central Federal District*)
Number: **VRZh 00117 CU**
Type (types) of activity: **Production of fresh ground waters**
Date of issue: **07.07.2008**
Date of expiry: **01.07.2018**

Body, which issued the license: **Rosnedra**
(*Department for subsurface use over the Central Federal District*)

Number: **VRZh 00178 CU**
Type (types) of activity: ***Production of fresh ground waters***
Date of issue: **25.12.2008**
Date of expiry: **01.12.2018**

Body, which issued the license: ***Federal Agency of Technical Regulation and Metrology***
Number: **005049-R**
Type (types) of activity: ***For performance of activity of measuring means repair***
Date of issue: **06.11.2008**
Date of expiry: **06.11.2013**

Body, which issued the license: ***Committee for public health of Kursk region***
Number: **LO-46-01-000130**
Type (types) of activity: ***For performance of medical activity***
Date of issue: **30.10.2008**
Date of expiry: **30.10.2013**

Body, which issued the license: ***Department of Health of Kursk region***
Number: **LO-32-01-000181**
Type (types) of activity: ***For performance of medical activity***
Date of issue: **07.05.2009**
Date of expiry: **07.05.2014**

Body, which issued the license: ***FSS (Federal Security Service) of the Russian Federation***
Number: **3699/465**
Type (types) of activity: ***for performance of works using information being the State secret (Belgorod)***
Date of issue: **27.05.2010**
Date of expiry: **16.12.2014**

Body, which issued the license: ***FSS (Federal Security Service) of the Russian Federation***
Number: **3699/334**
Type (types) of activity: ***for performance of works using information being the State secret (Orel)***
Date of issue: **25.01.2010**
Date of expiry: **16.12.2014**

Body, which issued the license: ***FSS (Federal Security Service) of the Russian Federation***
Number: **3699/622**
Type (types) of activity: ***for performance of works using information being the State secret (Smolensk)***
Date of issue: **12.01.2010**
Date of expiry: **16.12.2014**

Body, which issued the license: ***FSS (Federal Security Service) of the Russian Federation***
Number: **979**
Type (types) of activity: ***for performance of works using information being the State secret (Tver)***
Date of issue: **25.02.2010**
Date of expiry: **16.12.2014**

Body, which issued the license: *FSS (Federal Security Service) of the Russian Federation*
Number: **3699/447**

Type (types) of activity: *for performance of works using information being the State secret (Tambov)*

Date of issue: **22.01.2010**

Date of expiry: **16.12.2014**

Body, which issued the license: *FSS (Federal Security Service) of the Russian Federation*
Number: **448**

Type (types) of activity: *for conducting of measures and (or) rendering of services in the field of protection of the State secret (Tambov)*

Date of issue: **26.01.2010**

Date of expiry: **16.12.2014**

Body, which issued the license: *FSS (Federal Security Service) of the Russian Federation*
Number: **3699/603**

Type (types) of activity: *for performance of works using information being the State secret (Yaroslavl)*

Date of issue: **15.02.2010**

Date of expiry: **16.12.2014**

Body, which issued the license: *FSS (Federal Security Service) of the Russian Federation*
Number: **604**

Type (types) of activity: *for conducting of measures and (or) rendering of services in the field of protection of the State secret (Yaroslavl)*

Date of issue: **15.02.2010**

Date of expiry: **16.12.2014**

Body, which issued the license: *FSS (Federal Security Service) of the Russian Federation*
Number: **7**

Type (types) of activity: *for performance of works using information being the State secret (Kostroma)*

Date of issue: **02.07.2008**

Date of expiry: **02.07.2013**

Body, which issued the license: *FSS (Federal Security Service) of the Russian Federation*
Number: **3699/364**

Type (types) of activity: *for performance of works using information being the State secret (Kursk)*

Date of issue: **19.04.2010**

Date of expiry: **16.12.2014**

Body, which issued the license: *FSS (Federal Security Service) of the Russian Federation*
Number: **365**

Type (types) of activity: *for conducting of measures and (or) rendering of services in the field of protection of the State secret (Kursk)*

Date of issue: **19.04.2010**

Date of expiry: **16.12.2014**

Body, which issued the license: *FSS (Federal Security Service) of the Russian Federation*
Number: **42**

Type (types) of activity: *for performance of works using information being the State secret*

(Lipetsk)

Date of issue: **13.11.2008**

Date of expiry: **13.11.2012**

Body, which issued the license: **FSS (Federal Security Service) of the Russian Federation**

Number: **8**

Type (types) of activity: **for conducting of measures and (or) rendering of services in the field of protection of the State secret (Lipetsk)**

Date of issue: **27.03.2009**

Date of expiry: **13.11.2012**

License issuing body: **FSS (Federal Security Service) of the Russian Federation**

Number: **32**

Type (types) of activity: **measures and (or) rendering services in the field of State secret protection (Kostroma)**

Date of issue: **06.07.2009**

Date of expiry: **06.07.2014**

License issuing body: **FSS (Federal Security Service) of the Russian Federation**

Number: **957**

Type (types) of activity: **performance of works using data which is State secret (Voronezh)**

Date of issue: **22.06.2009**

Date of expiry: **10.10.2013**

License issuing body: **FSS (Federal Security Service) of the Russian Federation**

Number: **958**

Type (types) of activity: **measures and (or) rendering services in the field of State secret protection (Voronezh)**

Date of issue: **22.06.2009**

Date of expiry: **10.10.2013**

License issuing body: **FSS (Federal Security Service) of the Russian Federation**

Number: **3699/493**

Type (types) of activity: **performance of works using data which is State secret (Bryansk)**

Date of issue: **18.01.2010**

Date of expiry: **16.12.2014**

License issuing body: **FSS (Federal Security Service) of the Russian Federation**

Number: **623**

Type (types) of activity: **measures and (or) rendering services in the field of State secret protection (Smolensk)**

Date of issue: **12.01.2010**

Date of expiry: **16.12.2014**

License issuing body: **Moscow office of the Federal Service for Ecological, Technological and Nuclear Supervision**

Number: **VP-01-004745**

Type (types) of activity: **operation of explosive and fire hazardous industrial facilities**

Date of issue: **18.08.2011**

Date of expiry: **14.07.2016**

IDGC of Centre is going in the future to receive and prolong the special permit (license) necessary

for realization of industrial activity of the Company.

The issuer estimates risk of non-prolongation of available special permit (licenses) as minimal.

3.2.6. Joint activity of the issuer

The issuer is not involved in joint activity with other organizations

3.3. Plans of the issuer's future activity

A brief description of the issuer's plans for future activities of the issuer and future sources of income:

In accordance with the Unified power policy implemented by the Government of the Russian Federation and IDGC Holding, JSC at the regional level and the Articles of Association the objectives of the issuer's activity are:

- Realization of state policy in the field of electric power industry;
- Creation of conditions for effective functioning of the distribution grid complex of the Central part of Russia;
- Realization of effective operation and centralized technological management of power grid facilities;
- Realization of the uniform strategy in the field of investments and attraction of the capital for solution of common system tasks of development of the distribution grid complex;
- Development and realization of scientific and technical policy and implementation of new progressive kinds of equipment and technologies;
- Receipt of profit.

The issuer receives and plans to obtain in future the principle income from activity on transmission of electric energy and technological connection of consumers to electric networks. In future it is planned to diversify the issuer's business in the terms of structure of the rendered services – entry into the market of services in the field of power efficiency assurance. In this case the basis of the issuer's development strategy for 2011-2030 is made by power security priorities, efficiency and investment attractiveness.

The most complicated problem of implementation of these lines is to exclude interest conflict – efficiency against reliability.

Power grid complex efficiency is an indicator expressed in the form of relation between the functioning productive result and resource expenditure. This is the complex category determined by technical condition of assets, transmission capacity, rationality of resource use.

Power security (reliability) means condition of protection of the responsibility zone regions, their people, economy from threats to reliable power supply. These threats are determined both by external (geopolitical, macroeconomic, conjuncture) factors and the condition and operation of power sector of a region.

The key point in solution of this problem is to determine priority of efficiency increase goals of investments in new construction, upgrading and technical re-equipping of grid assets at absolute compliance with power supply reliability standards.

Along with the absolute reliability, financial and economic priorities as well as such factors as safety, satisfaction of consumers' demand, the Company image and goodwill, necessity to ensure its stable development, taking into account requirements of regulating bodies come to the fore.

In accordance with the priorities set by IDGC Holding, JSC, the issuer points out the following development directions:

- Increase of reliability and quality of rendered services, system security assurance;
- Activity efficiency increase;
- Innovation technology implementation within the “Program of Innovative Development for 2011-2016”;
- Power saving and power efficiency increase;
- Consolidation of power grid assets in the regions of the Company operation;
- Investment attractiveness increase;
- Efficiency increase of HR management system.

Within the framework of the pointed out development directions, in 2011-2012 the issuer is planning to

implement the following project initiatives:

- Taking 100% market stake in the regions of the Company operation;
- Entry into bond market;
- Implementation of costs management system in all regions of the Company operation;
- Implementation of strategic financial model of the issuer's activity;
- Automation of consolidated tables receipt for the purposes of IFRS;
- Implementation of the primary and supplementary service marketing system;
- Development and implementation of the issuer's power efficiency management system;
- Implementation of the concept "Smart grids";
- Implementation of production and non-core assets management system;
- Implementation of business-process controlling system on the basis of ARIS PPM;
- Development and implementation of innovative management system;
- Development and implementation of knowledge management system;
- Formation of social monitoring system;
- Fulfillment of a package of measures on work with veterans.

Apart of the abovementioned initiatives, currently the issuer implements the following package of the first-priority target programs:

- The program on replacement of oil circuit breakers of 6-10 kV by vacuum ones;
- The program on replacement of breaker-isolating – short circuiting switches of 35-110 kV by SF6 (vacuum) circuit breakers;
- The program on replacement of measuring transformers;
- The program on replacement of stick-stress cone insulators of 110 kV;
- The program on reactive power management;
- The program on technical re-equipping and reconstruction of relay protection and automatic equipment and emergency control automatics;
- The program on creation of Advanced Metering Infrastructure system;
- The program on telemetry, automation and upgrading of facilities of divisions.

The main plans of the issuer for the next 6 years of activity in the area of investments

Division of IDGC of Centre	The capacity planned to be put in operation, km/MVA													
	2011		2012		2013		2014		2015		2016		TOTAL:	
	MVA	km	MVA	km	MVA	km	MVA	km	MVA	km	MVA	km	MVA	km
Belgorodenergo	323	1 332	255	1 515	194	1 407	257	1 486	302	1 430	266	1 536	1 597	8 705
Bryanskenergo	78	44	47	97	27	105	67	88	90	132	137	152	448	618
Voronezhenergo	294	228	0	186	50	201	50	225	176	457	190	398	761	1 695
Kostromaenergo	54	171	12	117	9	128	9	110	15	172	9	137	106	835
Kurskenergo	85	332	47	190	76	220	31	197	100	206	16	225	356	1 371
Lipetskenergo	305	924	221	636	203	640	242	587	296	761	241	767	1 509	4 316
Orelenergo	19	137	4	109	16	160	1	175	101	187	59	260	200	1 028
Smolenskenergo	13	310	7	211	10	248	150	306	42	365	166	299	389	1 739
Tambovenergo	144	166	24	261	33	267	20	304	76	333	9	75	306	1 406
Tverenergo	4	273	73	274	80	322	145	343	280	438	220	632	801	2 283
Yarenergo	46	617	121	411	112	133	35	95		270	25	170	340	1 697
Total	1 368	4 533	811	4 010	811	3 832	1 006	3 915	1 478	4 751	1 339	4 652	6 812	25 693

Plans of the future activity of the issuer are also reflected in the Technical Policy of IDGC of Centre, JSC (Approved by Order of General Director No.15 dated from 27.01.2010), which defines the main goals, priorities, principles and restrictions for applied technical solutions in the designed and constructed electric grid facilities.

3.4. Participation of the issuer in industrial, bank and financial groups, holdings, concerns and associations

Name of group, holding, concern or association: **IDGC Holding, JSC Holding**

Year of participation start: **2008**

Role (place) and functions of the issuer in the organization:
The issuer plays a significant role in formation of the power industry of Russia regarding the distribution grid complex and is focused on performance of the following functions:

- Realization of the uniform power policy pursued by the Government of the Russian Federation and IDGC Holding, JSC at the regional level;**
- Maintenance of reliability of functioning of the grid complex of subordinated regions;**
- Realization of long-term investment programs in the electric power industry;**
- Prevention of the crisis phenomena in economy of the complex;**
- Creation of the values for consumers and shareholders.**

3.5. Associated and dependent economic entities of the issuer

Full and reduced company names: **"Energetik", Open Joint-Stock Company**

Reduced company name: **"Energetik", OJSC**

Location **Tambov area, Tambov region, Novaya Lyada workers settlement, Sanatornaya street 1**

Taxpayer identification number: **6820019240**

Primary State Registration Number (OGRN): **1036841127091**

Subsidiary: **Yes**

Dependent company: **No**

Reasons of recognition of the company to be a subsidiary or dependent in relation to the issuer: **prevailing participation in the authorized capital**

Stake of the issuer in the authorized capital of the entity, %: **100**

Ordinary shares of the entity belonging to the issuer, %: **100**

Stake of a person in the authorized capital of the issuer, %: **0**

Stake of ordinary shares of the issuer belonging to a person, %: **0**

Description of the main kind of activity of the company. Description of the value of such company for activity of the issuer:

Main kind of activity: organization and realization of sanatorium treatment, health-improving holidays of citizens and other service connected with this, development and introduction of new organizational forms of rendering medical aid.

Description of the value of such company for activity of the issuer: opportunity of granting a package of social programs.

Board of Directors of the Company

Full name	Year of birth	Stake of the authorized capital of the issuer, %	Stake of ordinary shares of the issuer belonging to a person, %
Konstantin Nikolayevich Orlov (Chairman)	1977	0	0
Alexey Alexandrovich Kopylov	1977	0	0
Dmitry Alexandrovich Meneilyuk	1978	0	0
Sergey Yurievich Nasyrov	1969	0	0
Alexander Anatolevich Sopenko	1962	0	0

The sole executive body of the Company

Full name	Year of birth	Stake of the authorized capital of the issuer, %	Stake of ordinary shares of the issuer belonging to a person, %
Alexander Anatolievich Sopenko	1962	0	0

Members of the collegial executive body of the Company

The collegial executive body is not provided

Full and reduced company names: ***Joint-Stock Company "Yaroslavl city power networks"***

Reduced company name: ***"Yargorelectroset", OJSC***

Location ***150000, Russian Federation, Yaroslavl, Tchaikovsky Str., 37***

Taxpayer identification number: ***7604168778***

Primary State Registration Number (OGRN): ***1097604020227***

Subsidiary: ***Yes***

Dependent company: ***No***

Reasons of recognition of the company to be a subsidiary or dependent in relation to the issuer: ***prevailing participation in the authorized capital***

Stake of the issuer in the authorized capital of the entity, %: ***100***

Ordinary shares of the entity belonging to the issuer, %: ***100***

Stake of a person in the authorized capital of the issuer, %: ***0***

Stake of ordinary shares of the issuer belonging to a person, %: ***0***

Description of the main kind of activity of the company. Description of the value of such company for activity of the issuer:

delivery of electric energy, activity to ensure operation of electric networks

Board of Directors (Supervisory Board) of the Company

Full name	Year of birth	Stake of the authorized capital of the issuer, %	Stake of ordinary shares of the issuer belonging to a person, %
Konstantin Nikolayevich Orlov (Chairman)	1977	0	0
Dmitry Alexandrovich Andryushin	1977	0	0
Olga Vladimirovna Golubeva	1983	0	0
Dmitry Igorevich Gotlib	1979	0	0
Alexey Alexandrovich Kopylov	1977	0	0
Meneilyuk Dmitry Alexandrovich	1978	0	0
Solonikov Igor Vitalievich	1958	0	0

The sole executive body of the Company

Full name	Year of	Stake of the	Stake of
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	birth	authorized capital of the issuer, %	ordinary shares of the issuer belonging to a person, %
Sergey Vladimirovich Petrov	1963	0	0

Members of the collegial executive body of the Company

The collegial executive body is not provided

Full and reduced company names: ***Joint-Stock Company "Energy Service Company"***

Reduced company name: ***"Energy Service Company", OJSC***

Location ***398001, Russian Federation, Lipetsk, 50 years NLMK Str., 33***

Taxpayer identification number: ***4824053495***

Primary State Registration Number (OGRN): ***1114823000852***

Subsidiary: ***Yes***

Dependent company: ***No***

Reasons of recognition of the company to be a subsidiary or dependent in relation to the issuer: ***prevailing participation in the authorized capital***

Stake of the issuer in the authorized capital of the entity, %: ***100***

Ordinary shares of the entity belonging to the issuer, %: ***100***

Stake of a person in the authorized capital of the issuer, %: ***0***

Stake of ordinary shares of the issuer belonging to a person, %: ***0***

Description of the main kind of activity of the company. Description of the value of such company for activity of the issuer: ***provision of services for energy efficiency and energy saving***

Board of Directors (Supervisory Board) of the Company

Full name	Year of birth	Stake of the authorized capital of the issuer, %	Stake of ordinary shares of the issuer belonging to a person, %
Dmitry Igorevich Gotlib (Chairman)	1979	0	0
Yury Veniaminovich Adler	1975	0	0
Vladimir Vyacheslavovich Inozemtsev	1977	0	0
Dmitry Alexandrovich Menevlyuk	1978	0	0
Eduard Kazimirovich Rakovsky	1971	0	0
Mark Lvovich Slonimsky	1974	0	0
Nikolay Vyacheslavovich Sychev	1977	0	0

The sole executive body of the Company

Full name	Year of birth	Stake of the authorized capital of the issuer, %	Stake of ordinary shares of the issuer belonging to a person, %
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Mark Lvovich Slonimsky	1974	0	0
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Members of the collegial executive body of the Company

The collegial executive body is not provided

3.6. Composition, structure and value 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 means charging

3.6.1. Fixed assets

It is not indicated in the 4th quarter

IV. Data on financial and economic activities of the issuer

4.1. Results of financial and economic activities of the issuer

4.1.1. Profit and losses

It is not indicated in the 4th quarter

4.1.2. The factors which influenced change of the amount of the receipt by the issuer of the goods, products, works, services, and profit (loss) of the issuer from primary activity.

It is not indicated in the 4th quarter

4.2. Liquidity of the issuer, sufficiency of the capital and circulating assets

It is not indicated in the 4th quarter

4.3. Amount and structure of the capital and circulating assets of the issuer

4.3.1. Amount and structure of the capital and circulating assets of the issuer

It is not indicated in the 4th quarter

4.3.2. Financial investments of the issuer

It is not indicated in the 4th quarter

4.3.3. Intangible assets of the issuer

It is not indicated in the 4th quarter

4.4. Data on the policies and charges of the issuer in the field of scientific and technical development, concerning licenses and patents, new development and researches

Information on the policy in the field of scientific and technical development.

In compliance with the Technical policy of IDGC of Centre approved by order No. 15 dated January 27, 2010 of IDGC of Centre the following arrears of activity were accepted and are being performed:

- application at technical re-equipping, reconstruction, new construction, and also repairs activity of the new hi-tech equipment and materials, including: complex distribution gas-insulated devices of 35 kV, modular substations of 110 kV, compact SF6 modules of 110 kV, equipment for automation of substations, increase of visibility and controllability of distribution grids for the account of grid topology change and automation level increase;

- work of scientific and technical council of IDGC of Centre, JSC;

- presentations of new equipment and new technology developments held by manufacturers and scientific and technical centres within the framework of IDGC of Centre's Presentation day;

- joint work with manufacturers related to testing and "pilot" use of new equipment at power grid facilities of

the divisions of IDGC of Centre, JSC;

- jointly with design organisations development of projects of standard assemblies of power facilities;
- analysis of work of the equipment which is on test operation at power grid facilities of the divisions of IDGC of Centre, JSC.

In the 4th quarter 2011 technical specialists of IDGC of Centre participated with a report at the scientific and technical workshop on the development and application of power transformers with a magnetic core of amorphous steel (23 - 24 November) and IV International specialized exhibition "Electrical Networks of Russia" (November 29 - December 2).

Financial and material expenses in the 4th quarter 2011 for implementation of scientific and technical activity were forwarded in the volume of expenses for technical re-equipping and reconstruction within the frameworks of investment and target programs of IDGC of Centre, JSC to use new equipment and technologies in accordance with the Technical policy of IDGC of Centre, within the framework of the Innovation Program – for R&D projects implementation.

The information on creation and reception of the legal protection of the main objects of intellectual property

As of the end of the reporting quarter the current items of legal protection of intellectual property are:

- patent for utility model of remote cabinet of electric power metering dated April 10, 2009 valid until April 10, 2019;
- patent for utility model of the pole mounted transformer substation dated July 31, 2010 valid until July 31, 2016;
- trademark with emblem of the Company and lettering "ОАО «МРСК Центра»" in Russian, registered on February 11, 2010;
- trademark with emblem of the Company and lettering "IDGC of Centre, JSC" in English, registered on February 18, 2010.

The information on risk factors

There are no risks connected with possibility of the expiration of validity of the patents and licenses for use of trade marks.

4.5. Analysis of tendencies of development in the sphere of primary activity of the issuer

GDP dynamics at different scenarios of economy development (according to the data of 2010-2011) (average annual gain rates, percentage points):

	2011-2013	2013-2015	2016-2020
GDP growth rate (moderate – optimistic outlook)	4,2	6,3	6,9

In 2010 the economy moved to growth, having overcome the consequences of the 2008 crisis (GDP grew by 4%, industrial production - by 8,2%), which was due to not only the world business environment improvement, but increase of efficiency and competitiveness of the Russian economy, its innovativeness, recovery of confidence between economic entities.

Taking into account the stated factors, Ministry of Economic Development is planning to achieve the average annual GDP growth rate equal to 6,5% by 2020.

The principal parameter for construction of the industry development model is power consumption dynamics. Following the results of 2011, the energy consumption increased 1,2%. Alongside with this in the long term power consumption growth rates will be lower than 3%, because the Russian economy has serious potential to reduce specific power consumption. Analysts consider 1-2% growth rates in the long term to be more real.

As a whole, estimate of the market prospects of the Russian electric power companies depend completely on the country economy development and re-investment opportunities which are the determining factors both for fundamental estimate of value of companies and capital inflow in the industry.

Now the issuer carries out its activity in two main directions: delivery of electric energy and technological connection to electric grids. Thus technological connection to electric grids defines development of the company, growth of volumes of delivery of electric energy, expansion of geographical covering of territories with electric grids, and increase in capitalization. Tendency of development of the given kind of activity is defined by development of regions of the zone of activity of the issuer: development of the industry, agriculture, household sector, construction of habitation, etc, it allows estimate them as favorable.

For creation of favorable conditions of development of regions, the issuer actively cooperates with local enforcement authorities and large consumers in the sphere of planning. The result of this work is steady demand for electric capacity, which is the ground for formation of the issuer's investment program.

Considerable development trend in the field of the issuer's activity is possibility of the issuer's business diversification in the part of structure of rendered services. Recent adoption of the law on power efficiency from the one part will reduce power consumption within the scale of economy, but from the other part it will create opportunity for services in the field of increase of power efficiency of electric power consumers.

4.5.1. Analysis of factors and conditions influencing the issuer's activity

Factors and conditions influencing activity of the issuer and results of such activity:

First of all, it is necessary to point out a number of factors determining the condition of the economy as a whole and, therefore, influencing on the power industry:

Dynamics of prices for oil (according to forecasts of the Ministry of Economic Development, the level of prices for oil 2012-2013 will be about 90-100\$/barrel);

Manufacturer price index (it is forecasted to grow 4-5% a year);

Interest rates for raising credit funds (in 2012 there is probability of their increase against the negative external).

The key factor that influences the the economy of the power industry is the state regulation of tariff making in the field of electric power delivery.

The second significant factor, which influences the economy of power industry, is power consumption dynamics.

Besides, the following factors influence the economy of the industry:

- inflation.
- adoption of the Federal law "On power saving and power efficiency increase and introduction of changes to separate legislative acts of the Russian Federation" (No. 261-FZ dated November 23, 2009).
- the current condition of the industry itself.

The detailed description of the above-mentioned factors is given in the following table:

The characteristics of the factors specific to the electric power industry

Factors descending with their significance	State regulation of rates for the electric power transfer	Dynamics of power consumption	Inflation	Adoption of the Federal Law «About energy saving and increase of energy efficiency and modification of separate legal acts of the Russian Federation» (#261-FZ from 23.11.2009)	Current condition of the industry
Description	Electric power delivery through distribution grids, and also technological connections to electrical grids are types of activity regulated by the state. Thus, the approval of levels of rates by regulating bodies for the services of the Company directly influences volumes of the received revenue.	Decrease of volume of power consumption negatively affects the industry condition	Consumer price index change makes certain impact on profitability level in the industry, and, as a consequence, on the financial condition and capabilities to perform obligations. Such influence can be especially noticeable on controlled markets, in a combination to the tariff policy which is conducted by the state	Adoption of the law about energy efficiency will cause substantial decrease of power consumption	The industry condition directly influences all aspects of activity of the Company
Current condition	Now the Government of the Russian Federation implements containment policy of growth of rates for goods and service of natural monopolies. Establishment of rates at lower than economically reasonable level will lead to underfunding of the current activity and investment program of the Company.	The power consumption volume in 2011 as a whole across the Russian Federation was 1021,1 billion kW*h that is 1,2% more than the power consumption in 2010 and 5,5% higher than the power consumption in 2009. The given increase was caused first of all by improving of the economic situation in Russia after the global economic crisis and, accordingly, increase of the current consumption by large customers (same	The economic crisis which to the greatest degree could affect the rate of inflation in the Russian Federation in 2011, according to the majority of experts, was over. According to Russia's Ministry of Economic Development and Trade, the inflation in 2011 is predicted at the level of 8-9 % which is not critical for the condition of the industry	Adoption of the law about energy efficiency assumes decrease of power consumption in the Russian economy, according to various estimations, by 10%	Substantial wear of fixed assets (by some estimations, it has reached 60 %). By 2020 the volume of decommissioned generating capacities can be 75 % of the installed capacity; Acute shortage of investments for the industry. The need of the industry for investments till 2020, according to the master plan of facilities of the electric power industry, is 20,695 trillion rubles, and the state is not capable to invest such funds in the development of the power industry. At the same time, in view of the existing financial "non-transparency", low profitability

		<p>with the increase of volume of technological connection to electrical grids).</p> <p>In 2012 according to forecasts of Russia's Ministry of Economic Development and Trade and the Ministry of Energy, the power consumption growth at 1-2% is expected in the Russian Federation.</p>			<p>and inefficiency of management of the majority of the energy companies, attractiveness of the industry for private investors remains low;</p> <p>The remaining problem of non-payments;</p> <p>The ineffective tariff policy leading both to understating of financial indexes (pricing by the principle "costs plus"), and to real red ink of some companies.</p>
<p>Measures on minimization of consequences (in the presence of such a possibility)</p>	<ul style="list-style-type: none"> - Implementation in conjunction with the Federal Service on Tariffs and tariff regulation authorities of RF subjects of measures to amend the current legislation of the Russian Federation in pricing for the services of natural monopolies to take into account the interests of distribution companies in setting electricity tariffs in the retail market. - Economic justification of costs included in rates, including inclusion of «shortfall in income» of previous periods into rates. - Development and coordination of long-term development programs of regions – in the service areas of the branches of the issuer with the regional and local authorities, with the signing of Agreements, in which, in particular, the amount of sources of financing of investment programs is agreed upon. - Systematic work to reduce the issuer's costs and optimize the investment program. 	<p>The Company implements a complex of measures for diversification of its package of services, provided by the Company to electricity customers</p>	<p>The Company has no possibility to influence the given factor</p>	<p>Implementation by the Company of the program on integration of territorial and municipal network assets, as well as diversification of the business of the Company regarding services provided, with coming to the market of providing services in the area of energy efficiency and energy saving.</p>	<p>Implementation of the new effective system of the tariff regulation based on fair rate of return of invested capital (RAB). The system as of January 1, 2011 was implemented in all divisions of the Company. The implementation of the RAB system will allow to attract additional funds for implementation of the investment program aimed at lowering of wear of fixed assets and creation of new capacities under needs of the growing national economy. Also now in the Company's divisions the implementation of the costs management system, the newest management tools of the company and automation of key functions for increase of efficiency of taking management decisions is being performed.</p>

The forecast concerning duration of the effect of the specified factors and conditions:

- In the conditions of realization of the monopoly activity by the issuer (rendering services on delivery of electric energy), there will not be changes regarding the authority under regulation of tariffs for services on delivery of electric energy in the near future. As for the limiting levels of tariffs for services on delivery of electric energy, the issuer does not predict sharp fluctuations of the given indicator aside increases or reduction in the near future, however, it is possible for the state to restraint growth of ultimate levels of tariffs in relation of previously planned schedule within the framework of anti-crisis measures.

Currently, the Russian economy as a whole has recovered from the global crisis of 2008-2009. In 2011 in Russia (according to the forecast and actual data of MEDT, Rosstat and SO UPS), the industrial production growth is forecasted at 5% and the increase in energy consumption was 1.2%. In 2012, as forecasted by MEDT, the industrial production growth will be 3.4% and the increase in energy consumption - about 1-2%.

Increase of consumer price index in 2011 was 6,1% level which is not critical for the industry.

Significant changes in the legislative base of the industry, except the abovementioned are not forecasted in the nearest future.

The main macroeconomic risk at present is the probability of sovereign default of peripheral countries of the European Union, which may cause negative consequences for the global economy, and hence for the economy of the Russian Federation.

The actions taken by the issuer and actions to be taken by the issuer in the future for an effective use of the given factors and conditions:

The issuer takes the following measures for effective use of factors, which influence the issuer's activity:

- interaction with the Federal tariff service and Tariff regulation bodies of constituent entities of the Russian Federation in the field of economic reasoning of expenses included in tariffs, introduction of changes in the law of the Russian Federation in the field of price formation for services of natural monopolies with the purpose of accounting of interests of distribution grid companies at establishment of tariffs for electric power in retail market;
- performance of work for economic justification of costs included in rates;
- conceptual working out of possibility of access to the market of rendering services in the field of energy efficiency increase of electric power consumers
- development and approval of long-term programs of development of regions of activity zones of the issuer's divisions with regional and local authorities;
- reduction of costs and optimization of the issuer's investment program.

The ways applied by the issuer, and ways to be applied by the issuer in the future for decrease in negative effect of factors and conditions influencing activity of the issuer: reduction of internal costs.

Essential events/factors which may greatly affect an opportunity of reception by the issuer in the future of the same or higher results in comparison with the results obtained for the last reporting period, and also probability of occurrence of such events (occurrence of factors):

The most essential event which can have significant negative influence on results of activity of the issuer is reduction of profit component under conditions of the economic crisis connected with the following factors:

- reduction of power consumption in service areas;
- reduction of payment discipline of retailers.

The issuer considers the risk of this event as the risk, which is able to make considerable influence on financial result of activity as well as to lead to deficit of financing of the issuer's investment program within middle-term perspective.

The issuer estimates this risk probability as high, consequences for the issuer's activity from the risk events vary from average to severe.

At the same time consequences of the risk events can be minimized through:

- improvement of regulatory and legal basis in the field of energy, which is able to reduce considerably risks of income shortage, increase of accounts payable and cash shortages in the issuer's activity;
- optimization of internal expenses of the issuer;
- state support for enterprises – large consumers of electric power;
- state financial support to cover deficit of the issuer's investment program.

Essential events/factors which may improve results of activity of the issuer, and probability of their occurrence and also duration of their action:

The essential factor which within middle-term and long-term perspective may have a significant positive influence on results of the issuer's activity is active innovative activity in the field of creation of the management system and implementation of the modern software products for management of distribution grid complex of the issuer. Besides, the active policy in the field of formation of the integral system of stakeholder relations is performed. The

issuer holds regular meetings with representatives of the investment community for increase of the level of openness and transparency of business. Results of innovative activity will be estimated and put on the balance of the issuer as intangible assets in the process of estimation performance. We estimate duration of the given factor as a constant process.

Besides, the essential factor which may have a significant positive influence on financial result is reduction of the high level of losses in grids. IDGC of Centre, JSC developed and realizes the program of AMI (advanced metering infrastructure system), which in the middle term will have a significant influence on dynamics of commercial losses towards their decrease. Implemented program of integration of municipal networks will have considerable influence on dynamics of decrease of commercial losses.

4.5.2. Competitors of the issuer

The main kind of activity of the issuer is distribution of electric energy and technological connection of consumers to the grid infrastructure.

Belgorodenergo division is the only grid organization on the territory of the region which has its connection to the Unified National Power Grid (UNPG). The other divisions of the Company occupy the dominant position in the regional markets of electric power delivery services and are level 1 grid companies. In a number of regions of the market zone of electric power delivery service sale by the Company divisions there are other territorial grid companies providing similar electric power delivery services, but their market stake is insignificant.

Based on its own information, at present the stake of IDGC of Centre, JSC is about 88% (in terms of conventional units) in the technological connection market. The principal competitors of the Company are territorial grid organisations (TGO, MUE) in such regions as Bryansk region, Voronezh region, Kursk region, Lipetsk region, Orel region, Tambov region, Tver region and Yaroslavl region. In such regions as Belgorod region, Kostroma region and Smolensk region, where city power grids are in lease or in property of IDGC of Centre, JSC, the market stake is 100% (net of the large consumers that have own power grids).

At present the issuer performs active work with local authorities relating to integration of territorial grid organisations into the issuer's activity.

V. Detailed data on the persons forming a part of governance bodies 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 governance bodies

Full description of structure of the issuer's governance bodies and their competence in accordance with the issuer's Articles of Association (constituent documents):

Structure of the issuer's governance bodies in accordance with the issuer's Articles of Association:

- 1. General Meeting of Shareholders.*
- 2. Board of Directors.*
- 3. Management Board.*
- 4. General Director.*

General Meeting of Shareholders is the highest governance body of the issuer.

The competence of the issuer's governance bodies in accordance with the issuer's Articles of Association.

In accordance with clause 10.2. of the Issuer's Articles of Association, the following items are related to the competence of the General meeting of shareholders:

- 1) introduction of changes and amendments in the Articles of Association or approval of the Articles of Association in new edition;*
- 2) restructuring of the Company;*
- 3) liquidation of the Company; appointment of the Liquidation Commission and the approval of the interim and final liquidation balances;*
- 4) determination of the quantity, nominal value, category "type" of the declared shares and the rights provided by the said shares;*

- 5) increase of the Articles of Association capital by way of the increase of the nominal value of shares or by way of placement of additional shares;
- 6) reduction of the Articles of Association capital of the Company by way of decreasing the nominal value of the shares, through the acquisition by the Company of the part of shares with the view of reducing their total amount or with the view of repaying of the acquired or paid out shares;
- 7) fractioning and consolidation of the shares of the Company;
- 8) making the decision on the placement by the Company of bonds converted into shares and other emission securities, converted into shares;
- 9) determination of the quantitative structure of the Board of Directors, the election of its members and the early termination of their powers;
- 10) election of the members of the Auditing Commission of the Company and the early termination of their powers;
- 11) confirmation of the Auditor of the Company;
- 12) making the decision on the transfer of powers of the single executive organ of the Company to the managing organization "manager" and on the early termination of his/her powers;
- 13) approval of annual reports, annual accounting balances, including the report on profit and losses of the Company, distribution of its profits including payment "announcement" of dividends, except for the profit distributed as a dividend by the results of the first quarter, half a year, nine months of the financial year and the losses of the Company by the results of the financial year;
- 14) payment "announcement" of dividends by the results of the first quarter, half a year, nine months of the financial year;
- 15) determination of the procedure for holding the general meeting of the shareholders of the Company;
- 16) making the decision on the approval of deals in cases envisaged by Article 83 of the Federal Law "On Joint Stock Companies";
- 17) making the decision on the approval of large deals in cases envisaged by Article 79 of the Federal law "On Joint Stock Companies";
- 18) making the decision on the participation in holding companies, financial and industrial groups, associations and other unions of for-profit organizations;
- 19) approval of the internal documents regulating the activity of the organs of the Company;
- 20) making the decision on paying the members of the Auditing Commission of the Company of remunerations and/or compensations;
- 21) making the decision on paying the members of the Board of Directors of the Company of remunerations and/or compensations;
- 22) solution of other questions envisaged by the Federal law "On Joint Stock Companies".

Items related to the competence of the General meeting of shareholders cannot be transferred to the Board of Directors, the Management Board and the General Director of the Company for resolution.

The General meeting of shareholders is not entitled to consider and adopt resolutions on the items, which are not related to its competence by the Federal Law "On joint-stock companies".

In accordance with clause 15.1. of the Issuer's Articles of Association, the following items are related to the competence of the Board of Directors of the Company:

- 1) setting the priority directions of the activity and development strategy of the Company;
- 2) convocation of the annual and extraordinary general shareholders meetings of the Company, except for the cases stipulated by item 14.8 of Article 14 of the Articles of Association as well as announcement of the date of a new General meeting of shareholders instead of unheld one by the reason of the quorum absence;
- 3) Approval of the Company general shareholders meeting agenda;
- 4) Election of the Secretary of the Company general shareholders meeting;
- 5) Definition of the date of drawing up the list of persons entitled to participate in the Company general

- shareholders meeting, approval of expenses estimate for holding of the General meeting of shareholders of the Company and solution of other issues connected with preparation and carrying out of the Company general shareholders meeting;*
- 6) introduction for the decision of the general meeting of the shareholders of the Company of issues envisaged by subparagraphs 2,5,7,8,12-20 of Item 10.2 of Article 10 of the Articles of Association of the Company, as well as on the reduction of the authorized capital of the Company through the reduction of the par value of the shares;*
- 7) placement by the Company of bonds and other emission securities except for the cases stipulated by the legislation of the Russian Federation and the Articles of Association;*
- 8) approval of the decision on the emission of securities, emission prospect of securities, the report on the results of the emission of securities, approval of the reports on the results of the acquisition of the shares of the Company from its shareholders, reports on the redemption of shares, reports on the results of the demands by the shareholders of the Company on the redemption of the shares owned by them;*
- 9) determining the price (monetary value) of the property, the price of the placement and acquisition of emission securities in cases envisaged by the Federal Law "On Joint Stock Companies" as well as while solving issues stipulated in sub-items 11, 24, 40 of Item 15.1. of Article 15 of the Articles of Association;*
- 10) acquisition of the shares, bonds and other securities placed by the Company in cases envisaged by the Federal Law "On Joint Stock Companies";*
- 11) alienation (sale) of the shares of the Company at the disposal of the Company as a result of their acquisition or redemption from the shareholders of the Company, as well as in other cases envisaged by the Federal Law "On Joint Stock Companies";*
- 12) election of the General Director of the Company and early termination of his/her powers including the decision making on early termination of the labor contract with him/her;*
- 13) definition of the quantitative structure of the Management Board of the Company, election of the members of the Management Board of the Company, establishment of compensations and remunerations paid to them, early termination of their powers, including early termination of labor contracts with them;*
- 14) recommendations to the general meeting of the shareholders of the Company on the amount of remunerations and compensations paid to the members of the Auditing Committee and determination of the remuneration of the Auditor's services;*
- 15) recommendations on the amount of the dividend per shares and the procedure for its payment;*
- 16) approval of the internal documents of the Company determining the procedure for the formation and use of the funds of the Company;*
- 17) making the decision on the use of the funds of the Company, approval of the cost estimates for the use of special purpose funds and consideration of the results of the implementation of cost estimates for the use of special purpose funds;*
- 18) approval of the internal documents of the Company except for internal documents, the approval of which is referred to the competence of the general meeting of the shareholders of the Company and other internal documents of the Company, the approval of which is referred to the competence of the executive bodies of the Company;*
- 19) approval of the business plan (revised business plan) including the investment program and the report on results of their performance;*
- 20) consideration of the investment program, including amendments to it;*
- 21) approval (correction) of control figures of the cash flows of the Company;*
- 22) approval and change of terms, and termination of realization of the large and medium-scale investment projects defined thereof according to the Regulations about the investment activity, and also approval of quarterly reports on the course of performance of the specified projects;*
- 23) foundation of divisions and opening of the offices of the Company, their liquidation, as well as introduction of alternations in the Articles of Association of the Company connected with the creation of divisions and opening of offices of the Company, including changes in the information on the names and locations of the divisions and offices of the Company and their liquidation;*
- 24) making the decision on the participation of the Company in other organizations (entering in the acting organization or creation of a new organization, including coordination of constituent documents and on*

purchase, alienation and encumbrance of shares and stakes in the authorized capitals of the organizations, in which the Company participates, change of the stake of participation in the authorized capital of the corresponding organization, and termination of participation of the Company in other organizations;

25) determination of the credit policy of the Company as to provision by the Company of loans, making credit contracts and loan contracts, issuing of guarantees, acquisition of liabilities on bills (issuing of ordinary and transfer bill), transfer of property in pledge and making the decision on the above mentioned deals of the Company in cases when the procedure for the decision-making of them 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 in the limits determined by the credit policy of the Company;

26) approval of the large deals in cases envisaged by Chapter X of the Federal Law "On Joint Stock Companies";

27) approval of deals in cases envisaged by Chapter XI of the Federal Law "On Joint Stock Companies";

28) approval of the Registrar of the Company, terms of contract with him/her and its termination;

29) election of the Company Board of Directors Chairperson and the early termination of his/her powers;

30) election of the Company Board of Directors Deputy Chairperson and the early termination of his/her powers;

31) election of the Company Board of Directors Corporate Secretary and the early termination of his/her powers;

32) tentative approval of decisions on deals of the Company connected with the gratuitous transfer of property of the Company or property rights (requirement) to itself or the third party, deals connected with the liberation from property liabilities before itself or the third party, deals connected with the gratuitous provision of services by the Company (carrying out of works) to the third party, in cases (amount) determined by the separate decision of the Board of Directors of the Company, decision-making on the given deals by the Company in cases when the above-mentioned cases (Amount) are not determined;

33) decision-making on temporary termination of the powers of the managing organization (managing director);

34) decision-making on the appointment of the acting General Director of the Company and his calling to an account;

35) disciplinary punishment of the General Director and members of the Management Board of the Company and his/her remuneration in accordance with the labor legislation of the Russian Federation;

36) consideration of the reports of the General Director 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;

37) approval of the procedure for the interaction of the Company with the organizations, in which the Company participates;

38) definition of the position of the Company (representatives of the Company), 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 dependent economic entities (further on called SDEC) (except for cases when functions of the SDEC general shareholders meetings are carried out by the Board of Directors of the Company), and meetings of the SDEC boards of directors (except for an item on approval of the agenda of the general meetings of shareholders SDEC when functions of the SDEC general shareholders meeting are carried out by the Board of Directors of the Company):

i) on the determination of the agenda of the general meeting of the shareholders (participants of SDEC);

ii) on the reorganization and liquidation of SDEC;

iii) on the determination of the quantitative composition of governance and control bodies, nominating, electing their members and early termination of their terms of office, nomination, election of the sole executive body of the subsidiary and the early termination of their powers;

iv) on the determination of the number, nominal value, category (type) of the announced shares of SDEC and the rights provide by the given shares;

v) on the increase of the authorized capital of SDEC through the increase of the nominal value of shares or through the placement of additional shares;

vi) on the placement of securities of SDEC converted into ordinary shares;

vii) on the fractioning and consolidation of the shares of SDEC;

viii) on the approval of large deals, made by the SDEC;

ix) on the participation of SDEC in other organizations (on entering the existing organization or on the foundation of the new one), as well as on the acquisition, alienation, encumbrance of shares and parts in the authorized capitals of the organizations, in which SDEC participates, changes in the part of the participation in the authorized capital of the respective organization;

x) on the deals made by SDEC (including several associated deals) connected with the alienation or the possibility of alienation of property, representing fixed assets, non-material assets, objects of unfinished construction, the purpose of the use of which is the production, delivery, dispatching, distribution of electric and heating power in cases (amount) by the procedure of interrelations of the Company with organizations in which the Company participates, approved by the Board of Directors of the Company;

xi) on the introduction of alternations and amendments in the constituent documents of SDEC;

xii) on the determination of the procedure of remuneration payments to the members of the Board of Directors and Auditing Committee of SDEC;

xiii) on the approval of target meanings of key performance indicators (corrected target meanings of key performance indicators);

xiv) on the approval of the report on the implementation of planned meanings of annual and quarter key performance indicators;

xv) on the approval of business plan (revised business plan) that includes the investment program and quarterly report on the results of their implementation;

xvi) on the approval (consideration) of the report on business plan implementation;

xvii) on the approval of the distribution of profits and losses on the results of the financial year;

xviii) on the recommendations on the amount of dividend on shares and the procedure of its payment;

xix) on payment (declaration) of dividends following the results of the first quarter, half of a year, nine months of a financial year as well as following the results of a financial year;

xx) consideration of the investment program, including amendments to it;

xxx) approval (consideration) of the investment program execution report;

39) determination of the position of the Company (representatives of the Company) on the following items of the agenda of the SDEC Board of Directors meetings (including the order to participate or not to participate in the vote on the items of the agenda, to vote on draft decisions "for" or "against", or "abstained"):

a) on the determination of the SDEC representatives position on the items of the agenda of the general meetings of shareholders (participants) and the meetings of the Board of Directors of the affiliated and dependent entities in respect of SDEC, concerning the approval of deals, including several associated deals, connected with alienation or the possibility of alienation of the property representing fixed assets, immaterial assets, objects of unfinished construction, the purpose of the use of which is the production, delivery, dispatching, distribution of electric and heating power in cases (amount) determined by the procedure of interrelations of the Company with organizations in which the Company participates, approved by the Board of Directors of the Company;

b) on the determination of the SDEC representatives position on the items of the agenda of the general meetings of shareholders (participants) and the meetings of the Board of Directors of the affiliated and dependent entities in respect of SDEC, participating in the production, delivery, dispatching, distribution of electric and heating power, reorganization and liquidation, increase of the authorized capital of the given entities through the increase of the nominal value of shares or through the placement of additional shares, securities converted into ordinary shares;

40) tentative approval of the decisions on the accomplishment by the Company;

a) of deals, the subject of which shall be non-current assets of the Company in the amount exceeding 10 percent of the balance sheet value of the given assets according to the data of the accounting statements as of the last reporting date;

b) deals (including several associated deals) connected with any way of disposal (or transfer of the rights in any sequence) of the real estate and/or equipment used directly for realization of the main kinds of activity of the Company, the balance sheet value of which is over 5 percent of the balance sheet value of the Company assets, or any kind of encumbrance of the specified property;

c) deals (including several associated deals) connected with acquisition, alienation or an opportunity of alienation of the property forming the fixed assets, intangible assets, objects of incomplete construction, the purpose of use of which is production, delivery, dispatching, distribution of electric and thermal energy in the cases (amount) determined by separate decisions of the Company Board of Directors;

d) deals (including several associated deals) connected with acquisition, alienation or an opportunity of alienation of the property forming the fixed assets, intangible assets, objects of incomplete construction, the purpose of use of which is production, delivery, dispatching, distribution of electric and thermal energy in the cases (amount) determined by separate decisions of the Company Board of Directors;

41) nomination by the Company of persons for the elections to the position of the sole executive body, to other bodies of management, bodies of control, and nominations for the Auditor of the organizations, in which the Company participates, carrying out production, delivery, dispatching, distribution and sales of electric and heating power, as well as the repairs and maintenance types of activities;

42) determination of the directions of ensuring insurance protection of the Company including the approval of the Insurer of the Company;

43) approval of the structure of the executive body of the Company and its amending;

44) approval of the Regulation on material incentives of the General Director, the Regulation on material incentives of superior managers of the Company; approval of the list of superior managers;

45) coordination of nominees for separate positions of the executive body of the Company defined by the Company Board of Directors;

46) preliminary approval of the collective agreement, the agreements concluded by the Company within the limits of regulation of social and labor relations as well as approval of documents on the State Pension Provision of the Company employees;

47) establishment of committees under the Company Board of Directors, election of members of the Committees of the Company Board of Directors and early termination of their powers, election and early termination of powers of chairmen of committees of the Company Board of Directors;

48) approval of the nomination of the independent appraiser (appraisers) for the determination of the shares value, property and other assets of the Company in cases envisaged by the Federal Law "On Joint Stock Companies", the Articles of Association and separate decisions of the Board of Directors of the Company;

49) approval of the nomination for the financial consultant involved in accordance with the Federal Law "On the Market of Securities" as well as the nominees of securities emission organizers and consultants on deals directly connected with the attraction of means in the form of public loans;

50) tentative approval of deals, which could lead to the appearance of liabilities, expressed in foreign currency (or liabilities the volume of which is pegged to foreign currency) in cases and volumes determined by separate decisions of the Board of Directors of the Company and if the said cases (amounts) are not determined by the Board of Directors of the Company;

51) determination of the purchasing policy of the Company, including the approval of the Regulations on the procedure for carrying out the specified purchases of goods, works and services, approval of the head of the Central purchasing unit of the Company and its members, and approval of the annual comprehensive program of purchases and decision making on other items in accordance with the documents approved by the Company regulating the purchasing activity of the Company;

52) decision making on the nomination of the General Director of the Company for state orders award;

53) approval of the target figures (revised figures) of the key performance indicators (KPI) of the Company and the reports on their implementation;

54) determination of the policy of the Company directed at the improving the stability of the power grids distribution complex and other objects of the power energy complex, including the approval of the Company strategic programs on the improvement of the stability of the power grid complex, its development and its safety;

55) determination of the housing policy of the Company including in the part of providing corporate aid to the employees of the Company for improving their living conditions in the form of subsidies, compensation of their costs, interest free loans and decision making on the provision by the Company of the said aid in cases, when the procedure of its provision is not determined by the housing policy of the Company;

56) other issues falling within the competence of the Board of Directors in accordance with the Federal Law "On Joint Stock Companies" and the Articles of Association of the Company.

The issues referred to the competence of the Board of Directors of the Company cannot be transferred for decision to the Company's General Director and the Company's Management Board.

Control over the current activity of the Company is performed by the sole executive body – the General Director and collegial executive body – the Management Board of the Company.

In accordance with clause 22.2. of the Issuer's Articles of Association, the following items are related to the competence of the Management Board of the Company:

- 1) Working-out the Company development strategy and its submission for consideration to the Board of Directors;
- 2) Preparation of the annual (quarter) business plan, including the investment program and the report on results of their performance, and also approval (revising) of cash (budget) flow of the Company;
- 3) Preparation of the annual report on financial and economic activity of the Company, about performance by the Board of the decisions of the Company general shareholders meeting and Board of Directors;
- 4) Consideration of reports of Deputies General Director of the Company, heads of the isolated structural divisions of the Company about results of performance of the approved plans, programs, instructions, consideration of reports, documents and other information on activity of the Company and its affiliated and dependent economic entities;
- 5) Decision-making concerning the items referred to the competence of the supreme bodies of management of the economic entities, 100 (one hundred) percent of the authorized capital of which belongs to the Company (in view of sub-items 38, 39 of clause 15.1. of Article 15 of the Articles of Association);
- 6) Preparation of the reports on financial and economic activity of the economic entities, 100 (one hundred) percent of the authorized capital of which belongs to the Company, and their submission for consideration to the Board of Directors;
- 7) Decision-making on conclusion of transactions, the subject of which is the property, works and services, the cost of which equals from 5 to 25 percent of the balance sheet value of the Company assets determined on the date of decision-making on the conclusion of the transaction (except for the cases stipulated by sub-clause 40 of clause 15.1 of the Articles of Association);
- 8) Decision of other issues of the Company's current activity management according to the decisions of the general shareholders meeting, the Board of Directors of the Company, and also the issues which were submitted to consideration to the Management Board by the Company's General Director.

In accordance with sub-clauses 23.2-23.3 of the Issuer's Articles of Association, the following items are related to the competence of the General Director of the Company: All the issues of the current activity management of the Company, except for the issues referred to the competence of the general meeting of shareholders, the Board of Directors and the Management Board of the Company.

The General Director shall act without a Power of Attorney on behalf of the Company taking into account the limitations envisaged by the legislation of the Russian Federation, the present Articles of Association and decisions of the Board of Directors of the Company and the General Director shall:

- ensure the fulfillment of the activity plans of the Company necessary for the solution of its tasks;
- organize bookkeeping and accounting in the Company;
- make use of the property of the Company and accomplish deals on behalf of the Company, issue Powers of Attorney, open settlement and other accounts of the Company with the banks and other credit institutions (as well as in cases envisaged by the law in the organizations and professional agents of the securities market) settlement and other accounts of the Company;
- issue orders, approve (accept) instructions, local regulation reports and other internal documents of the

Company on the issues of his/her competence, give instructions necessary for the execution by all employees of the Company;

- *approve Regulations on divisions and representative offices of the Company;*
- *in accordance with organizational structure of the executive body of the Company approves personnel schedule and position salaries of employees of the Company;*
- *exercise in respect of the Company's employees the rights and obligations of the employer, envisaged by the labor law;*
- *exercises functions of the Chairman of the Management Board of the Company;*
- *distribute obligations among the Deputies of the General Director;*
- *submit for the consideration of the Board of Directors reports on financial and business activity of subsidiaries and dependent entities, the shares (parts) of which belong to the Company, as well as information on other organizations in which the Company participates, except for the cases stipulated by subclass 6 of clause 22.2 of Article 22 of the Articles of Association;*
- *not later than 45 (forty five) days prior to the holding of the annual general meeting of the shareholders of the Company, submit for the consideration of the Board of Directors of the Company Annual Report, Accounting Balance Sheet, the Profit and Loss Statement of the Company and distribution of profit and loss of the Company;*
- *settle other issues of the Company's current activity, except for the issues referred to the competence of the general meeting of shareholders, the Board of Directors and the Management Board of the Company.*

The issuer approved (accepted) the Corporate Governance Code or another similar document

Data on the Corporate Governance Code or similar document:

The Corporate Governance Code is adopted in the Company.

Website page where its complete text is available in free access: <http://www.mrsk-1.ru/docs/koduprav.pdf>

Website page where the complete text of the existing edition of the issuer's Articles of Association and other documents regulating the activity of the issuer's bodies are available in free access: www.mrsk-1.ru/ru/information/documents/ustav/index.php

5.2. Information on the persons forming a part of governance bodies of the issuer

5.2.1. Issuer's Board of Directors (Supervisory Board)

Full name: *Alexey Yuryevich Perepelkin (Chairman)*

Year of birth: *1970*

Education:

1993, Moscow State Technical University named after N.E. Bauman; specialty: optical instruments and systems.

1998, Moscow State Law Academ; specialty: jurisprudence.

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
06.2009	current	IDGC Holding, JSC	Deputy General Director for Corporate Governance and Property, member of the Management Board
06.2011	current	"IDGC of Volga", JSC	Chairman of the Board of Directors
06.2011	current	"IDGC of South", JSC	Chairman of the Board of Directors
06.2011	current	JSC "FOCL-O.H.L. Administration"	Chairman of the Board of Directors

06.2010	current	IDGC of Centre, JSC	Member of the Board of Directors, since 15.07.2011 Chairman of the Board of Directors
06.2010	current	"IDGC of Centre and Volga region", JSC	Member of the Board of Directors since 27.06.2011 Chairman of the Board of Directors
06.2010	06.2011	"IDGC of North-West", JSC	Chairman of the Board of Directors
06.2010	06.2011	UES Calculation optimization Center	Chairman of the Board of Directors
09.2009	06.2010	"IDGC of South", JSC	Member of the Board of Directors
03.2007	04.2009	Ministry of Defense of the Russian Federation	Minister Adviser, Head of the Principal Law Department
04.2006	03.2007	Federal Tax Service	Head of summary and analytical department

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Svetlana Alexandrovna Balaeva***

Year of birth: ***1973***

Education:

1995, State Academy of Management; qualification: economist-manager

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
07.2008	current	IDGC Holding, JSC	Head of Investment Department
06.2011	current	IDGC of Centre, JSC	Member of the Board of

			Directors
06.2011	current	IDGC of South, JSC	Member of the Board of Directors
06.2010	06.2011	IDGC of North Caucasus, JSC	Member of the Board of Directors
06.2010	06.2011	IDGC of Siberia, JSC	Member of the Board of Directors
05.2008	07.2008	OJSC "RAO UES of Russia"	Deputy Head of Business Planning, KPI and Investment Office (part-time)
2005	2008	JSC "FGC UES"	Chief specialist, manager of business planning, KPI and Investment Management Center of Interregional distribution grid companies

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Alexander Markovich Branis***

Year of birth: ***1977***

Education:

2001, Academy of the national economy under the Government of Russia, Bachelor of management

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
04.2005	current	"Prosperity Capital Management (RF) Ltd."	Director
07.2011	current	IDGC of South", JSC	Member of the Board of

			Directors
06.2010	current	"IDGC of Centre and Volga region", JSC	Member of the Board of Directors
07.2009	05.2011	Prosperity Capital Management (RF) Ltd.	Chairman of the liquidation commission
05.2008	06.2009	"IDGC of Centre and Volga region", JSC	Member of the Board of Directors
05.2008	05.2011	Prosperity Capital Management (RF) Ltd.	Chief accountant
05.2008	06.2009	Prosperity Capital Management (RF) Ltd.	General Director
05.2008	current	"TGC-6", JSC	Member of the Board of Directors, since 05.2008 Chairman of the Board of Directors
04.2008	04.2009	"Novgorod power sales company", JSC	Member of the Board of Directors
02.2008	06.2008	"Novaya ERA", JSC	Member of the Board of Directors
06.2007	06.2008	"Sevzapelektrosetstroy", JSC	Member of the Board of Directors
06.2007	current	IDGC of Centre, JSC	Member of the Board of Directors
06.2007	04.2008	"Plant" Saransk kabel", JSC	Member of the Board of Directors
05.2007	02.2008	"Kalugaenergo", JSC	Member of the Board of Directors
05.2007	05.2008	"Yuzhtruboprovodstroy", JSC	Member of the Board of Directors
04.2007	06.2011	Bashkiria joint-stock company of the power engineering and electrification "Bashkirenergo"	Member of the Board of Directors
2007	04.2009	"Prokatmontazh", JSC	Member of the Board of Directors
12.2006	06.2009	"TGC-4", JSC	Member of the Board of Directors
11.2006	06.2007	"Yaroslavl sales company", JSC	Member of the Board of Directors
08.2006	09.2009	Representative Office "Prosperity Capital Management (RF) Ltd."	Director of Analytical Department
05.2006	04.2008	"Dalkhimfarm", JSC	Member of the Board of Directors
05.2006	06.2009	"TGC-2", JSC	Member of the Board of Directors
04.2006	05.2007	"WGC-5", JSC	Member of the Board of Directors
07.2005	04.2008	Prosperity Capital Management (RF) Ltd.	Specialist for management of assets of non-government funds
12.2004	07.2007	"IDGC of Centre and North Caucasus", JSC	Member of the Board of Directors
05.2003	06.2008	"AKRIKHIN", JSC	Member of the Board of Directors

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Dmitry Olegovich Gudzhoyan***

Year of birth: ***1977***

Education:

1998, International University, branch of study: economic theory

1999, Moscow Automobile and Road Institute, branch of study: organization of traffic and transport management (by types)

Scientific degree: Ph.D. in Economics.

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
06.2011	current	IDGC of Centre, JSC	Member of the Board of Directors
02.2011	current	IDGC of Centre, JSC	General Director
12.2010	current	IDGC of Centre, JSC	Chairman of the Management Board
12.2010	02.2011	IDGC of Centre, JSC	Acting General Director
10.2010	current	The Coordination Council on Youth Affairs in the scientific and educational spheres under the President of the Russian Federation	Member of the Coordination Council
02.2010	12.2010	IDGC of Centre, JSC	Deputy General Director for Corporate Governance
11.2009	02.2010	IDGC of Centre, JSC	Director for Economy
03.2006	11.2009	ZAO Kriokor-Energiya	Commercial Director

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: **Madina Valeryevna Kaloeva**

Year of birth: **1980**

Education:

2001, North Ossetian State University after K.L. Khetagurov; branch of study: jurisprudence.

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
06.2009	current	Ministry of Energy of Russia	Head of Corporate Governance Department, Deputy Director of Department of economic regulation and property relations in fuel-and-power sector
06.2011	current	IDGC of Centre, JSC	Member of the Board of Directors
06.2011	current	IDGC of Siberia, JSC	Member of the Board of Directors
06.2011	current	Tyumenenergo, JSC	Member of the Board of Directors
06.2010	06.2011	OJSC «OGC-1»	Member of the Board of Directors
06.2010	current	OJSC "DRSK"	Member of the Board of Directors
06.2009	06.2010	OJSC "VNIIPN"	Member of the Board of Directors
08.2008	06.2009	Federal Agency for Management of State Property	Adviser of the expert and analytical department
05.2007	08.2008	Federal Energy Agency	Leading specialist-expert, chief specialist-expert of the department of property relations in fuel-and-power sector of the Office of Legal Support and Property Relations
11.2001	02.2007	Leninsky District Court in the city of	Court clerk, court counselor,

		Vladikavkaz	assistant judge
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Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Mikhail Yuryevich Kurbatov***

Year of birth: ***1981***

Education:

2003, St. Petersburg State University of Economics and Finance; branch of study: world economy

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
Since	till		
07.2010	current	IDGC Holding, JSC	Member of the Management Board, Deputy General Director
06.2011	current	IDGC of Centre, JSC	Member of the Board of Directors
06.2011	current	IDGC of North-West, JSC	Member of the Board of Directors
06.2011	current	IDGC of Urals, JSC	Member of the Board of Directors
06.2011	current	OJSC "SG-Trans"	Member of the Board of Directors
06.2011	current	SO UPS	Member of the Board of Directors
06.2011	current	JSC "FOCL-O.H.L. Administration"	Member of the Board of Directors
06.2011	current	JSC "Tyumenenergo"	Member of the Board of Directors
06.2011	current	JSC "TRK"	Member of the Board of

			Directors
11.2005	07.2010	Ministry of Economic Development of the Russian Federation	Consultant, Deputy Head of Department, Assistant, Head of Department, Deputy Head of Department, Director of Department of state regulation of tariffs and infrastructural reforms and energy efficiency

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Alexander Albertovich Popov***

Year of birth: ***1955***

Education:

1976, Zhitomir Higher Education Military Command School of Radio Electronics of Air Defense named after Lenin Komsomol, specialty: Commands and Tactics, Radio Engineering Facilities.

1991, Military Command Red-banner Academy of Air Defense named after Marshall of the Soviet Union G.K. Zhukov, specialty: Commands and Headquarters, Operations and Tactics, Air Defense Armies.

2000, The Russian Academy of State Service under the President of the Russian Federation, specialty: State and Municipal Management.

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
03.2009	current	IDGC Holding, JSC	Deputy General Director – Chief of Staff
07.2010	current	NP “KONC EES”	Member of the Supervisory Board
06.2010	current	IDGC of Centre, JSC	Member of the Board of Directors

06.2010	current	Lenenergo, JSC	Member of the Board of Directors
06.2009	current	MOESK, JSC	Member of the Board of Directors
06.2009	current	"IDGC of North-West", JSC	Member of the Board of Directors
06.2009	current	"IDGC of Siberia", JSC	Member of the Board of Directors
06.2009	06.2010	"IDGC of Centre and Volga region", JSC	Member of the Board of Directors
08.2008	03.2009	Representative Office of Amur region under the President of the Russian Federation and the Government of the Russian Federation	Head of the Representative Office
08.2007	08.2008	The Government of the Amur region	Head of Executive Office of the Governor of the region and the Government of the region
07.2007	08.2007	Representative Office of the Amur region under the President of the Russian Federation and the Government of the Russian Federation	Head of HR department
03.2007	07.2007	"GROUP AVTOVAZ" Ltd.	Chief specialist of the security service of Vice-president – Director for Security
08.1972	03.2007	Armed Forces and Federal Security Service of the Russian Federation	Different positions

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Alexey Vladimirovich Sergutin***

Year of birth: ***1961***

Education:

1987, Moscow State University named after M.V. Lomonosov; Economist-cybernetician

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently,

including secondary employment

Period		Name of organization	Position
since	till		
12.2008	current	IDGC Holding, JSC	Director for Economy
06.2011	current	Tyumenenergo, JSC	Member of the Board of Directors
06.2010	current	IDGC of Centre, JSC	Member of the Board of Directors
06.2010	current	"IDGC of Centre and Volga region", JSC	Member of the Board of Directors
05.2006	12.2008	Federal Migration Service	Deputy Director

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Alexander Grigoryevich Starchenko***

Year of birth: ***1968***

Education:

1991, N.E. Bauman Moscow State Technical University, Electrical engineer, specialty: Computer Science and control system.

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
11.2007	current	NLMK	Director for Power Engineering
12.2009	11.2011	Lipetsk City Power Company Ltd.	Chairman of the Board of Directors
05.2008	current	IDGC of Centre, JSC	Member of the Board of Directors
11.04.2008	current	"Lipetskoblغاز", JSC	Member of the Board of

			Directors
18.06.2007	current	Altai-Koks, JSC	Member of the Board of Directors
28.04.2005	31.12.2009	Lipetsk City Power Company Ltd.	Member of the Board of Directors (since 29.09.2005 – Chairman of the Board of Directors)
01.11.2004	current	"Lipetsk power sales company", JSC	Member of the Board of Directors (since 11.04.2008 - Chairman of the Board of Directors)
01.04.2004	31.10.2007	RUMELKO Ltd.	Deputy General Director for Power Complex

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Roman Alexeevich Filkin***

Year of birth: ***1983***

Education:

2005, Financial Academy under the Government of the Russian Federation, specialty: Finances and credit.

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment:

Period		Name of organization	Position
since	till		
10.2009	current	Representative office of “Prosperity Capital Management (RF) Ltd.”	Co-Director
07.2011	current	IDGC of South, JSC	Member of the Board of Directors
06.2011	current	IDGC of North-West, JSC	Member of the Board of Directors

05.2010	06.2011	"Tambov power sales company", JSC	Member of the Board of Directors
06.2009	06.2010	TRC «Krasny Kotelshchik» (Red Boiler), JSC	Member of the Board of Directors
06.2009	05.2010	«Arkhangelsk sales company», JSC	Member of the Board of Directors
06.2009	06.2011	«Energospetsmontazh», JSC	Member of the Board of Directors
06.2009	06.2011	«Sevzapelektrostroy», JSC	Member of the Board of Directors
06.2009	06.2011	«Smolensk power repair company», JSC	Member of the Board of Directors
06.2009	current	«TGC-6», JSC	Member of the Board of Directors
06.2009	current	«Penza power repair company», JSC	Member of the Board of Directors
06.2009	current	«IDGC of Centre and Volga region», JSC	Member of the Board of Directors
06.2009	05.2010	Yaroslavl power company», JSC	Member of the Board of Directors
06.2009	current	«Tver power repair company», JSC	Member of the Board of Directors
06.2009	11.2009	JSC for construction of high-voltage lines of electric power transmission and substations «Spetssetstroy»	Member of the Board of Directors
06.2009	06.2011	«Dagestan power sales company», JSC	Member of the Board of Directors
06.2009	current	IDGC of Centre, JSC	Member of the Board of Directors
06.2009	06.2010	«Kurskenergosbyt», JSC	Member of the Board of Directors
06.2009	06.2011	«Dalenergomontazh», JSC	Member of the Board of Directors
06.2009	06.2011	«Novaya ERA», JSC	Member of the Board of Directors
06.2009	05.2010	«Voronezh power sales company», JSC	Member of the Board of Directors
05.2009	06.2011	«Bashkirenergo», JSC	Member of the Board of Directors
05.2009	02.2010	«Voronezh joint-stock air-craft construction company», JSC	Member of the Board of Directors
05.2009	05.2011	Joint-Stock Company of power and electrification "Magadanenergo"	Member of the Board of Directors
05.2009	05.2010	«Severtruboprovodstroy», JSC	Member of the Board of Directors
05.2009	06.2011	«Urengoytruboprovodstroy», JSC	Member of the Board of Directors
05.2009	06.2011	Joint-Stock Company for Construction of Long-distance Pipelines in the South of Russia "Yuzhtruboproodstroy"	Member of the Board of Directors
05.2009	06.2011	«Novgorodsetstroy», JSC	Member of the Board of Directors
04.2009	06.2011	«Novgorodoblkommunelektro», JSC	Member of the Board of Directors
04.2009	11.2009	«Yuzhny Region» Bank, JSC	Member of the Board of Directors

11.2008	05.2009	"Tambov power sales company", JSC	Member of the Board of Directors
08.2008	08.2009	"Prosperity Capital Management Ltd."	Controller
08.2006	09.2009	Representative office of "Prosperity Capital Management (RF) Ltd."	Deputy Director

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Alexander Viktorovich Shevchuk***

Year of birth: ***1983***

Education:

2005, Financial Academy under the Russian Federation Government; branch of study: Finance and credit

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
2001	current	Association for Protection of rights of investors	Deputy Executive director, chief expert
06.2011	current	IDGC of Centre, JSC	Member of the Board of Directors
06.2011	current	IDGC of Northern Caucasus, JSC	Member of the Board of Directors
07.2011	current	IDGC of South, JSC	Member of the Board of Directors
06.2011	current	Volgogradoblorgas, JSC	Member of the Board of Directors
06.2011	current	Urengoitruboprovodstroi, JSC	Member of the Board of Directors
2010	2011	Centertelecom	Member of the Board of Directors

2010	2011	STC	Member of the Board of Directors
2010	2011	Sibirtelecom	Member of the Board of Directors
2009	2011	ZAO NCC	Member of the Board of Directors
2007	2009	IDGC of Northern Caucasus	Member of the Board of Directors
2006	2011	Dalsvyaz	Member of the Board of Directors
2007	2008	Centertelecom	Member of the Board of Directors

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

When it is indicated in the report that a person holds certain position «currently» this means that a person held another position as of the end date of the reporting quarter. And the information is given basing on personal data provided to the issuer by a person.

Information on the first election to the Board of Directors of IDGC of Centre:

Alexey Yuryevich Perepelkin: 22.06.2010

Svetlana Alexandrovna Balaeva: 17.06.2011

Alexander Markovich Branis: 09.12.2004

Dmitry Olegovich Gudzhoyan: 17.06.2011

Madina Valeryevna Kaloeva: 17.06.2011

Mikhail Yuryevich Kurbatov: 17.06.2011

Alexander Albertovich Popov: 22.06.2010

Alexey Vladimirovich Sergutin: 22.06.2010

Alexander Grigoryevich Starchenko: 30.05.2008

Roman Alexeyevich Filkin: 11.06.2009

Alexander Viktorovich Shevchuk: 17.06.2011

5.2.2. Data on the sole executive body

Full name: **Dmitry Olegovich Gudzhoyan**

Year of birth: **1977**

Education:

1998, International University, specialty: Economic theory.

1999, the Moscow State Automobile and Road Technical Institute, specialty: Organization of transport movement and transport management (by types)

Scientific degree: Ph.D. in Economics

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
06.2011	current	IDGC of Centre, JSC	Member of the Board of Directors
02.2011	current	IDGC of Centre, JSC	General Director
12.2010	current	IDGC of Centre, JSC	Chairman of the Management Board
12.2010	02.2011	IDGC of Centre, JSC	Acting General Director
10.2010	current	The Coordination Council on Youth Affairs in the scientific and educational spheres under the President of the Russian Federation	Member of the Coordination Council
02.2010	12.2010	IDGC of Centre, JSC	Deputy General Director for Corporate Governance
11.2009	02.2010	IDGC of Centre, JSC	Director for Economy
03.2006	11.2009	ZAO Kriokor-Energiya	Commercial Director

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: **the issuer did not issue options**

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

5.2.3. Collegial executive body of the issuer

Full name: **Dmitry Olegovich Gudzhoyan**

(**Chairman**)

Year of birth: **1977**

Education:

1998, International University, specialty: Economic theory.

1999, the Moscow State Automobile and Road Technical Institute, specialty: Organization of transport movement and transport management (by types)

Scientific degree: Ph.D. in Economics

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
06.2011	current	IDGC of Centre, JSC	Member of the Board of Directors
02.2011	current	IDGC of Centre, JSC	General Director
12.2010	current	IDGC of Centre, JSC	Chairman of the Management Board
12.2010	02.2011	IDGC of Centre, JSC	Acting General Director
10.2010	current	The Coordination Council on Youth Affairs in the scientific and educational spheres under the President of the Russian Federation	Member of the Coordination Council
02.2010	12.2010	IDGC of Centre, JSC	Deputy General Director for Corporate Governance
11.2009	02.2010	IDGC of Centre, JSC	Director for Economy
03.2006	11.2009	ZAO Krikor-Energiya	Commercial Director

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: **the issuer did not issue options**

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: **Dmitry Alexandrovich Andryushin**

Year of birth: **1977**

Education:

1998, International University, finance, credit and currency circulation, Bachelor of Economics

2000, International University (Moscow), Master of Economics

2004, Moscow Power Engineering Institute (Technical University)

Scientific degree: Ph.D. in Economics

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
08.2011	current	IDGC of Centre, JSC	Deputy General Director for Investments
08.2011	current	IDGC of Centre, JSC	Member of the Management Board
08.2011	08.2011	IDGC of Centre, JSC	Advisor to General Director of the Administration Office
06.2011	current	Yargorelectoset, JSC	Member of the Board of Directors
03.2011	07.2011	IDGC of Centre, JSC	Advisor to General Director of the Administration Office of General Director
01.2008	02.2011	The Government of Moscow	Deputy Head of the Department of City capital construction purchase order of Moscow - Head of Office
01.1999	01.2008	The Government of Moscow	Deputy Head of Currency and Financial Management Office

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: **Dmitry Igorevich Gotlib**

Year of birth: **1979**

Education:

2001, Chuvash State University after I.N. Ulyanova; branch of study: World economy

Scientific degree, rank: Ph.D. in Economics

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
09.2011	current	Energy Service Company, JSC	Member of the Board of Directors
06.2011	current	Yargorelectoset, JSC	Member of the Board of Directors
05.2011	current	IDGC of Centre, JSC	Member of the Management Board
06.2011	current	IDGC of Centre, JSC	Deputy General Director for Development and Sale of Services
04.2011	05.2011	IDGC of Centre, JSC	Advisor to General Director
06.2010	current	OJSC "Moscow Region Energy Retail Company"	Member of the Board of Directors
07.2009	04.2011	OJSC "Moscow Region Energy Retail Company"	General Director
09.2007	07.2009	Mosenergosbyt, OJSC	Director for the wholesale electricity market
08.2006	09.2007	Mosenergosbyt, OJSC	Deputy director for the wholesale electricity market

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the

government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Ivan Petrovich Kleymenov***

Year of birth: ***1960***

Education:

1987, Volgograd Agricultural Institute, specialty: Electrical Engineer
1989, Volgograd Agricultural Institute, specialty: Economist

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
02.2010	current	IDGC of Centre, JSC	Member of the Management Board
07.2008	current	IDGC of Centre, JSC division - "Voronezhenergo"	Deputy General Director – Director of the division
01.2009	current	Private educational institution "Voronezh training center "Energetik"	Chairman of the Board of Trustees
01.07.2008	08.2008	IDGC of Centre, JSC division - "Voronezhenergo"	Executive Director
03.2208	06.2008	IDGC of Centre, JSC division - "Voronezhenergo"	Deputy Director for Technical Issues – Chief Engineer
10.2007	03.2008	"Voronezhenergo", JSC	Deputy General Director for Technical Issues – Chief Engineer
01.2007	09.2007	"Voronezhenergo", JSC	Technical Director
10.2005	12.2006	"Voronezhenergo", JSC	Chief Engineer

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the

government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Rustem Lenorovich Nabiullin***

Year of birth: ***1961***

Education:

1983, Higher professional education, Leningrad higher military engineering building technical school named after General of the Army A.N. Komarovskiy; specialty: construction of projects

2010, Academy of State and municipal management under the President of the Republic of Tatarstan; specialty: State and municipal management

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
07.2009	current	IDGC of Centre, JSC	Member of the Management Board
07.2009	current	IDGC of Centre, JSC	Deputy General Director for Capital Construction
08.2007	10.2008	Ministry of construction, architecture and housing and utilities of Amur region	First Deputy Minister of construction, architecture and housing and utilities of the region
11.1999	07.2007	Communal institution Sport complex "Spektr"	Director

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such position

Full name: ***Konstantin Nikolayevich Orlov***

Year of birth: ***1977***

Education:

1999, Financial Academy under the Government of the Russian Federation; branch of study: World economy

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
06.2011	current	Energetik, JSC	Member of the Board of Directors
06.2011	current	Yargorelectroset, JSC	Member of the Board of Directors
05.2011	current	IDGC of Centre, JSC	Member of the Management Board
04.2011	current	IDGC of Centre, JSC	Deputy General Director for Economy and Finance
11.2006	04.2011	The Royal Bank of Scotland ZAO	Vice-President

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Olga Vladimirovna Tkacheva***

Year of birth: ***1961***

Education:

1984, Moscow Aviation Institute, electric systems of aircrafts.

1998, International Institute of Economics and Law (Bachelor of Economics).

2007, Research and Training Center of Defense Problems of the Academy of Military Sciences.

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
09.2011	current	ZAO "Centre of Innovations and Energy Efficiency"	Member of the Board of Directors
05.2011	current	IDGC of Centre, JSC	Member of the Management Board
02.2011	current	IDGC of Centre, JSC	Deputy General Director for Corporate Governance
06.2010	current	JSC "NIC UES"	Member of the Board of Directors
06.2010	06.2011	Tyumenenergo, JSC	Member of the Board of Directors
06.2010	06.2011	JSC "NIC Urals"	Member of the Board of Directors
06.2010	06.2011	JSC "NIC IDGC"	Member of the Board of Directors
04.2009	02.2011	IDGC Holding, JSC	Deputy Head of the Corporate Governance and Shareholder Relations Department
02.2003	04.2009	ZAO "Gratis-N"	General Director

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Sergey Anatolyevich Shumakher***

Year of birth: ***1955***

Education:

1977, Moscow institute of agricultural production engineers; specialty: electrical engineer

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently,

including secondary employment

Period		Name of organization	Position
since	till		
04.2008	current	IDGC of Centre, JSC	Member of the Management Board (since 10.08.2011 Deputy Chairman of the Management Board)
05.2005	current	IDGC of Centre, JSC	Deputy General Director for Technical Issues – Chief Engineer, Deputy General Director for Technical Policy

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

When it is indicated in the report that a person holds certain position «currently» this means that a person held this position as of the end date of the reporting quarter. And the information is given based on the personal data provided to the issuer by a person.

Date of the first election to the Management Board of IDGC of Centre:

Dmitry Olegovich Gudzhoyan: 18.12.2010

Dmitry Alexandrovich Andryushin 15.08.2011

Dmitry Igorevich Gotlib: 31.05.2011

Ivan Petrovich Kleymenov: 15.02.2010

Rustem Leronovich Nabiullin: 31.07.2009

Konstantin Nikolayevich Orlov: 31.05.2011

Olga Vladimirovna Tkacheva: 31.05.2011

Sergey Anatolievich Schumacher: 30.04.2008

5.3. Data on amount of remuneration, privileges and/or indemnifications of charges concerning each governance body of the issuer

Information on the amount of remuneration for each governance body (except for an individual, who exercises functions of the sole executive governance body of the issuer). All kinds of remuneration, including wages, bonuses, commission, privileges and/or indemnifications of charges, and also other property granting which were paid by the issuer for the last completed financial year are specified:

Unit of measure: **RUB.**

Board of Directors

Remuneration	32 967 916
Wages	0
Bonuses	0
Commission fees	0
Privileges	0
Reimbursement of expenses	0
Other property forms	0
Other	0
TOTAL	32 967 916

Information on the existing agreements relating to such payments within the current financial year:
Payment of remuneration to members of the Board of Directors of the issuer is effected in accordance with the Provision on payment of remuneration and compensations to members of the Board of Directors of IDGC of Centre, JSC, approved by the annual General meeting of shareholders of IDGC of Centre, JSC , Minutes No. 01 dated 03.06.2008. Payment of remuneration to members of the Board of Directors is effected for participation in meetings as well as 2 kinds of additional remuneration: for net profit index according to the data of the annual accounting reporting approved by the annual general meeting of shareholders and in case of increase of the Company market capitalization for the work period of the Board of Directors.

The amount of remuneration for this body following the results of works for the last completed financial year, which was determined (approved) by the authorized governance body of the issuer, but as of the moment of completion of the reporting period was not actually paid out:

There were no stated facts

The collegial executive body

Remuneration	948 628
Wages	42 340 134
Bonuses	44 126 196
Commission fees	0
Privileges	0
Reimbursement of expenses	0
Other property forms	0
Other	2 217 353
TOTAL	89 632 311

Information on the existing agreements relating to such payments within the current financial year:
The income of members of the Management Board of the issuer is comprised of their income as monthly remuneration in the amount of 15 830,00 (Fifteen thousand eight hundred thirty) Rubles according to conditions of supplementary agreements to their Employment agreements, and their income as the staff members of the issuer as well.

The amount of remuneration for this body following the results of works for the last completed financial year, which was determined (approved) by the authorized governance body of the issuer, but as of the moment of completion of the reporting period was not actually paid out:

There were no stated facts

Supplementary information:

In 2010 remuneration to members of the Board of Directors is paid for participation in the meetings of the Board of Directors as well as additional remuneration following the results of 2009 for net profit index and increase of capitalization.

5.4. Data on structure and competence of the issuer's financial and economic activities control bodies

Full description of the structure of bodies for control over financial and economic activity of the issuer and their competence in accordance with the issuer's Articles of association (constituent documents):

Structure of the issuer's financial and economic activities control bodies and their competence in accordance with the Articles of Association.

Auditing Committee

In accordance with the Articles of Association of the issuer, the body of control over the financial and business activity of the issuer is the Auditing Committee.

Members of the Auditing Committee of the Company are elected by the general meeting of shareholders for the period till the next annual general meeting of shareholders.

Should the Auditing Committee of the Company be elected at the extraordinary meeting of shareholders the members of the Auditing Commission shall be considered elected for the period till the date of the holding of the annual meeting of the shareholders of the Company.

The number of members of the Auditing Committee of the Company shall be 5 (five) persons.

The following issues fall within the competence of the Auditing Committee:

- confirmation of the correctness of the information contained in the annual report, annual accounting balance sheet, report on profits and losses of the Company;
- analysis of the financial situation in the Company, reveal of the reserves for the improvement of the financial situation in the Company and working out of recommendations for the management organs of the Company;
- organization and carrying out of examination (audit) of the financial and business activity of the Company, in particular:
 - examination (audit) of the financial, accounting, settlement and other documentation of the Company, connected with the carrying out by the Company of financial and business activity in order to ensure its correspondence with the legislation of the Russian Federation, the By-Law, internal and other documents of the Company;
 - control over safe keeping and use of fixed capital;
 - control over the adherence to the order of writing off the losses of the Company of the indebtedness of the insolvent debtors;
 - control over cash spending of the Company in accordance with the approved business plan and budget of the Company;
 - control over the build up and use of the reserve and other specialized funds of the Company;
 - check of correct and timely allocation and payment of dividends on the shares of the Company, interests on bonds and earnings on other securities;
 - check of the regulations issued before on the correction of violations and shortages revealed by the previous examinations (audit);
 - carrying out of other actions "measures" connected with the examination of financial and business activity of the Company.

The procedure of activity of the Auditing Committee of the issuer is determined by the Regulations for the Auditing Committee of the issuer approved by the General Meeting of Shareholders of the issuer (at the approval moment – by the decision of the sole shareholder of the issuer) at the meeting on 30.03.2006 (Minutes No. 1429pr/1 of 30.03.2006). The text of the Regulations for the Auditing Committee of the issuer is available on the issuer's Internet website at: <http://www.mrsk-1.ru/docs/pologenieRK.pdf>.

The Auditing Committee according to the decision on carrying out check (audit) has the right to involve experts from the corresponding areas of law, economy, finance, book keeping, management, economic safety and

others, including the specialized organizations for carrying out the check (audit).

Check (audit) of financial and economic activity of the issuer can be carried out at any time under the initiative of the Auditing Committee of the issuer, the decision of general meeting of shareholders, Board of Directors of the issuer or upon request of the shareholder (shareholders) of the issuer owning in aggregate at least 10 percent of voting shares of the issuer.

Committee for Audit and Internal Control

The internal control is understood by the Company as the process intended to ensuring of reasonable guarantee of achievement of purposes of effective and successful use of the Company's resources, safe keeping of assets, observance of legislative requirements and submission of reliable statements.

The main purposes of the internal control are prompt revelation and analysis of financial and operation risks, which can make considerable negative influence on achievement of purposes of the Company connected with financial and economic activity; ensuring of safe keeping of assets, effective use of the Company's resources.

Internal control in IDGC of Centre, JSC is intended to ensure fulfillment of such aims as ensuring of investor confidence, protection of capital investments of shareholders and assets of the company; ensuring of completeness, reliability and authenticity of financial, accounting, statistical, management information and statements; ensuring of observance of regulatory and legal acts of the Russian Federation and resolutions of the management bodies of the Company and internal documents of the Company.

Entities of the internal control of the issuer are the Board of Directors, Committee for Audit of the Board of Directors, General Director, Department for internal control and audit as well as other structural subdivisions and officials of the Company responsible for fulfillment of internal control functions attached to them (internal documents of the Company).

Direct estimation of conformity, sufficiency and effectiveness of internal control procedures as well as system control over observance of internal control procedures is performed by the separate structural subdivision of the executive body of the Company – Department for internal control and audit.

Internal control in the Company is regulated by the Regulation of internal control procedures approved by the resolution of the Board of Directors dated 10.02.2009 (Minutes No.01/09 dated 13.02.2009). Text of the Regulation of internal control procedures of the issuer is available in free access at the Website page: <http://www.mrsk-1.ru/docs/yJfFOC.doc>.

The Regulation determines targets and aims of internal control, internal control procedures, entities responsible for performance of internal control procedures as well as responsible for control over performance of internal control procedures.

The Board of Directors of IDGC of Centre on 10.06.2010 (Minutes No.13/10 of 15.06.2010) approved the Policy of Internal Control and Risk Management Policy.

The main goal of Risk Management Policy in IDGC of Center and Internal control policy of IDGC of Center is an effective system of internal control, providing preventative (advance) the impact on financial and economic activities of the Company, by identifying and reducing the risk of erroneous management decisions, building and constructive engagement of all stakeholders, based on the formation of a unified approach to the implementation of internal control and risk management.

Risk Management Policy in IDGC of Centre - an internal standard document that defines the basic principles of organization, implementation, monitoring and risk management processes within the Company. The introduction of integrated risk management system will enable timely identification of threats and take steps to reduce the likelihood of their implementation, as well as to minimize the potential negative consequences if risks. Risk Management Policy is available on the Company's corporate website at: <http://www.mrsk-1.ru/docs/Regulition6.doc>.

Internal control Policy of IDGC of Centre - an internal normative document defining the principles of internal control processes and internal control procedures, roles and responsibilities of the internal control system. The aim of the policy is to build a standardized system of internal control based on the formation of a common approach to the implementation of internal control procedures that will improve the Company's management, to ensure the safeguarding of assets, to achieve the strategic objectives of the Company, as well as to raise the level of confidence of shareholders and investors. Internal Control Policy is available on the Company's corporate website at: <http://www.mrsk-1.ru/docs/regulitions7.doc>.

General estimation of effectiveness of internal control procedures in the Company (including those based on messages and reports of the Department for internal control and audit) is carried out by the Committee for Audit of the Board of Directors of the Company.

In accordance with the established procedure the Committee for Audit plays the key role within the internal

control process. Committee for Audit performs:

- planning of audits,
- control over conducting of the annual independent audit of accounting (financial) statements of the Company, objectiveness of these statements; as well as selection of candidates of external auditors and estimation of their qualification, quality of work and observance of independence requirements by them;
- control over internal control systems in the field of the accounting and finances as well as over activity of the Department for internal control and audit of the Company;
- considering of reports of the Department for internal control and audit related to the results of the conducted audits
- account for its activity before the Board of Directors.

Regulation on the Committee for Audit of the Board of Directors of IDGC of Centre, JSC (Minutes of the Board of Directors No. 12/10 dated June 02, 2010) is approved in the Company. The text of the Regulation on the Committee for Audit of the issuer is available in free access at the Website page: <http://www.mrsk-1.ru/docs/Appendix9.doc>

The Committee for Audit consists of 7 persons, who are also members of the Board of Directors of IDGC of Centre" (these members of the Committee for Audit were elected at the meeting of the Board of Directors of the Company dated from 29.07.2011, Minutes No.17/11 of 01.08.2011):

- Alexey Yuryevich Perepelkin,
- Alexey Vladimirovich Sergutin,
- Alexander Albertovich Popov,
- Mikhail Yuryevich Kurbatov,
- Alexander Viktorovich Shevchuk,
- Alexander Grigoryevich Starchenko,
- Roman Alexeevich Filkin.

The issuer formed the internal audit service

The term of work of the internal audit/internal control service and its key officials: Department for internal audit and risk management of the issuer has been exercising its functions since 06.06.2005 (date of acceptance of the first official in the Department of financial control and audit); on 06.08.2007 the Department was transformed into the Department for the internal control and audit, from 01.08.2011 - Department for internal audit and risk management (hereinafter – the Department). Key official is Vadim Evgenyevich Bunin – Head of the Department.

The main functions of Internal Audit Service; accountability of the internal audit service, interaction with the executive governance bodies of the issuer and the Board of Directors (Supervisory Board) of the issuer:

According to the Regulations for the Department, the main functions of the Department are:

- Carrying out various kinds of scheduled and off-schedule audits (audit of the financial reports, audit of business processes efficiency, audit of conformity of actions/inactivity of management and employees of the issuer with the legal acts of the Russian Federation and internal normative documents of the issuer, audits for revealing plunders, and other kinds of audit);
- Check of operations and actions of management and employees of the issuer for their conformity with the established and approved policies, business plan, with other plans, procedures of other internal and external regulatory statutory acts. At lack of conformity of results of operations and actions with those planned - finding the reasons of failure to execute plans;
- Estimation of operating ways and methods of maintenance of safety and protection of assets. If necessary, stock-taking of assets;
- Estimation of economic efficiency of resources use;
- Check of separate actions and operations under the tasks of management of the issuer;
- Monitoring and estimation of the system of efficiency of the issuer's risk management;
- Estimation of the system of the internal control efficiency;
- Preparation of proposals on amending normative documents of the issuer and recommendations on increase of the system of efficiency of the internal control and risk management;
- Development of recommendations and proposals following the results of the audits held.
- Participation in development and monitoring of performance of the measures directed to elimination of lacks of activity of the issuer, revealed during the audit;

- Interaction with officials of the Company of all levels for the purpose of improvement of risk management system, the internal control and management. Rendering consulting services on request of the Company's management;
- Interaction with the Auditing Committee, with external auditors on matters relating to the financial statements in accordance with Russian and international standards, the Audit Commission, the judicial, executive and legislative branches of the Russian Federation, representatives of the tax and other regulatory authorities on matters within the competence of the Division;
- Preparation of information materials on matters within the competence of the Division;
- Study of domestic and foreign experience on matters within the competence of the Division;
- Performance of other functions in accordance with the Company's internal regulatory documents.

The main goals of the Department in terms of internal control are:

- Check the reliability and objectivity of the Company's management reporting, as well as information on financial and economic activities;
- Evaluation of economic viability and efficiency of business operations performed by the Company;
- Checking the accuracy, completeness, objectivity and reliability of accounting and reporting, their testing, and also evaluation of the timeliness of data collection and submission of the Company's activities and reporting;
- Control the timely and complete elimination of violations and deficiencies;
- Monitoring the effectiveness of the use and safeguarding of assets (property) of the Company.

The accountability of internal audit service, interaction with executive bodies of management of the issuer and board of directors of the issuer, interaction of the internal audit service and external auditor of the issuer:

According to the organizational structure of the Department for Internal Audit and Risk Management, the division is directly subordinate to General Director.

In accordance with the Provision on internal control procedures the General Director of the Company approves (adjusts) the schedule of audits conducted by the Department. The Department informs quarterly the Committee for Audit of the Board of Directors relating to violations revealed as a result of audits, including facts of non-fulfillment, improper (ineffective) fulfillment of the internal documents approved in the Company and the results of elimination/failure to eliminate of the previously revealed violations as well as it makes proposals on elimination of the revealed violations.

The personnel of the Department perform their activities in accordance with the duty regulations developed by the Chief of Department and approved by the General Director of the issuer.

In the course of exercising of the functions the Department keeps in touch directly with other structural divisions of the Company, external organizations as well as the auditor of the Company.

Interaction of the internal audit service and the issuer's external auditor:
The issuer interacts with the external auditor by means of providing information by the Department for Internal Audit and Risk Management on the external auditor's requests.

The issuer approved (adopted) the internal document, determining rules on prevention of official (insider) information use

Information on availability of the document regarding prevention of official (insider) data use: IDGC of Centre, JSC applies the Regulations for the Insider Information of the issuer (Minutes of the meeting of the Board of Directors No. 27/11 of 29.12.2011).

Website page where its full text is available in free access: http://www.mrsk-1.ru/common/upload/docs/Polozhenie_ob_insayderskoy_informatsii.pdf

5.5. Information on the persons forming a part of financial and economic activities of control bodies of the issuer

Name of the body for control over financial and economic activity of the issuer:

Auditing Committee of IDGC of Centre, JSC

Full name: ***Uzumrud Aligadzhievna Alimuradova***

Year of birth: ***1971***

Education:

1994, Dagestan State University named after Lenin; branch of study: Economic Theory

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
2010	current	IDGC Holding, JSC	Director for Internal Audit and Risk Management (Head of Department of Internal Audit and Risk Management)
2009	2010	IDGC Holding, JSC	Head of Department for Internal Audit and Risk Management
2003	2009	"Energokonsulting" Ltd.	Director for Development

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: **the issuer did not issue options**

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: **Vladimir Nikolaevich Arkhipov**

Year of birth: **1956**

Education:

1979, Novosibirsk Electrical Engineering Communications Institute; branch of study: Multichannel electrical communication s

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
2011	current	IDGC Holding, JSC	Head of Security Department
2009	2011	IDGC Holding, JSC	First Deputy Head of Security

			Department
2006	2009	"Rustel" CJSC	General Director
2000	2006	FSUE "Rosoboronexport"	Consultant

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Igor Yuryevich Bogachev***

Year of birth: ***1959***

Education:

1982, Moscow Institute of Automotive Mechanics; qualification: Mechanical engineer

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
2010	current	IDGC Holding, JSC	Leading Expert of the Division for Investment Activity Control of the Department for Internal Audit and Risk Management
2007	2010	MOESK	Chief specialist of internal audit department

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: ***Galina Ivanovna Meshalova***

Year of birth: ***1957***

Education:

1980, North Ossetia State University; branch of study: Industrial Planning

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
2009	current	IDGC Holding, JSC	Chief expert of the Department for Internal Control and Risk Management
2004	2009	"Energokonsulting" Ltd.	Chief specialist of the Division for Managerial Consulting

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

Full name: **Olga Sergeyevna Sinitsina**

Year of birth: **1979**

Education:

2001, Novosibirsk State Academy of Economics and Management; branch of study: Financial accounting and audit

All positions occupied by this person in the issuer and other organizations for the last 5 years and currently, including secondary employment

Period		Name of organization	Position
since	till		
2010	current	IDGC Holding, JSC	Chief Expert of Department for Internal Audit and Risk Management
2005	2010	FinExpertise LLC	Project manager of Audit Department

Stake of this person in the authorized capital of the issuer/ordinary shares: does not have

Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person: ***the issuer did not issue options***

Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer

The person does not have stated stakes

Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer:

There are no stated sibling connections

Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government:

The person was not brought to stated types of responsibility

Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations:

The person did not occupy such positions

5.6. Data on amount of remuneration, privileges and/or indemnification of charges on the body of control over financial and economic activity of the issuer

Information on the amount of remuneration for each body for control over financial and economic activity. All kinds of remuneration, including wages, bonuses, commission, privileges and/or indemnifications of charges, as well as other property granting which were paid by the issuer for the last completed financial year are specified:

Unit of measure: **RUR.**

Name of the body for control over financial and economic activity of the issuer: **Audit Committee of IDGC of Centre, JSC**

Remuneration	1 273 825
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Wages	0
Bonuses	0
Commission fees	0
Privileges	0
Reimbursement of expenses	0
Other property forms	0
Other	0
TOTAL	1 273 825

Information on the existing agreements relating to such payments within the current financial year:
System of remuneration to members of the Auditing Committee of the issuer is determined by the Provision on payment of remuneration and compensations to members of the Auditing Committee of IDGC of Centre, JSC, approved by the annual general meeting of shareholders dated May 30, 2008 (Minutes No.01).

According to clause 3.1. of this Provision for participation in audit of financial and economic activity a member of the Auditing Committee of the Company is paid out one-time remuneration in the amount of a sum equal to twenty-five minimal monthly tariff rates of an employee of the first category, determined by the industrial tariff agreement in electric power complex of the Russian Federation (hereinafter referred to as the Agreement) within the period of the audit taking into account indexation stated by the Agreement. Payment of remuneration mentioned in clause 3.1. of the Provision is effected within a week after the report on results of the audit. In accordance with clause 3.2. of the Provision the amount of remuneration paid out to the Chairman of the Auditing Committee of the Company is increased by 50% according to clause 3.1. of the Provision.

According to clause 2.1. of this Provision a member of the Auditing Committee of the Company is compensated for expenses connected with participation in the meeting of the Auditing Committee and audit according to norms of compensation for business trip expenses of the Company existing for the moment of the meeting.

The amount of remuneration for this body following the results of works for the last completed financial year, which was determined (approved) by the authorized governance body of the issuer, but as of the moment of completion of the reporting period was not actually paid out:

There were no stated facts

5.7. Data on the number and the generalized data on education and structure of the staff (employees) of the issuer, and also on change of number of the staff (employees) of the issuer

Unit of measure: **RUR**.

It is not indicated in the 4th quarter

5.8. Data on any obligations of the issuer to the staff (employees) concerning the possibility of their participation in the authorized (joint-stock) capital (share fund) of the issuer

There are no agreements or liabilities of the issuer concerning opportunities of participation of the issuer's employees (staff) in the authorized (joint-stock) capital of the issuer

VI. Data on participants (shareholders) of the issuer and transactions of interest made by the issuer

6.1. Data on total amount of shareholders (participants) of the issuer

Total amount of persons registered in the issuer's shareholder register the end date of completion of the last reporting quarter: **14 413**

Total number of nominee holders of the issuer's shares: **18**

6.2. Data on the participants (shareholders) of the issuer owning at least 5 percent of its authorized (share) capital (unit fund) or at least 5 percent of its ordinary shares, as well as data on

participants (shareholders) of such persons owning at least 20 percent of the authorized (share) capital (unit fund) or at least 20 percent of their ordinary shares

The issuer's participants (shareholders) holding not less than 5 percent of its authorized (share) capital (unit fund) or not less than 5 percent of its ordinary shares

Nominee holder

Information on the nominee holder:

Full name: ***Depository and Corporate Technologies Limited Liability Company***

Abbreviated name: ***DCT Ltd.***

Location:

107014, Moscow, Stromynka street 4, building 1

Taxpayer identification number: ***7729520219***

Primary State Registration Number: ***1057746181272***

Phone: ***(495) 641-3031***

Fax: ***(495) 641-3031***

E-mail: ***dkt@depotech.ru***

Information on the license of professional participant of securities market

Number: ***177-11151-000100***

Date of issue: ***03.04.2008***

Date of expiry:

Unlimited

Name of body which issued the license: ***FFMS of Russia***

Amount of ordinary shares of the issuer registered in the register of shareholders of the issuer for the name of the nominal holder: ***21 206 473 501***

Number of preferred shares of the issuer, registered in the register of shareholders of the issuer in the name of nominee holder: ***0***

Nominee holder

Information on the nominee holder:

Full name: ***Depository Clearing Company, Closed Joint-Stock Company***

Abbreviated name: ***DCC, JSC.***

Location:

115162, Moscow, Vozdvizhenka Street 4/7, bld. 1

Taxpayer identification number: ***7710021150***

Primary State Registration Number: ***1027739143497***

Phone: ***(495) 956-0999***

Fax: ***(495) 232-6804***

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

Information on the license of professional participant of securities market

Number: ***177-06236-000100***

Date of issue: ***09.10.2002***

Date of expiry:

Unlimited

Name of body which issued the license: ***FFMS of Russia***

Amount of ordinary shares of the issuer registered in the register of shareholders of the issuer for the name of the nominal holder: ***11 486 957 546***

Number of preferred shares of the issuer, registered in the register of shareholders of the issuer in the name of

nominee holder: *0*

Nominee holder

Information on the nominee holder:

Full name: *Close Joint-Stock Company commercial Bank "Citibank"*

Abbreviated name: *CJSC CB "Citibank"*

Location:

8-10, Gashek St., Moscow, 125047

Taxpayer identification number: *7710401987*

Primary State Registration Number: *1027700431296*

Phone: *(495) 725-1000*

Fax: *(495) 725-6700*

There is no e-mail

Information on the license of professional participant of securities market

Number: *177-02719-000100*

Date of issue: *01.11.2000*

Date of expiry:

Unlimited

Name of body which issued the license: *FFMS of Russia*

Amount of ordinary shares of the issuer registered in the register of shareholders of the issuer for the name of the nominal holder: *4 538 346 701*

Number of preferred shares of the issuer, registered in the register of shareholders of the issuer in the name of nominee holder: *0*

6.3. Data on the stake of the state or municipal formation in the authorized capital of the issuer, presence of the special right ("golden share")

Amount of the share in the authorized (share) capital (unit fund) of the issuer, being in the federal property, %
0.4552

Package holder

Full name: *the Russian Federation on behalf of the Federal Agency for Federal Property Management, 109012, Moscow, Nikolsky pereulok 9*

Amount of the share in the authorized (share) capital (unit fund) of the issuer, being in the property of constituent entities of the Russian Federation), %

There is no stated stake

Amount of the share in the authorized (share) capital (unit fund) of the issuer, being in the municipal property, %

0.0058

Package holder

Full name: *South-West districts, Property Management Committee*

Presence of the special right to participation of the Russian Federation, entities of the Russian Federation, municipal formations in management of the issuer – joint-stock company ("golden share"), validity of special right ("golden share")

Stated right is not provided

6.4. Data on restrictions on participation in the authorized capital of the issuer

There are no restrictions for participation in the issuer's authorized (share) capital

6.5. Data on changes in the composition and stake of shareholders (participants) of the issuer owning at least 5 percent of its authorized (share) capital (unit fund) or at least 5 percent of its ordinary shares

The issuer's shareholders (participants), who held not less than 5 percent of the issuer's authorized (share) capital, and for issuers that were joint-stock companies – not less than 5 percent of the issuer's ordinary shares as well, determined for the date of the list of persons entitled to participate in each general meeting of the issuer's shareholders (participants), held for the last 5 completed financial years prior to the date of completion of the reporting quarter, or for each completed financial year prior to the date of completion of the reporting quarter, if the issuer performs its activity less than 5 years as well as for the last quarter according to date of the list of persons entitled to participate in each such meeting.

Date of the list of persons entitled to participate in the general meeting of the issuer's shareholders (participants):
18.04.2008

The list of shareholders (participants)

Full company name: ***Joint-Stock Company The Russian joint-stock company "Unified electric grids of Russia"***

Abbreviated company name: ***RAO UES of Russia, JSC***

Stake of participation of the entity in the issuer's authorized capital, %: **50.23**

Stake of the issuer's ordinary shares belonging to the entity, %: **50.23**

Full company name: ***Deutsche Bank AG London branch***

Abbreviated company name: ***no information***

Stake of participation of the entity in the issuer's authorized capital, %: **15.15**

Stake of the issuer's ordinary shares belonging to the entity, %: **15.15**

Full company name: ***Citigroup Global Markets Limited***

Abbreviated company name: ***no information***

Stake of participation of the entity in the issuer's authorized capital, %: **5.31**

Stake of the issuer's ordinary shares belonging to the entity, %: **5.31**

Date of the list of persons entitled to participate in the general meeting of the issuer's shareholders (participants):
04.05.2009

The list of shareholders (participants)

Full company name: ***"Holding of Interregional Distribution Grid Companies", Joint-Stock Company***

Abbreviated company name: ***IDGC Holding, JSC***

Stake of participation of the entity in the issuer's authorized capital, %: **50.23**

Stake of the issuer's ordinary shares belonging to the entity, %: **50.23**

Full company name: ***Jamica Limited***

Abbreviated company name: ***no information***

Stake of participation of the entity in the issuer's authorized capital, %: **15.86**

Stake of the issuer's ordinary shares belonging to the entity, %: **15.86**

Date of the list of persons entitled to participate in the general meeting of the issuer's shareholders (participants):
12.05.2010

The list of shareholders (participants)

Full company name: ***"Holding of Interregional Distribution Grid Companies", Joint-Stock Company***

Abbreviated company name: **IDGC Holding, JSC**

Stake of participation of the entity in the issuer's authorized capital, %: **50.23**

Stake of the issuer's ordinary shares belonging to the entity, %: **50.23**

Full company name: **Jamica Limited**

Abbreviated company name: **no information**

Stake of participation of the entity in the issuer's authorized capital, %: **15.9**

Stake of the issuer's ordinary shares belonging to the entity, %: **15.9**

Full company name: **THE BANK OF NEW YORK MELLON**

Abbreviated company name: **no information**

Stake of participation of the entity in the issuer's authorized capital, %: **7.01**

Stake of the issuer's ordinary shares belonging to the entity, %: **7.01**

Date of the list of persons entitled to participate in the general meeting of the issuer's shareholders (participants):
12.05.2011

The list of shareholders (participants)

Full company name: **"Holding of Interregional Distribution Grid Companies", Joint-Stock Company**

Abbreviated company name: **IDGC Holding, JSC**

Stake of participation of the entity in the issuer's authorized capital, %: **50.23**

Stake of the issuer's ordinary shares belonging to the entity, %: **50.23**

Full company name: **Jamica Limited**

Abbreviated company name: **no information**

Stake of participation of the entity in the issuer's authorized capital, %: **15.9**

Stake of the issuer's ordinary shares belonging to the entity, %: **15.9**

Full company name: **THE BANK OF NEW YORK MELLON**

Abbreviated company name: **no information**

Stake of participation of the entity in the issuer's authorized capital, %: **8.4**

Stake of the issuer's ordinary shares belonging to the entity, %: **8.4**

Supplementary information:

From the date of state registration of IDGC of Centre, JSC (December 17, 2004) up to March 31, 2008 RAO UES of Russia, JSC had been the sole shareholder of the Company. In accordance with item 3 of Art. 48 of the Federal Law "On Joint-Stock Company" No.208-FZ, the list of persons entitled to participate in the general meeting of shareholders is not drawn up in this case. Within this period the sole shareholder was taking decisions at:

The Extraordinary General meeting of shareholders (hereinafter referred to as the EGMS) dated October 29, 05; the EGMS dated March 30, 06; the annual General meeting of shareholders (hereinafter referred to as the AGMS) dated June 24, 06; the EGMS dated January 22, 07; the AGMS dated June 29, 07; the EGMS dated July 18, 07; the EGMS dated December 25, 07; the EGMS dated February 28, 08; the EGMS dated March 27, 08.

6.6. Data on the interested-party deals of the issuer

Information on amount and volume in monetary terms of transactions settled by the issuer which in accordance with the Law of the Russian Federation are recognized to be party-interested transactions that required approval by the authorized management body of the issuer, following the results of the last reporting quarter

Unit of measurement: **RUB**

Indicator	Total number,	Total volume in monetary
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	transaction	terms
The party-interested transactions settled by the issuer for the reporting period and that required approval by the authorized management body of the issuer	14	744 314 636
The party-interested transactions settled by the issuer for the reporting period and that have been approved by the general meeting of participants (shareholders) of the issuer	0	0
The party-interested transactions settled by the issuer for the reporting period and that have been approved by the Board of Directors (Supervisory Board) of the issuer	14	744 314 636
The party-interested transactions settled by the issuer for the reporting period and that required approval, but have not been approved by the authorized management body of the issuer	0	0

Transactions (groups of associated transactions) which amount to 5 and more percent of the issuer's asset balance sheet value determined according to data of its accounting statements by the last reporting date before transaction settled by the issuer for the last reporting quarter

The mentioned transactions were not settled

Total volume of the party-interested transactions in monetary terms settled by the issuer for the last reporting quarter, RUB: **744 314 636**

The party-interested transactions (groups of associated transactions) concerning which the approval decision was not taken by the Board of Directors (Supervisory Board) or the general meeting of shareholders (participants) of the issuer in cases, when such approval is mandatory in accordance with the Law of the Russian Federation

The mentioned transactions were not settled

6.7. Data on accounts receivable amount

Is not indicated in this reporting quarter

VII. Accounting reporting of the issuer and other financial information

7.1. Annual accounting reporting

Is not indicated in this reporting quarter

7.2. Quarter accounting reporting of the issuer for the last completed reporting quarter

Is not indicated in this reporting quarter

7.3. Summary accounting reporting of the issuer for the last completed fiscal year

It is not indicated for this reporting quarter

7.4. Data on the accounting policy of the issuer

The Accounting Policy of IDGC of Centre, JSC was not amended in the 4th quarter 2011.

7.5. Data on total sum of export, and on export share in the total amount of sales

It is not indicated for this reporting quarter

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 date of the last completed fiscal year

Cost of real estate for the date of completion of the reporting quarter, rubles: **29 941 853 692.42**

Amount of accrued depreciation for the date of completion of the reporting quarter, ruble: **5 497 030 435.18**

Information on essential changes in the structure of the issuer's property, made within 12 months till the date of completion of the re reporting quarter

There were no any essential changes in the structure of the issuer's property within 12 months till the date of completion of the reporting quarter

Data on any purchases or retirement on any bases of any other property of the issuer if the balance cost of such property exceeds 5 percent of the balance cost of assets of the issuer, and also data on any other changes essential for the issuer which occurred in the structure of other property of the issuer after the date of termination of the last completed fiscal year before the end date of the reporting quarter:

There were no stated changes

7.7. Data on participation of the issuer in litigations if such participation can essentially influence financial and economic activities of the issuer

October 18, 2011 Open Joint Stock Company "Novolipetsk Steel Plant" (hereinafter - OJSC "NLMK") filed a lawsuit against Open Joint Stock Company "Interregional Distribution Grid Company of Centre" (hereinafter - IDGC of Center, JSC) on recovery of 9 024 430 306, 30 rubles (nine billion twenty-four million four hundred thirty thousand three hundred and six rubles thirty kopecks) of the value of the services provided by IDGC of Center, JSC on transmission of electricity paid by OJSC "NLMK" for the period from 2008 to 2011.

The stated by OJSC "NLMK" claims are motivated by the lack by IDGC of Center, JSC of the legitimate right of ownership of transmission facilities, with which IDGC of Center, JSC provided OJSC "NLMK" the services for transmission of electric energy.

At present, the Arbitration Court of the City of Moscow initiated proceedings in relation to the abovementioned claim (Case # A40-116750/11-58-728). FGC UES was impleaded to the case as the third party that does not have any independent claims. By the decision of the Arbitration Court of the City of Moscow the preliminary hearing was rescheduled for February 24, 2012.

VIII. Additional data on the issuer and on the equity securities floated by it

8.1. Additional data on the issuer

8.1.1. Data on the amount, structure of the authorized (joint-stock) capital (share fund) of the issuer

Authorized (joint-stock) capital (share fund) of the issuer for the date of completion of the last reporting quarter, rubles: **4 221 794 146.8**

Ordinary shares

Total par value, rubles: **4 221 794 146.8**

Stake amount in the authorized capital, %: **100**

Preferred shares

Total par value: **0**

Stake amount in the authorized capital, %: **0**

8.1.2. Data on change of the amount of the authorized (joint-stock) capital (share fund) of the issuer

Data on change of the amount of the authorized (joint-stock) capital (share fund) of the issuer for the last 5 completed financial years prior to the date of completion of the reporting quarter as well as within the reporting quarter

Date of the change of the amount of the authorized capital: **27.05.2008**

Amount of the authorized capital till changes (rubles): **10 000 000**

Structure of the authorized capital till changes

Ordinary shares

Total par value (rubles): **10 000 000**

Stake amount in the authorized capital, %: **100**

Preferred shares

Total par value: **0**

Stake amount in the authorized capital, %: **0**

Amount of the authorized capital after changes (rubles): **4 221 794 146.8**

Name of the governance authority of the issuer who made a decision to change the amount of the authorized (joint-stock) capital (share fund) of the issuer: ***General shareholders meeting (the decision of the sole shareholder)***

Date of drawing up of the minutes of the meeting (proceedings) of the issuer's governance authority, where the decision on change of the amount of the authorized (joint-stock) capital (share fund) of the issuer was taken: **25.12.2007**

Number of the minutes: **1795pr/3**

8.1.3. Data on formation and use of the reserve fund and of other funds of the issuer

For the reporting quarter

Data on formation and use of the reserve fund and of other funds of the issuer that are formed for the account of its net profit

Name of the fund: ***Reserve Fund***

Amount of the fund established by constituent documents: ***the issuer creates the Reserve Fund in the amount of 5 (five) percent of the authorized capital of the issuer.***

Amount of the fund in monetary terms on the date of termination of the accounting period, thousand rubles: **211 090 000**

Amount of the fund in percentage of the authorized (joint-stock) capital (share fund): **5**

Amount of deductions to the fund within the accounting period: **0**

Amount of the fund used within the reporting period: **0**

Purposes of use of these funds:

Assets from the reserve fund were not used within the accounting quarter.

8.1.4. Data on the procedure of convening and holding the meeting (conference) of the issuer supreme management body

The name of the supreme governance body of the issuer: ***General Meeting of Shareholders***

The notification procedure of shareholders (participants) on holding the meeting of the supreme governance body of the issuer:

The notice on holding the General meeting of shareholders in the form of a meeting is published by the Company in the Izvestiya newspaper and is placed on the Internet website of the Company not later than 30 (thirty) days prior to the date of its holding.

The notice of General Meeting of shareholders by absentee ballot is published by the Company in the Izvestiya newspaper, as well as posted on the Company's website on the Internet no later than 30 (thirty) days before the deadline for accepting the Company ballots.

In case the person registered in the register of shareholders of the Company is the person - nominal holder of shares, the notice on holding the General meeting of shareholders is sent to the address of the nominal holder of shares if another postal address for sending the notice is not indicated in the list of the persons who have the right to participation in the General meeting of shareholders.

Persons (bodies) who have the right to convoke (to demand holding) of the extraordinary meeting of the

supreme governance body of the issuer, and also the order of sending (presentation) of such requirements:

Extraordinary General meeting of shareholders of the Company is held under the decision of the Board of Directors of the Company on the basis of its own initiative, the requirement of the Auditing Committee of the Company, the Auditor of the Company, as well as a shareholder (shareholders), being holder(s) of at least 10 (ten) percent of voting shares of the Company for the date of presentation of the requirement.

Procedure of definition of the date for holding the meeting of the supreme governance body of the issuer:

Annual General meeting of shareholders of the Company is held not earlier than two months and not later than six months after the ending of a financial year.

Convocation of the extraordinary General meeting of shareholders on demand of the Auditing Committee of the Company, the Auditor of the Company or the shareholders (shareholder) being holders of at least 10 (ten) percent of voting shares of the Company is carried out by the Board of Directors of the Company.

Such General meeting of shareholders should be held within 40 (forty) days from the moment of representation of the requirement on holding the extraordinary General meeting of shareholders of the Company, except for the case stipulated by clause 14.9. of the Articles of Association.

In case the proposed agenda of the extraordinary General meeting of shareholders contains an item on election of members of the Board of Directors of the Company, the General meeting of shareholders should be held within 90 (ninety) days from the moment of representation of the requirement on holding the extraordinary General meeting of shareholders of the Company.

Persons who are enabled to make proposals in the agenda of the meeting of the supreme governance body of the issuer, and also the order of making such proposals:

Shareholders (a shareholder) of the Company being jointly the holders of not less than 2 (Two) percent of voting shares of the Company are entitled to propose items for the agenda of the Annual General meeting of shareholders and to nominate candidates to the Board of Directors and the Auditing Committee of the Company, whose number cannot exceed the number of members of the correspondent body within 60 (Sixty) days after the ending of financial year.

Proposal on introduction of items for the agenda of the General meeting of shareholders and proposal on nomination of candidates are made in writing with indication of name of shareholders (a shareholder) introduced them, number and class (type) of shares held by them and should be signed by shareholders (a shareholder).

Proposal on introduction of items for the agenda of the General meeting of shareholders should contain formulation of every proposed item and proposal on nomination of candidates should contain the name and data of document indentifying a person (series and (or) number of document, date and place of its issue, authority issued this document) of every nominated candidate, name of the body which he is nominated to be elected to.

Items subject to inclusion into the agenda of the meeting should be formulated in the demand for holding the extraordinary General meeting of shareholders of the Company.

Persons (a person) demanding for convening the extraordinary General meeting of shareholders of the Company are entitled to present draft decision of the extraordinary General meeting of shareholders of the Company, proposal regarding form of holding the General meeting of shareholders. In case the demand for convening the extraordinary General meeting of shareholders contains the proposal on nomination of candidates, such proposal is subject to correspondent provisions of Article 13 of the Articles of Association.

In case the demand for convening the extraordinary General meeting of shareholders of the Company is made by a shareholder (shareholders) it should contain name of a shareholder (shareholders) demanding for convening the meeting with indication of number, class (type) of shares of the Company held by them.

Request for convening the extraordinary General meeting of shareholders of the Company is signed by a person (persons) demanding for convening the extraordinary General meeting of shareholders of the Company.

In case the proposed agenda of the extraordinary General meeting of shareholders contains the item on the election of members of the Board of Directors of the Company:

General meeting of shareholders should be held within 90 (Ninety) days from the date of introduction of the demand for holding the extraordinary General meeting of shareholders of the Company.

Shareholders (a shareholder) of the Company being jointly the holders of not less than two percent of voting shares of the Company are entitled to nominate candidates for the election to the Board of Directors of the Company whose number cannot exceed the number of members of the Board of Directors of the Company .

Such proposals should be introduced in the Company not less than 30 (Thirty) days prior to the date of

holding the extraordinary General meeting of shareholders.

Persons entitled to examine the information (documents) given for preparation and holding the meeting of the supreme governance body of the issuer, and also the order of examination of such information (documents):

The information (documents) concerning the agenda of General meeting of shareholders within 20 (twenty) days, and in case of holding the General meeting of shareholders, the agenda of which contains an item on reorganization of the Company, within 30 (thirty) days prior to holding the General meeting of shareholders should be available to the persons entitled to participate in the General meeting of shareholders, for examination in the governance body of the Company and other places, the addresses of which are specified in the notice on holding the General meeting of shareholders. The specified information (materials) should be available to the persons participating in the General meeting of shareholders during its holding.

The order of examination of the persons entitled to participate in the General meeting of shareholders, with the information (documents) concerning the agenda of the General meeting of shareholders and the list of such information (documents) are defined by the decision of the Board of Directors of the Company.

The order of announcement (bringing to the notice of shareholders (participants) of the issuer) of the decisions taken by the supreme governance body of the issuer, and also results of voting:

Results of voting and decisions taken by the General meeting of shareholders of the Company, held by the meeting can be announced at the General meeting of shareholders of the Company.

In case the results of voting and the decisions taken by the General meeting of shareholders of the Company held as a meeting were not announced at the General meeting of shareholders of the Company, than not later than 10 (ten) days after drawing up the minutes on results of voting - the decisions taken by the General meeting of shareholders of the Company, and also results of voting in the form of the report on results of voting are brought to the notice of the persons entitled to participate in the General meeting of shareholders of the Company in accordance with the procedure stipulated by item 12.4. of the Articles of Association of the Company, namely: published in the Izvestiya newspaper, and also placed on the web-site of the Company in the Internet.

The decisions taken by the General meeting of shareholders, held in the form of the correspondence voting, and also results of voting in the form of the report on results of voting not later than 10 (ten) days after drawing up of the minutes on results of voting are brought to the notice of the persons entitled to participate in the General meeting of shareholders of the Company, by the publication in the Izvestiya newspaper, and also are placed on the Company Internet web-site.

8.1.5. Data on the commercial organizations, in which the issuer owns at least 5 percent of the authorized (joint-stock) capital (share fund) or at least 5 percent of ordinary shares

List of the commercial organizations, in which the issuer owns at least 5 percent of the authorized (joint-stock) capital (share fund) or at least 5 percent of ordinary shares for the date of completion of the last reporting quarter

Full company name ***Open joint-stock company "Energetik"***

Reduced company name: ***"Energetik", OJSC***

Location

Tambov area, Tambov region, Novaya Lyada workers settlement, Sanatornaya street 1.

Taxpayer identification number: ***6820019240***

Primary State Registration Number: ***1036841127091***

Stake of the issuer in the authorized capital of the entity, %: ***100***

Ordinary shares of the entity belonging to the issuer, %: ***100***

Stake of the entity in the authorized capital of the issuer, %: ***0***

Ordinary shares of the issuer belonging to the entity, %: ***0***

Full and reduced company names: ***Joint-Stock Company "Yaroslavl city power networks"***

Reduced company name: ***"Yargorelectroset", OJSC***

Location ***150000, Russian Federation, Yaroslavl, Tchaikovsky Str., 37***

Taxpayer identification number: ***7604168778***

Primary State Registration Number (OGRN): ***1097604020227***

Stake of the issuer in the authorized capital of the entity, %: ***100***

Ordinary shares of the entity belonging to the issuer, %: **100**
Stake of a person in the authorized capital of the issuer, %: **0**
Stake of ordinary shares of the issuer belonging to a person, %: **0**

Full and reduced company names: **Joint-Stock Company "Energy Service Company"**
Reduced company name: **"Energy Service Company", OJSC**

Location

398001, Russian Federation, Lipetsk, 50 years NLMK Str., 33
Taxpayer identification number: **4824053495**
Primary State Registration Number (OGRN): **1114823000852**
Stake of the issuer in the authorized capital of the entity, %: **100**
Ordinary shares of the entity belonging to the issuer, %: **100**
Stake of a person in the authorized capital of the issuer, %: **0**
Stake of ordinary shares of the issuer belonging to a person, %: **0**

8.1.6. Data on material transactions completed by the issuer

For the reporting quarter

There were no stated transactions within this period

8.1.7. Data on credit ratings of the issuer

Credit ratings for the last 5 completed financial years that are known to the issuer, and if the issuer performs its activity less than 5 years – for each completed financial year

Rating award entity: ***the issuer***

Organization that assigned the credit rating

Full company name: **"National Rating Agency" Limited**

Brief company name: **"NRA" Ltd.**

Location: **32A, Khoroshevskoe highway, Moscow, 107023**

Brief description of credit rating award method or Website page, at which information on credit rating award method is placed (published) in free access:

Information on credit rating assignment method is available on the Internet site: www.ra-national.ru

The value of the credit rating as of the date of completion of the reporting quarter: ***"AA-" – high creditability, the first level***

History of change of values of the credit rating for the last 5 completed financial years, prior to the date of completion of the reporting quarter, and if the issuer performs its activity less than 5 years – for each completed financial year prior to the date of completion of the reporting quarter, indicating the value of the credit rating and the date of award (change) of the value of the credit rating

Date of assignment	Value of the credit rating
22.08.2007	"A" level - high solvency, the 2nd level
16.09.2008	"A+" level - high solvency, the 1 st level
24.12.2010	"AA-" level - very high solvency, the 3 rd level

Rating award object: ***the issuer***

Organisation that assigned the credit rating

Full business name: **Standard & Poor's**

Brief business name: **S&P**

Location: **the 7th floor, room 2, 4/7, Vozdvizhenka St., business-center "Mokhovaya", Moscow, 125009**

Brief description of credit rating award method or Website page, at which information on credit rating award method is placed (published) in free access:

www.standardandpoors.ru

Value of the credit rating as of the date of completion of the reporting quarter: **BB-/B/ruAA- outlook "Stable"**

History of change of values of the credit rating for the last 5 completed financial years, prior to the date of completion of the reporting quarter, and if the issuer performs its activity less than 5 years – for each completed financial year prior to the date of completion of the reporting quarter, indicating the value of the credit rating and the date of award (change) of the value of the credit rating

Date of assignment	Value of the credit rating
16.11.2009	BB-/B/ruAA- outlook "Stable"

8.2. Data on each category (type) of shares of the issuer

Category of shares: **ordinary**

Par value of each share (rubles): **0.1**

Amount of the shares which are in circulation (amount of shares which are not repaid or cancelled): **42 217 941 468**

Amount of the additional shares which are in process of placement (amount of shares of additional issue concerning which the state registration of the report on results of their release is not carried out): **0**

Amount of the declared shares: **258 532**

Number of shares at the issuer's balance: **0**

Amount of additional shares which may be placed as a result of converting the placed securities convertible into shares, or as a result of exercise of liabilities under options of the issuer: **0**

Issue of shares of this class (type):

Date of the state registration	Registration number
24.03.2005	1-01-10214-A

Rights granted by shares to their holders:

These rights are determined by clause 6.2. of Article 6 of the Articles of Association of the issuer: «Each ordinary share of the Company shall provide a shareholder - its owner - an equal volume of rights.

The shareholders owners of the ordinary shares of the Company have the right:

- 1) to participate personally or through representatives in general shareholders meeting of the Company with the right of vote on all items in its competence;**
- 2) to introduce moves in the agenda of the general meeting according to the legislation of the Russian Federation and the Articles of Association;**
- 3) to obtain information on the activity of the Company and get acquainted with the documentation of the Company in accordance with Article 91 of the Federal Law "On Joint Stock Companies" and other regulatory and legal statements and the Articles of Association;**
- 4) to receive dividends announced by the Company;**

- 5) to preferential right to acquire additional shares and emission securities placed through the open subscription, converted into shares in the amount proportional to the number of ordinary shares possessed by them, in cases provided by the law of the Russian Federation;
- 6) to receive a part of the Company's property in case of its liquidation;
- 7) to exercise other rights stipulated in the legislation of the Russian Federation and the Articles of Association»

Supplementary information on shares specified by the issue at its discretion:
The issuer did not issue preferred shares

8.3. Data on the previous issues of equity securities of the issuer except for shares of the issuer

8.3.1. Data on the issues all the securities of which are repaid (annulled)

There are no stated issues

8.3.2. Data on the issues, the securities of which are in circulation

There are no stated issues

8.3.3. Data on the issues, the obligations of the issuer under the securities of which were not executed (Default)

There are no stated issues

8.4. Data on the person (persons), who provided security on bonds of the issue

The issuer did not place bonds with security, liabilities on which have not been fulfilled yet

8.5. Conditions of maintenance of execution of obligations under bonds of the issue

The issuer did not place secured bonds, which are in circulation (are not redeemed) or liabilities on which have not been fulfilled (default)

8.5.1. Conditions of maintenance of execution of obligations under bonds with mortgage covering

The issuer did not place mortgage-backed bonds, liabilities on which have not been fulfilled yet

8.6. Data on the organizations which carry out accounting of the rights to the equity securities

Person performing keeping the register of owners of the issuer's registered securities: **registrar**

Full company name: **Limited Liability Company Reestr-RN**

Abbreviated company name: **Reestr-RN LLC**

Location: **bld. 3-4, Podkopaevsky Lane, 2/6, Moscow, 109028**

Taxpayer identification number: **7705397301**

Primary State Registration Number: **1027700172818**

Data on license for realization of the securities owners register keeping

Number: **10-000-1-00330**

Date of issue: **16.12.2004**

Date of expiry: **Termless**

Authority which issued the license: **FCSM of Russia**

Date from which the registrar keeps the register of holders of the issuer's securities: **18.12.2010**

Postal address of the registrar: bld. 3-4, Podkopaevsky Lane, 2/6, Moscow, 109028

Phone/fax: (495) 411-79-11, 411-83-11/ (495) 411-83-12

E-mail of the registrar: support@reestrn.ru

8.7. Data on the legislative acts regulating questions of import and export of the capital, which can influence payment of dividends, interests and other payments to non-residents

Names and details of legislative acts of the Russian Federation existing for the date of completion of the last reporting quarter, which regulate issues of import and export of the capital and can influence on payment of dividends on the issuer's shares to non-residents:

Main principles of realization of the currency transactions in the Russian Federation, rights and duties of legal entities and physical persons at ownership, use and disposal of the foreign currency and currency of the Russian Federation, the responsibility for infringement of the currency legislation are established by the Federal Law of the Russian Federation "About currency regulation and currency control of 10.12.2003 173-FZ;

At the same time, the acts specified below also contain the corresponding norms establishing the order of fulfillment of transactions and calculations with use of Russian and the foreign currency:

Civil Code of the Russian Federation (Part I, Part III);

Tax Code of the Russian Federation (Part I, Part II);

Federal Law of the Russian Federation of 9.07.1999 N 160-FZ (as amended on 26.06.2007) "On foreign investments into the Russian Federation";

Federal Law of 7.08.2001 No.115-FZ "On countermeasures to legalization (laundering of proceeds) of the incomes, received by criminal way and financing of terrorism".

International agreements (contracts) of Russia with the foreign countries ratified by Federal Laws of the Russian Federation, and establishing the mode of avoidance of the double taxation on the territory of the countries which are participants of these agreements (contracts):

Agreement between the Government of the Russian Federation and the Government of the Republic of Uzbekistan of 2.03.1994 "On avoidance of the double taxation of incomes and property" (Agreement was ratified by the Federal Law of the Russian Federation of 24.04.1995 N 51-FZ);

Agreement between the Government of the Russian Federation and the Government of the Ukraine of 8.02.1995 "On avoidance of the double taxation of incomes and property and prevention of evasion from payment of taxes" (Agreement is ratified by the Federal law of the Russian Federation of 8.07.1999 N 145-FZ);

Agreement between the Government of the Russian Federation and the Government of Belarus of 21.04.1995 "On avoidance of the double taxation and prevention of evasion from payment of taxes concerning taxes to incomes and property" (Agreement was ratified by the Federal Law of the Russian Federation of 10.01.1997 N 14-FZ);

Agreement between the Government of the Russian Federation and the Government of the Republic of Moldova of 12.04.1996 "About avoidance of the double taxation of incomes and property and prevention of evasion from payment of taxes" (the Agreement was ratified by the Federal Law of the Russian Federation of 28.04.1997 N 72-FZ);

Convention between the Government of the Russian Federation and the Government of the Republic of Kazakhstan of 18.10.1996 "On elimination of the double taxation and prevention of evasion from payment of taxes to incomes and the capital" (the Convention was ratified by the Federal Law of the Russian Federation of 28.04.1997 N 74-FZ);

Agreement between the Government of the Russian Federation and the Government of the Republic of Armenia of 28.12.1996 "On elimination of the double taxation on incomes and property" (the Agreement was ratified by the Federal Law of the Russian Federation of 17.12.1997 N 151-FZ);

Agreement between the Government of the Russian Federation and the Government of the Kyrgyz Republic of 13.01.1999 "On avoidance of the double taxation and prevention of evasion from payment of taxes to incomes" (the Agreement was ratified by the Federal Law of the Russian Federation of 8.07.1999 N 146-FZ);

Agreement between the Government of the Russian Federation and the Government of the Lithuanian Republic of 29 June 1999 "On avoidance of the double taxation and prevention of evasion from payment of taxes concerning taxes to incomes and the capital" (the Agreement was ratified by the Federal Law of the Russian Federation of 26.04.2005 N40-FZ);

The Agreement between the Government of the Russian Federation and the Government of the United Mexican States concerning avoidance of double taxation with respect to taxes on income dated June 7, 2004 (the Agreement is ratified by the Federal Law N 27-FZ dated March 04, 2008);

The Agreement between the Government of the Russian Federation and the Government of the Republic of Singapore concerning avoidance of double taxation and prevention of tax evasion with respect to taxes on income dated September 9, 2002 (the Agreement is ratified by the Federal Law N 256-FZ dated December 22, 2008);

The Agreement between the Government of the Russian Federation and the Government of the Syrian Arab Republic concerning avoidance of double taxation with respect to taxes on income dated September 17, 2000 (the

Agreement is ratified by the Federal Law N 81-FZ dated June 23, 2003);

The Agreement between the Government of the Russian Federation and the Government of Australia concerning avoidance of double taxation and prevention of tax evasion with respect to taxes on income dated September 7, 2000 (the Agreement is ratified by the Federal Law N 156-FZ dated December 06, 2003);

The Agreement between the Government of the Russian Federation and the Government of New Zealand concerning avoidance of double taxation and prevention of tax evasion with respect to taxes on income dated September 5, 2000 (the Agreement is ratified by the Federal Law N 79-FZ dated June 23, 2003);

The Agreement between the Government of the Russian Federation and the Government of the Republic of Finland concerning avoidance of double taxation with respect to taxes on income dated May 4, 1996 (Applicable in the Russian Federation since January 1, 2003 (the letter of Ministry of Taxation of the Russian Federation N RD-6-23/320 dated March 19, 2003);

Contract between the Russian Federation and the USA from 17.06.1992 "On avoidance of the double taxation and prevention of evasion from the taxation concerning taxes to incomes and the capital" (the Contract was ratified by the Decision of the Supreme Council of the Russian Federation of 22.10.1992 N 3702-1);

Convention between the Government of the Russian Federation and the Government of the State of Israel of 25.04.1994 "On avoidance of the double taxation and prevention of evasion from the taxation concerning taxes to incomes" (the Convention was ratified by the Federal law of the Russian Federation of 8.10.2000 N 126-FZ);

The Convention between the Government of the Russian Federation and the Government of the United Kingdom of the Great Britain and Northern Ireland of 15.02.1994 "On avoidance of the double taxation and prevention of evasion from the taxation concerning taxes to incomes and increase in value of property (together with exchange of the Notes of 15.02.1994 "Between the plenipotentiary Ambassador of the United Kingdom of the Great Britain and Northern Ireland in the Russian Federation and the deputy minister of foreign affairs of the Russian Federation) (the Convention and the Agreement concluded in the form of an exchange by notes, on application of separate provisions of the Convention, were ratified by the Federal Law of 19.03.1997 N 65-FZ);

Agreement between the Russian Federation and Federal Republic Germany of 29.05.1996 "On avoidance of the double taxation concerning taxes to incomes and property" (the Agreement was ratified by the Federal Law of the Russian Federation of 18.12.1996 N 158-FZ);

Agreement between the Government of the Russian Federation and the Government of the Republic of Cyprus of 5.12.1998 "On avoidance of the double taxation concerning taxes to incomes and the capital" (the Agreement was ratified by the Federal Law of 17.07.1999 N 167-FZ).

8.8. Description of incomes taxation procedure of the issuer's floated equity securities and equity securities which are in the process of floatation

Taxation of incomes from the placed issuer's equity securities and the securities in the process of placement are regulated by the Tax Code of the Russian Federation (further on called "TC"), and also other normative legal acts of the Russian Federation adopted according to the Tax Code of the Russian Federation.

TAXATION RATES

Profit type	Legal entities		Physical persons	
	Residents	Non-residents	Residents	Non-residents
Profit from sale of securities	20% (including: federal budget – 2%, budget of the federation entity– 18%)	20%	13%	30%
Profit in the form of dividends	0% (subitem1 item 3 Article 284 of the RF-TC) and 9%(subitem 2 item 3 Article 284 of the RF-TC	15%	9%	15%

TAX ASSESSMENT METHOD FOR PHYSICAL PERSONS

Tax type – individual income tax.

The sources of income of the Russian Federation include:

- Dividends and interest received from the Russian organization, and also the interest received from the

Russian individual businessmen and (or) the foreign organization in connection with activity of its permanent mission in the Russian Federation;

- Incomes of sale in the Russian Federation of shares or other securities, and also stakes in the authorized capital of the organizations..

Tax base.

1. On income from participatory interest in other organisations

Tax base on income received from participatory interest in other organizations is determined by tax agent taking particulars defined by this point into consideration.

If the Russian organization is the source of tax payer income, this organization is recognized to be tax agent and determines tax amount subject to deduction from tax payer income.

Tax amount subject to deduction from tax payer income – receiver of dividends, is calculated by tax agent according the following formula:

$$T = R \times Tr \times (d - D),$$

wherein:

T – tax amount subject to deduction;

R – relation of amount of dividends subject to distribution in favor of tax payer – receiver of dividends, to the total amount of dividends subject to distribution by tax agent;

Tr – relevant tax rate;

d – total amount of dividends subject to distribution by tax agent in favor of all receivers;

D - total amount of dividends received by tax agent within the current reporting (tax) period and previous reporting (tax) period by the date of distribution of dividends in favor of tax payers – receivers of dividends, providing that these amounts of dividends had not been accounted when determining tax base defined in respect to income received by tax agent in the form of dividends.

In case T value is minus, liability on tax payment does not occur and compensation from the budget is not paid.

2. On income relating to transactions with securities

When determining tax base on income relating to transactions with securities, income received on the following transactions are taken into account:

1) with securities circulating in the organized stock market;

2) with securities non-circulating in the organized stock market.

Securities circulating in the organized stock market are:

1) securities admitted to trading of the Russian trade organizer in the stock market, including at stock exchange.

Besides, securities are considered to be circulating in the organized stock market, if the market quotation of a security is calculated on them. The market quotation of a security means:

1) weighted average price of a security on transactions settled within one trading day through the Russian trade organizer in the stock market, including stock exchange, - for securities admitted to trading of such trade organizer in the stock market, at stock exchange;

2) closing price on a security calculated by foreign stock exchange on transactions settled within one trading day through such stock exchange, - for securities admitted to trading at foreign stock exchange.

Income from purchase-sale (repayment) of securities received within tax period is recognized to be income relating to transactions with securities.

Income in the form of interest (warrant, discount) received within tax period on securities are included in income relating to transactions with securities, if otherwise is provided by this article.

Expenses which are documentary confirmed and actually effected by a tax payer connected with acquisition, sale, keeping and repayment of securities, fulfillment and termination of liabilities on such transactions are considered to be expenses relating to transactions with securities and expenses relating to transactions with financial instruments of future transactions. These expenses include:

1) amounts paid to the issuer of securities as payment for placed securities as well as amounts paid in accordance with securities purchase contract, including warrant amounts;

2) payment for services rendered by professional stock market participants as well as stock exchange mediators and clearing centres;

3) expenses reimbursed to a professional stock market participant;

4) stock exchange fee (commission);

5) payment for services of persons keeping the register;

- 6) tax paid by tax payer when receiving securities by way of inheritance;
- 7) tax paid by tax payer when receiving shares by way of gift;
- 8) amounts of interests paid by tax payer on credits and loans received for settlement of transactions with securities within the amounts calculated basing on the refinancing rate of the Central Bank of the Russian Federation current as of the date of interest payment, increased in 1,1 times – for credits and loans expressed in Rubles and basing on 9 percent – credits and loans expressed in foreign currency;
- 12) other expenses connected directly with transactions with securities as well as expenses connected with services rendered by professional stock market participants within their professional activity.

Financial result on transactions with securities and transactions with financial instruments of future transactions is determined as income from transactions after deduction of the relevant expenses.

Expenses which cannot be directly related to decrease of income on transactions with securities, whether circulating or non-circulating in the organized market, or to decrease of the relevant type of income are distributed proportionally to a stake of each type of income.

Tax payers that suffered losses in previous tax periods on transactions with securities circulating in the organized stock market, transactions with financial instruments of future transactions circulating in the organized market are entitled to reduce tax base on transactions with securities circulating in the organized stock market, transaction with financial instruments of future transactions circulating in the organized market, respectively in the current tax period by the total amount of the suffered loss or a part of this amount (transfer the loss to the future periods).

Amounts of loss received on transactions with securities circulating in the organized stock market which were transferred to the future periods decrease tax base of the relevant tax periods on such transactions.

It is not admitted to transfer losses suffered on transactions with securities, non-circulating in the organized stock market, to the future periods.

A tax payer is entitled to transfer loss to the future periods within 10 years next to the tax period in which this loss was suffered.

Tax base on transactions with securities and transactions with financial instruments of future transactions is determined upon completion of tax period, if otherwise is provided by this point.

Tax agent (trustee, broker, person performing transactions under trust agreement, commission agreement, agency agreement in favor of a tax payer, another person recognized by a tax agent in accordance with this Code) determines tax base of a tax payer according to all types of income from transactions settled by the tax agent in favor of a tax payer. At this trustee, broker, person performing transactions under trust agreement, commission agreement, agency agreement in favor of a tax payer, another person recognized by a tax agent in accordance with this Code is considered to be a tax agent on amounts of tax underwithheld by the issuer of securities.

Calculation, withholding and payment of the amount of tax are carried out by the tax agent upon completion of the tax period as well as till expiration of the tax period or expiration of trust agreement validity according to the procedure established by this chapter.

For the purposes of this point payment of cash to a tax payer or third person on a tax payer's demand as well as transfer of money to a banking account of a tax payer or third person on a tax payer's demand by a tax agent means payment of money.

When a tax agent pays out money (in-kind income) till expiration of the tax period or expiration of trust agreement validity the tax is calculated from tax base determined in accordance with this article.

To determine tax base a tax agent makes calculation of financial result for a tax payer which is paid out money or in-kind income to for the date of income payment. In this case, if the amount of money paid out to a tax payer does not exceed the amount calculated for him at the rate of financial result on transactions under which trustee (broker, person performing transactions under trust agreement, commission agreement, agency agreement in favor of a tax payer, another person recognized by a tax agent in accordance with this Code) acts as a tax agent, the tax is paid from the amount of payment.

In case of in-kind income payment the amount of payment is determined at the rate of actually effected and documentary confirmed expenses for acquisition of securities transferred to a tax payer.

When a tax agent pays out money (in-kind income) to a tax payer more than once within the tax period calculation of tax amount is made by accrued total method plus tax amounts previously paid.

When a tax payer has different type of income (including income subject to tax at different rates) on transactions settled by a tax agent in favor a tax payer, order of priority of their payment to a tax payer is determined by agreement between a tax payer and a tax agent in case of payment of money (in-kind income) till expiration of the tax period (expiration of trust agreement validity).

At impossibility to withhold the estimated sum of the tax from the tax bearer, the source of payment of the income, the tax agent (the broker, the confidential managing director or another person making operations under the contract of the assignment, to the contract of commission, agency agreement in favor of the tax bearer, another person recognized by a tax agent in accordance with this Code) within one month from the moment of occurrence of

this circumstance in writing notifies tax body at the place of its accounting on impossibility of the specified deduction and the sum of debt of the tax bearer. Payment of the tax in this case is made in conformity with Article 228 TC.

Tax agents calculate, withhold and transfer the tax withheld from a tax payer not later than one month from the date of completion of the tax period or date of money payment (securities transfer).

A tax payer is provided with deduction in the amount of actually effected and documentary confirmed expenses in case a tax payer calculates or pays a tax by a tax agent (broker, trustee, management company that performs trust management of property being unit investment fund, or by another person settling transactions under trust agreement, commission agreement, agency agreement or another similar agreement in favor of a tax payer) or upon expiration of the tax period when tax return is submitted to tax authority.

TAX ASSESSMENT METHOD FOR LEGAL ENTITIES

Tax type - the profit tax.

The income includes:

- Proceeds from realization of property rights (incomes of realization);
- Extraordinary incomes in the form of interest under securities and other promissory notes and/or from individual share in other organizations.

Tax base.

1. On income from transactions on sale or other retirement of securities.

Incomes of the tax bearer from operations on realization or other retirement of securities (including repayment) are defined proceeding from the price of realization or other retirement of the securities, and also the sum of the accumulated interest (coupon) income paid by the buyer to the tax bearer, and the sum of the interest (coupon) income paid to the tax bearer by the issuer. Thus, the income of the tax bearer from realization or other retirement of securities does not include the amounts of the interest (coupon) income earlier considered at tax assessment.

Charges at sale (or other retirement) of securities are defined proceeding from the price of purchase of the securities (including charges on its purchase), expenses for its realization, the amount of discounts from settlement cost of the investment contributions, the sum of the accumulated interest (coupon) income paid by the tax bearer to the seller of the securities. Thus, the charges do not include the sums of the accumulated interest (coupon) income earlier considered at tax assessment.

Securities are recognized to be circulating on the organized securities market only at the simultaneous observance of the following terms:

- 1) if they are admitted to circulation at least by one organizer of trade who is entitled for making such permission according to the national legislation;
- 2) if the information on their prices (quotations) is published in mass media (including the electronic mass media) or may be presented by the organizer of trade or other authorized person to any interested person within three years after the date of fulfillment of operations with securities;
- 3) if the market quotation is calculated on their basis within the last three months preceding the date of transaction with securities settled by a tax payer, if it is stipulated by the corresponding national legislation..

Market price of the securities circulating on the organized securities market, for the purposes of tax assessment is an actual price of sale or other retirement of securities if this price is in the interval between the minimal and maximal prices of transactions (an interval of the prices) with the specified securities registered by the organizer of trade on the securities market for the date of fulfillment of the corresponding transaction.

In case sale (acquisition) of the securities circulating on the organized securities market as for its price is below the floor price (exceeding maximum price) of transactions for the organized securities market, at definition of financial result the floor price (maximum price) of the transaction for the organized securities market is considered.

The accumulated interest (coupon) income is a part of the interest (coupon) income, the payment of which is stipulated by terms of the issue of these securities calculated proportionally to the quantity of the days which passed from the date of issue of the securities or date of payment of the previous coupon income till the date of fulfillment of the transaction (date of transfer of the securities).

The procedure for determining the settlement price of securities not traded at an organized securities market, is set out by order of the Federal Financial Markets Service of Russia N 10-66/pz-n of 09.11.2010 "On approval of determining the settlement price of the securities not traded at an organized securities market for the purpose of Chapter 25 of the Tax Code of the Russian Federation" (hereinafter - the Procedure).

Calculating price of securities not circulating at the stock market can be defined:

- as the price, calculated on the basis of existing market prices of securities at the securities market in accordance with paragraph 4 of the Procedure;

- as the price, calculated by the organization in accordance with the rules provided in paragraphs 5 - 19 of the Procedure;

- as the estimated value of the securities, determined by the appraiser.

Procedure of determining of calculating price of securities, non-circulating in the organized market, as well as calculating price appraisal methods for such securities (if appraisal of calculating price is conducted by a tax payer independently) should be recorded in the tax payer's accounting policy.

The tax base under operations with securities is defined by the tax bearer separately, except for the tax base on operations with the securities defined by professional participants of the securities market. Thus, tax bearers (except for the professional participants of the securities market who carry out dealer activity) define tax base on operations with the securities circulating on the organized securities market, separately from tax base on operations with the securities which are not circulating on the organized securities market.

At sale or other retirement of securities, the tax bearer independently according to the accounting policy accepted with a view of the taxation chooses one of the following methods of write-off of the cost of the retired securities to charges:

1) First In First Out (FIFO);

2) Cost of a unit.

The tax bearers who received the loss (losses) from operations with securities in the previous tax period or during the previous tax periods, have the right to reduce the tax base received from operations with securities in the accounting (tax) period (to transfer the specified losses on the future) in accordance with the procedures and on terms established by Article 283 of TC.

Thus losses from operations with the securities which are not circulating on the organized securities market received in the previous tax period (the previous tax periods) may be referred to reduction of tax base from operations with such securities defined in the accounting (tax) period. Losses from operations with the securities circulating on the organized securities market received in the previous tax period (the previous tax periods) may be referred to reduction of tax base from operations on sale of the given category of securities.

During the tax period, carryover of the losses occurred in the corresponding reporting period from operations with securities circulating on the organized securities market, and the securities which are not circulating on the organized securities market, is referred separately to the specified categories of securities accordingly within the limits of the profit received from operations with such securities.

2. On income from participatory interest in the activity of the organisations (dividends)

Tax base on income received from participatory interest in other organisations is determined by a tax agent taking particulars specified by this point into consideration:

1) If the source of a tax payer's income is foreign organisation, tax amount in relation of received dividends is fixed by a tax payer independently basing on the amount of received dividends and the relevant tax rate

In this case tax payers that receive dividends from foreign organisation, including by means of permanent representation in foreign organisation in the Russian Federation, is not entitled to reduce tax amount calculated in accordance with this chapter by tax amount calculated and paid according to income source location, if otherwise is provided by the international contract.

2) If the source of a tax payer's income is the Russian organisation, this organisation is recognized to be a tax agent and fixes tax amount taking provisions of this point into account.

Tax amount subject to withholding from income of a tax payer – receiver of dividends, is calculated by a tax agent according the following formula:

$$T = R \times Tr \times (d - D),$$

wherein:

T – tax amount subject to withholding;

R – relation of amount of dividends subject to distribution in favor of tax payer – receiver of dividends, to the total amount of dividends subject to distribution by tax agent;

Tr – relevant tax rate;

d – total amount of dividends subject to distribution by tax agent in favor of all receivers;

D - total amount of dividends received by tax agent within the current reporting (tax) period and previous reporting (tax) period by the date of distribution of dividends in favor of tax payers – receivers of dividends, providing that these amounts of dividends had not been accounted when determining tax base defined in respect to income received by tax agent in the form of dividends.

In case T value is minus, liability on tax payment does not occur and compensation from the budget is not paid.

3) If the Russian organisation – a tax agent pays out dividends to foreign organisation and (or) an individual who is non-resident of the Russian Federation, tax base of a tax payer – receiver of dividends under each such payment is determined as the amount of paid dividends.

In case of payment of income to a foreign organization by the tax agent which in accordance with international treaties (agreements) is taxed in Russia at reduced rates, then calculation and withholding of tax on gains is made by the tax agent at relevant reduced rates when a confirmation is presented by a foreign organization to the tax agent under paragraph 1 of Article 312 of the Tax Code of the Russian Federation.

8.9. Data on declared (accrued) and paid dividends per shares of the issuer, as well as on income from the issuer's bonds

8.9.1. Data on declared (accrued) and paid dividends per shares of the issuer for the last 5 completed financial years or the each completed financial year, if the issuer performs its activity less than 5 years

Dividend period

Year: **2006**

Period: **full year**

Name of the governance body of the issuer, which took decision (declared) of payment of dividends on the issuer's shares: **Decision of the sole shareholder**

Date of carrying out the meeting of the issuer's governance body where the decision on payment (declaration) of dividends was taken: **29.06.2007**

Date of the list of persons entitled to receive dividends for this dividend period:

Date of the minutes: **29.06.2007**

Number of the minutes: **1694pr/2**

Class (type) of shares: **ordinary**

Sum of the declared (accrued) dividends on shares of this class (type) as per one share, Rubles: **0.0283**

Total sum of the declared (accrued) dividends on all shares of this class (type), Rubles: **2 830 000**

Total amount of dividends paid out on all issuer's shares of the same class (type), Rubles: **2 830 000**

The term allocated for payment of declared dividends per shares of the issuer: **within 60 days from the date of decision-making on their payment**

The form and other terms of payment of the declared dividends per shares of the issuer: **in the monetary form by transfer of the corresponding sums of money from the account of the issuer to the bank account (postal address) containing in the system of keeping the register of the issuer's shareholders.**

Dividend period

Year: **2010**

Period: **full year**

Name of the governance body of the issuer, which took decision (declared) of payment of dividends on the issuer's shares: **Decision of AGM**

Date of carrying out the meeting of the issuer's governance body where the decision on payment (declaration) of dividends was taken: **17.06.2011**

Date of the list of persons entitled to receive dividends for this dividend period: **12.05.2011**

Date of the minutes: **21.06.2011**

Number of the minutes: **01/11**

Class (type) of shares: **ordinary**

Sum of the declared (accrued) dividends on shares of this class (type) as per one share, Rubles: **0.01447**

Total sum of the declared (accrued) dividends on all shares of this class (type), Rubles: **610 932 000**

Total amount of dividends paid out on all issuer's shares of the same class (type), Rubles: **602 169 023.08**

The term allocated for payment of declared dividends per shares of the issuer: ***within 60 days from the date of decision-making on their payment***

The form and other terms of payment of the declared dividends per shares of the issuer: ***in the monetary form by transfer of the funds from the issuer's bank account to the account (postal address) contained in the system to maintain the register of shareholders of the issuer.***

The dividends declared on the shares of the issuer have not been paid by the issuer in full.

Reasons for non-payment of the declared dividends:

some shareholders lack details of registered persons in the questionnaires for transfer of the dividends (or they are wrong).

At the Annual General Shareholders Meeting held on May 30, 2008 the decision was taken not to pay dividends per the Company's ordinary shares following the results of 2007.

At the annual General meeting of shareholders held on June 11, 2009 the decision was taken not to pay dividends on ordinary shares of the Company following the results of 2008.

At the annual General meeting of shareholders held on June 22, 2010 the decision was taken not to pay dividends on ordinary shares of the Company following the results of 2009.

The issuer did not carry out issue of bonds and, accordingly, did not pay incomes per bonds for all time of realization of its activity.

The information about the dividend history of IDGC of Centre, JSC for the period 2005-2011 is posted on the website of the Company at: <http://www.mrsk-1.ru/ru/investors/dividend/>.

8.9.2. Issues of bonds, on which the income has been paid out for the last 5 completed financial years prior to the date of completion of the last reporting quarter, and if the issuer performs its activity less than 5 years – for each completed financial year prior to the date of completion of the last reporting quarter

The issuer did not issue bonds

8.10. Other data

8.10.1. The information on activity of the Company governance bodies

Reports of the governance and control bodies of IDGC of Centre are placed on the website of the Company at:

- Minutes of general meeting of shareholders:

<http://www.mrsk-1.ru/ru/investors/management/decision/stockholders-meeting/solution/17062011/index.php>;

- Minutes of meeting of the Board of Directors:

<http://www.mrsk-1.ru/ru/investors/management/decision/sovet/2012/>;

- Minutes of meeting of Committees of the Board of Directors:

<http://www.mrsk-1.ru/ru/investors/management/decision/solution-committee/>;

- Minutes of meeting of the Auditing Committee:

<http://www.mrsk-1.ru/ru/investors/management/supervisors/decisions-inspection/>.

8.10.2. Data on the structures of the committees under the Board of Directors of the Company

As of 31.12.2011 IDGC of Centre set up 5 Committees under the Company's Board of Directors: Reliability Committee, Committee for Personnel and Remuneration, Committee for Audit, Committee for Strategy and Development, Committee for Technological connection to electric grids under the Board of Directors. The information on the structure of the Committees under the Board of Directors of IDGC of Centre is placed on the website of the Company at:

- Reliability Committee:
<http://www.mrsk-1.ru/ru/investors/management/controls/committee/technological/2011/index.php>;
- Committee for Technological connection to electric grids:
<http://www.mrsk-1.ru/ru/investors/management/controls/committee/realty/2011/index.php>;
- Committee for Strategy and Development:
<http://www.mrsk-1.ru/ru/investors/management/controls/committee/strategics/2011/index.php>;
- Committee for Audit:
<http://www.mrsk-1.ru/ru/investors/management/controls/committee/audit/2011/index.php>;
- Committee for Personnel and Remuneration:
<http://www.mrsk-1.ru/ru/investors/management/controls/committee/cadre/2011/index.php>.

8.10.3. The information on corporate governance evaluation

In 2007 Consortium of the Russian Institute of Directors and the Expert RA rating agency - "RID - RA" appropriated IDGC of Centre the rating of corporate governance NCGR 6 + - "Developed practice of corporate governance" under the scale of the National Corporate Governance Rating".

From the moment of assignment of the National Corporate Governance Rating at the end of 2006, the practice of corporate governance of the Company underwent a number of changes that was the basis for revision and increase of the rating of corporate governance up to the level of NCGR 6 +.

On 23 September 2008, the Consortium of the Russian Institute of Directors and the Expert RA rating agency - "RID - RA" appropriated IDGC of Centre the rating of corporate governance NCGR 7 "Developed practice of corporate governance" under the scale of the National Corporate Governance Rating, and on February 02, 2009, July 29, 2009 and January 18, 2010 and July 12, 2010 the rating was confirmed at this level.

On 25.01.2011 the Consortium of the Russian Institute of Directors and "Expert RA" rating agency - «RID – Expert RA» raised the corporate governance rating up to NRCG 7+ "Developed Practice of Corporate Governance" according to the scale of the National Corporate Governance Rating.

This level of rating means that IDGC of Centre has a low risk of corporate governance, the company complies with the requirements of the Russian legislation on corporate governance, follows most of the recommendations of the Russian Code of Corporate Conduct, and some of the recommendations of the international best practice corporate governance.

The certificate on assignment to the Company of the corporate governance rating is published on the Internet website of the Company at: <http://www.mrsk-1.ru/ru/investors/management/raiting/>.

8.10.4. Information on officials of system of internal control over the issuer's financial and economic activity – Department for internal audit and risk management of IDGC of Centre, JSC:

Information on employees of the Department of internal control and audit at the reporting date:

<i>Vadim Evgenyevich Bunin</i>	
Year of birth	1976
Education	1998, Kostroma State Technological University, specialty: «Accounting and audit», qualification: economist in specialty «Accounting and audit»
Citizenship	The Russian Federation
Positions occupied in the issuer and other organizations for the past 5 years and at present, in date order	<p>10.06.2008 - current IDGC of Centre, JSC – Head of Department for internal audit and risk management (before 01.08.2011 - Department for internal control and audit)</p> <p>01.11.2007 - 09.06.2008 IDGC of Centre, JSC – regional manager</p> <p>21.08.2006 - 31.10.2007 IDGC of Centre and North Caucasus, JSC – Deputy General Director for Economy and Finance of the</p>

	<p>Southern Directorate</p> <p>13.06.2006 - 18.08.2006 «Investment construction company «VEDIS» Close JSC – Deputy Financial Director</p> <p>11.05.2004 - 13.06.2006 «Investment construction company «VEDIS» Close JSC – Chief Accountant</p>
Stake of this person in the authorized capital of the issuer which is a commercial organization	Has no stake
Ordinary shares of the issuer belonging to the person	Has no stake
Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person	Has no such shares
Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer	Has no stake
Ordinary shares of a subsidiary or dependent entity of the issuer belonging to this person (for subsidiaries and dependent entities of the issuer which are joint-stock companies)	Has no stake
Amount of shares of each category (type) of a subsidiary or dependent entity of the issuer which may be purchased by the person as a result of exercise of the rights under options of a subsidiary or dependent entity of the issuer belonging to the person	Has no such shares
Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer	Has no sibs with the specified persons
Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government	Proceedings were not initiated against the person
Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations.	The person did not occupy such positions
<i>Nina Petrovna Zavatskaya</i>	
Year of birth	1962
Education	1981, Kokinsky Order of Red Banner State Farm - College "Accounting"; 1989, Bryansk Agricultural Institute, "Economics and Organization of Agriculture"
Citizenship	The Russian Federation
Positions occupied in the issuer and other	18.10.2010 – current

organizations for the past 5 years and at present, in date order	IDGC of Centre, JSC – Principle specialist of Section for Audit and Expertise of Department for internal audit and risk management (before 01.08.2011 - Department for internal control and audit) from 15.04. 2008 to 13.10.2010 CorSsys, JSC – Director of Brynsk Division; from 10.12.2005 to 14.04.2008 Brynskenergo, JSC – Deputy Chief Accountant on Operations, Chief Accountant
Stake of this person in the authorized capital of the issuer which is a commercial organization	Has no stake
Ordinary shares of the issuer belonging to the person	Has no stake
Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person	Has no such shares
Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer	Has no stake
Ordinary shares of a subsidiary or dependent entity of the issuer belonging to this person (for subsidiaries and dependent entities of the issuer which are joint-stock companies)	Has no stake
Amount of shares of each category (type) of a subsidiary or dependent entity of the issuer which may be purchased by the person as a result of exercise of the rights under options of a subsidiary or dependent entity of the issuer belonging to the person	Has no such shares
Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer	Has no sibs with the specified persons
Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government	Proceedings were not initiated against the person
Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations.	The person did not occupy such positions
<i>Elena Vitalievna Kochkurova</i>	
Year of birth	1978
Education	The Academy of National Economy under the Government of the Russian Federation, economist The Far Eastern National University, lawyer Institute of Management «Link», post-graduate course

Citizenship	The Russian Federation
Positions occupied in the issuer and other organizations for the past 5 years and at present, in date order	10.01.2006 - current IDGC of Centre, JSC, Head of Section for internal audit, Principle Expert of Department for internal audit and risk management (before 01.08.2011 - Department for internal control and audit) 29.07.2002 - 30.12.2005 RAO UES of Russia, Principle Expert of the Book Keeping and Reporting Department
Stake of this person in the authorized capital of the issuer which is a commercial organization	Has no stake
Ordinary shares of the issuer belonging to the person	Has no stake
Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person	Has no such shares
Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer	Has no stake
Ordinary shares of a subsidiary or dependent entity of the issuer belonging to this person (for subsidiaries and dependent entities of the issuer which are joint-stock companies)	Has no stake
Amount of shares of each category (type) of a subsidiary or dependent entity of the issuer which may be purchased by the person as a result of exercise of the rights under options of a subsidiary or dependent entity of the issuer belonging to the person	Has no such shares
Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer	Has no sibs with the specified persons
Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government	Proceedings were not initiated against the person
Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations.	The person did not occupy such positions
<i>Svetlana Yurievna Kuznetsova</i>	
Year of birth	1964
Education	1989, Yaroslavl State University, Specialty "Accounting and business analysis"
Citizenship	The Russian Federation
Positions occupied in the issuer and other organizations for the past 5 years and at present, in	14.10.2010 – current IDGC of Centre, JSC – Principle expert of Section for

date order	Audit and Expertise of Department for internal audit and risk management (before 01.08.2011 - Department for internal control and audit) from 01.10. 2007 to 13.10.2010 CorSsys, JSC – Director of Yaroslavl Division; from 01.03.2005 to 30.09.2007 Yarenergo, JSC – Chief Accountant
Stake of this person in the authorized capital of the issuer which is a commercial organization	Has no stake
Ordinary shares of the issuer belonging to the person	Has no stake
Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person	Has no such shares
Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer	Has no stake
Ordinary shares of a subsidiary or dependent entity of the issuer belonging to this person (for subsidiaries and dependent entities of the issuer which are joint-stock companies)	Has no stake
Amount of shares of each category (type) of a subsidiary or dependent entity of the issuer which may be purchased by the person as a result of exercise of the rights under options of a subsidiary or dependent entity of the issuer belonging to the person	Has no such shares
Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer	Has no sibs with the specified persons
Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government	Proceedings were not initiated against the person
Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations.	The person did not occupy such positions
<i>Molodtsova Alla Vladislavovna</i>	
Year of birth	1979
Education	2004, Ryazan State Radio Engineering Academy, Faculty of economics and planning industry, degree in "Company Management"
Citizenship	The Russian Federation
Positions occupied in the issuer and other organizations for the past 5 years and at present, in date order	07.02.2011 - current IDGC of Centre, JSC - Principal specialist of Department for internal audit and risk management

	(before 01.08.2011 - Department for internal control and audit) 07.2010 - 10.2010 Trading House "Perekrestok" LLC Leading Auditor 04.2006 - 06.2010 ZAO Deloitte Touche Consultant 06.2005 – 04.2006 Nevskaya Consulting Company LLC Consultant
Stake of this person in the authorized capital of the issuer which is a commercial organization	Has no stake
Ordinary shares of the issuer belonging to the person	Has no stake
Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person	Has no such shares
Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer	Has no stake
Ordinary shares of a subsidiary or dependent entity of the issuer belonging to this person (for subsidiaries and dependent entities of the issuer which are joint-stock companies)	Has no stake
Amount of shares of each category (type) of a subsidiary or dependent entity of the issuer which may be purchased by the person as a result of exercise of the rights under options of a subsidiary or dependent entity of the issuer belonging to the person	Has no such shares
Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer	Has no sibs with the specified persons
Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government	Proceedings were not initiated against the person
Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations.	The person did not occupy such positions
<i>Natalia Mikhailovna Novikova</i>	
Year of birth	1971
Education	1993, Lipetsk State Polytechnic Institute, "Automated data processing and management systems;

	2004, All-Union Correspondence Institute of Finance and Economics, "Accounting, analysis and audit".
Citizenship	The Russian Federation
Positions occupied in the issuer and other organizations for the past 5 years and at present, in date order	14.10.2010 – current IDGC of Centre, JSC – Chief of Section for Audit and Expertise of Department for internal audit and risk management (before 01.08.2011 - Department for internal control and audit) from 2008 to 14.10.2010 CorSsys, JSC – Director of Lipetsk Division; 01.06.2004 - 30.06.2008 from 2003 to 2008 Lipetskenergo, JSC – Chief Accountant
Stake of this person in the authorized capital of the issuer which is a commercial organization	Has no stake
Ordinary shares of the issuer belonging to the person	Has no stake
Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person	Has no such shares
Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer	Has no stake
Ordinary shares of a subsidiary or dependent entity of the issuer belonging to this person (for subsidiaries and dependent entities of the issuer which are joint-stock companies)	Has no stake
Amount of shares of each category (type) of a subsidiary or dependent entity of the issuer which may be purchased by the person as a result of exercise of the rights under options of a subsidiary or dependent entity of the issuer belonging to the person	Has no such shares
Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer	Has no sibs with the specified persons
Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government	Proceedings were not initiated against the person
Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations.	The person did not occupy such positions
<i>Danil Yurievich Tkalichev</i>	
Year of birth	1982
Education	2004, The Russian Economic Academy named after

	G.V. Plekhanov; Specialty «Finances and credit», Specialty «Financial management»
Citizenship	The Russian Federation
Positions occupied in the issuer and other organizations for the past 5 years and at present, in date order	13.03.2006 - current IDGC of Centre, JSC – Principal specialist of Section for Internal Audit of Department for internal audit and risk management (before 01.08.2011 - Department for internal control and audit) 23.08.2004 - 10.03.2006 RAO UES of Russia – (on the basis of the works contract) Financial and Economic Management of the "Service" Business Unit
Stake of this person in the authorized capital of the issuer which is a commercial organization	Has no stake
Ordinary shares of the issuer belonging to the person	Has no stake
Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person	Has no such shares
Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer	Has no stake
Ordinary shares of a subsidiary or dependent entity of the issuer belonging to this person (for subsidiaries and dependent entities of the issuer which are joint-stock companies)	Has no stake
Amount of shares of each category (type) of a subsidiary or dependent entity of the issuer which may be purchased by the person as a result of exercise of the rights under options of a subsidiary or dependent entity of the issuer belonging to the person	Has no such shares
Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer	Has no sibs with the specified persons
Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government	Proceedings were not initiated against the person
Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations.	The person did not occupy such positions
<i>Elena Ivanovna Chitaya</i>	
Year of birth	1973
Education	2002, St. Petersburg Industrial and Economic College, specialty "Economics and accounting at the enterprise" 2006, St. Petersburg State University of Service and Economics

	Specialty "Economy and management at service enterprises"
Citizenship	The Russian Federation
Positions occupied in the issuer and other organizations for the past 5 years and at present, in date order	07.11.2011 - current IDGC of Centre, JSC – Principal specialist of Department for internal audit and risk management 10.2006 – 10.2011 Deputy Head of Section of desk audits of legal entities of IDI Federal Tax Service of Russia # 48 of Moscow on the largest taxpayers
Stake of this person in the authorized capital of the issuer which is a commercial organization	Has no stake
Ordinary shares of the issuer belonging to the person	Has no stake
Amount of the issuer's shares of each category (type) which may be purchased by this person as a result of exercise of the rights under the issuer's options belonging to the person	Has no such shares
Stake of participation of the person in the authorized (joint-stock) capital (share fund) of subsidiaries and dependent entities of the issuer	Has no stake
Ordinary shares of a subsidiary or dependent entity of the issuer belonging to this person (for subsidiaries and dependent entities of the issuer which are joint-stock companies)	Has no stake
Amount of shares of each category (type) of a subsidiary or dependent entity of the issuer which may be purchased by the person as a result of exercise of the rights under options of a subsidiary or dependent entity of the issuer belonging to the person	Has no such shares
Any sibs with other persons who form a part of the issuer governance bodies and/or bodies for control over financial and economic activity of the issuer	Has no sibs with the specified persons
Data on bringing to the management responsibility for breach of law in finance, taxes and tax collections, securities market, or to the criminal liability (presence of previous conviction) for crimes in economy or for crimes against the government	Proceedings were not initiated against the person
Data on positions in governance bodies of the commercial organizations during the period when proceedings of bankruptcy and/or one of the procedures of bankruptcy stipulated by the legislation of the Russian Federation about insolvency (bankruptcy) were initiated against the specified organizations.	The person did not occupy such positions

Payment of remuneration to employees of the Department for Internal Control and Audit of IDGC of Centre, JSC is made in accordance with the terms and conditions of their employment contracts.

8.10.5. Data on transactions of the Company

Transactions (group of the associated transactions) with subsidiaries and dependent companies, data on intracorporate transactions, on transactions between and with subsidiaries and dependent companies, and also about transactions which do formally fall under definition of material ones, however, capable to influence activity of the Company, if the amount of such transaction exceeds 2% of balance assets of the Company for the moments of transaction:

Information on such transactions in the 4th quarter 2011 is disclosed on the Company web-site at: <http://www.mrsk-1.ru/ru/investors/management/transactions/4q2011/index.php>

8.10.6. The statistical information on shareholders of the Company, structure of the Company share capital

The statistical information on the shareholders and structure of the share capital of IDGC of Centre, JSC is placed on the Company website at: <http://www.mrsk-1.ru/ru/investors/capital/>.

8.10.7. Dividend policy of the Company

The Company adopted and applies the Dividend Policy Regulation (Minutes of the Board of Directors # 18/10 of 03.09.2010). The dividend policy of IDGC of Centre is based on the balance of interests of the Company and its shareholders, as well as the need to increase investment attractiveness of IDGC of Centre and its shareholder value.

The information about the dividend policy of IDGC of Centre is placed on the website of the Company at: <http://www.mrsk-1.ru/ru/investors/dividend/>.

8.10.8. The information on the shares of the Company

Results of trading of the Company's shares:

Period	Number of transactions, pcs	Total amount, RUR	Total amount, USD
MICEX			
January 2011	1 925	114 853 273,4	
February 2011	2 062	224 872 844,4	
March 2011	1 857	372 192 987	
Total, q 1 2011	5 844	711919104,8	
April 2009	3 026	96 949 510,40	
May 2009	1 589	107 174 448,70	
June 2009	1 600	123 290 974,20	
Total, q 2 2011	6 215	327 414 933,30	
July 2011	3 356	85858580,10	
August 2011	3 794	81471799,00	
September 2011	2 771	85088794,10	
Total, q 3 2011	9 921	252 419 173,20	
October 2011	2 010	24 112 255	
November 2011	2 573	54 561 895	
December 2011	3 456	79 036 120	
Total, q 4 2011	8 039	157 710 270	
RTS, classical market			
January 2011	1		7 350
February 2011	4		358135,05
March 2011	16		352505,61
Total, q 1 2011	21		717 990,66
	1		175 897,32
May 2010	2		78 000
June 2010	3		134 000
Total, q 2 2011	6		387 897,32
July 2011	2		264 201,3
August 2011	1		31 000
September 2011	2		17 600
Total, q 3 2011	5		312 801,3
October 2011	1		30 000
November 2011	-		-
December 2011	1		8 500
Total, q 4 2011	2		38 500
RTS, exchange market			

January 2011	-	-	
February 2011	1	5 950 854	
March 2011	2	737 625	
Total, q 1 2011	3	6 688 479	
April 2009	3	5 492 583,19	
May 2009	-	-	
June 2009	-	-	
Total, q 2 2011	3	5 492 583,19	
July 2011	2	6 522 098,8	
August 2011	1	6 300	
September 2011	-	-	
Total, q 3 2011	5 868	718 607 583,8	
October 2011	1	17 000	
November 2011	-	-	
December 2011	1	20 000	
Total, q 4 2011	2	37 000	
Sum total q 1 2011	6 224	332 907 516,49	387 897,32
Sum total q 2 2011	9 929	258 947 572	312 801,3
Sum total q 3 2011	5 868	718 607 583,8	717 990,66
Sum total q 4 2011	8 043	157 747 270	38 500

The information on the dynamics of securities rate of IDGC of Centre, JSC, is available on the Company website at: http://www.mrsk-1.ru/ru/investors/securities/tools/stock_graph/index.php.

8.10.9. Market makers of the Company

Limited Liability Company «Universal Investment Company Partner» – at Closed JSC «Stock Exchange MICEX»:

- renders services on realization on MICEX Stock Exchange of services of outstanding of Securities by submission and constant market making (except for a quotation break) on its own behalf and at its own expense or due to its clients of the application of the Market Maker concerning Securities in the trading system during the trading session of the Mode of the Main Trades according to the contract provisions. The issuer is liable to pay remuneration to Market Maker according to the procedure provided by the contract.

The amount of the remuneration of the Market Maker is 119 000,00 (one hundred and nineteen thousand) rubles 00 kopecks, including VAT, monthly.

The terms of execution of obligations by the Market Maker during the trading session:

1. Name of the issuer of the securities	IDGC of Centre, JSC
2. Type of the securities, number of the state registration	Ordinary registered shares No. of the state registration: 1-01-10214-A
2.1. Spread of the bilateral quotation (in per cent), not more than	1,79
2.2. Volume of bilateral quotation (in pieces), not less than	605 000
2.3. The maximal volume of transactions of the Market Maker completed on the basis of applications of the Market Maker, after the achievement of which the Market Maker is free from obligations on submission and maintenance of bilateral applications of the Market Maker (in pcs), not less than	3 850 000

The Market Maker is entitled not to submit and not to provide market making of the applications of the Market Maker in relation to the Securities during the Trading Session on MICEX Stock Exchange within the period which does not exceed in total the time of the quotation break. Duration of the quotation break is fixed equal to 180

minutes.

Spread of the bilateral quotation is the maximal value calculated in per cent and defined for the Bilateral Quotation as a difference between the best selling price and the best purchasing price in relation to the best purchasing price under a certain security.

8.10.10. Information on transfer-agents of the Company's registrar

Information on transfer-agents of the registrar of IDGC of Centre, JSC is placed at Web-site page of the Company: <http://www.mrsk-1.ru/ru/investors/registrar/>.

8.10.11. Information on credit ratings assigned to the issuer

Information on credit ratings assigned to the issuer is placed on the Company's web site at: <http://www.mrsk-1.ru/ru/investors/indicators/credit-rates/>

8.11. Data on the represented securities and the issuer of the represented securities, the property right to which is certified by Russian depository receipts

The issuer is not the issuer of the presented securities, the property right to which is certified by the Russian depository receipts