

# QUARTERLY REPORT

***"Interregional Distribution Grid Company of Centre",  
Public Joint-Stock Company***

***Issuer's code: 10214-A***

**for Quarter 1, 2017**

Location of the issuer: **2nd Yamskaya, 4, Moscow, Russian Federation, 127018**

**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: 15 May 2017

\_\_\_\_\_ O.Y. Isaev  
signature

Chief Accountant - Head of Financial and Tax Accounting and  
Reporting Department  
Date: 15 May 2017

\_\_\_\_\_ L.A. Sklyarova  
signature

Contact person: **Head of Corporate Office of the Department for Corporate Governance and Interaction with Shareholders, Yulia Dmitrievna Naumova**

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Internet site used by the issuer for the information disclosure, containing in this quarterly report:

**[http://www.e-disclosure.ru/portal/company.aspx?id=7985;](http://www.e-disclosure.ru/portal/company.aspx?id=7985)**

**[http://www.mrsk-1.ru/ru/information/.](http://www.mrsk-1.ru/ru/information/)**

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## **Introduction**

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

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

*The bonds of the issuer were admitted to trading at the stock exchange with submission to the stock exchange of the bonds prospectus for such admission*

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.

## **Section I. Data on bank accounts, on the auditor, appraiser and financial adviser of the issuer, and also persons, who signed the quarterly report**

### **1.1. Data on bank accounts of the issuer**

Information on the credit organization

Full company name: *Sberbank of Russia*

Abbreviated company name: *Sberbank*

Location: *19 Vavilova St., 117997 Moscow, Russia*

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: *Gazprombank (Joint-stock company)*

Abbreviated company name: *GPB (JSC)*

Location: *16, Building 1, Nametkina Street, 117420, Moscow, Russia*

Taxpayer identification number: *7744001497*

BIC: *044525823*

Number of the account: *40702810300000004749*

Correspondent account: *30101810200000000823*

Type of the account: *ruble settlement account*

Information on the credit organization

Full company name: *Public joint-stock company ROSBANK*

Abbreviated company name: *PJSC Rosbank*

Location: *Moscow. Bank address: 107078, Moscow, Mashi Poryvaevoy street, 34*

Taxpayer identification number: *7730060164*

BIC: *044525256*

Number of the account: *40702810000000019885*

Correspondent account: *30101810000000000256*

Type of the account: *ruble settlement account*

(This information is disclosed in respect of settlement and other accounts of the issuer, and if the number is greater than 3, - in respect of not fewer than 3 settlement and other accounts of the issuer, which he considers to be the main)

### **1.2. Data on the auditor (s) of the issuer**

It contains information about the auditor (auditing firm), performing (having performed) an independent audit of accounting (financial) statements of the issuer, as well as consolidated financial statements of the issuer, which is included into the quarterly report, as well as the auditor (auditing firm) approved (chosen) to audit the annual accounting (financial) statements and annual consolidated financial statements of the issuer for the current and the last completed fiscal year.

Full company name: *RSM RUS Limited Liability Company*

Abbreviated company name: *RSM RUS Ltd.*

Location: *4, Pudovkina street, Moscow 119285, Russia*

Taxpayer identification number: *7722020834*

Primary State Registration Number (OGRN): *1027700257540*

Phone: +7 (495) 363-2848  
Fax: +7 (495) 981-4121  
E-mail: [mail@rsmrus.ru](mailto:mail@rsmrus.ru)

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

Full name: *Self-regulatory organization Not-for-Profit Partnership "Auditing Association Sodruzhestvo" (NP AAC)*

Location

*Bld. 4, Michurinsky Prospect 21, Moscow, 119192, Russia*

Supplementary information:

*Membership certificate # 6938, issued in accordance with the resolution of NP AAC dated from 25.09.2013. Registration number of RSM RUS 11306030308 in the register of auditors and auditing organisations – members of SRO NP ACC*

Reporting year (s) from the last five completed financial years and current fiscal year for which the auditor performed (will perform) an independent audit of annual accounting (financial) statements of the issuer

Accounting (financial) statements, Year	Consolidated financial statements, Year
2015	2015
2016	2016

Factors are described that may affect the independence of the auditor (auditing organization) of the issuer, including the information specified on any material interests between the auditor (or persons holding positions in the management bodies and control bodies of financial and economic activities of the audit organization) and the issuer (persons holding positions in the management and control bodies of financial and economic activities of the issuer)

*There are no factors that may affect the independence of the auditor (auditing organization) of the issuer, including the information specified on any material interests between the auditor (or persons holding positions in the management bodies and control bodies of financial and economic activities of the audit organization) and the issuer (persons holding positions in the management and control bodies of financial and economic activities of the issuer)*

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 tender, 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 tender;*
- *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".*

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 Company's Auditor refers to the General Meeting of Shareholders.*

*The Company's Board of Directors at the meeting of April 28, 2016 (Minutes of 29.04.2016 # 13/16) considered a proposal of the Audit Committee on the candidate of the auditor of IDGC of Centre, and*

*decided to recommend to the General Meeting of Shareholders to approve RSM RUS as the auditor of IDGC of Centre to perform the audit of the financial and economic activities.*

*The Annual General Meeting of Shareholders of IDGC of Centre June 08, 2016 (Minutes of 09.06.2016 # 01/16) approved RSM RUS as the auditor of the issuer in 2016.*

*Candidacy of an auditor involved for audit of the consolidated financial statements of the issuer in compliance with the International Financial Reporting Standards is not submitted for approval of the General meeting of shareholders.*

*Works within the framework of special audit engagements were not performed by the auditor*

The procedure of determination of the remuneration amount to the auditor (auditing firm), actual remuneration amount paid by the issuer to the auditor (auditing firm) following the results of the last completed financial year, for which the auditor (auditing firm) conducted independent audit of the annual accounting (financial) statements of the issuer and (or) the annual consolidated financial statements of the issuer is provided:

*In accordance with subparagraph 14) of paragraph 15 of the Articles of Association of the issuer the determination of the amount of the Company's auditor is the responsibility of the Board of Directors.*

*Procedure and amount of remuneration of an auditor are defined with a concluded agreement for providing auditing services and cannot be made dependent on the fulfillment of any requirements of the audited entities on the content of the conclusions that can be drawn from the audit.*

*The remuneration for the auditor's services of RSM RUS for the audit of accounting (financial) statements of the issuer for 2016 under RAS and the audit of consolidated financial statements under IFRS for 2016 was determined by the Company's Board of Directors July 20, 2016 (Minutes of 21.07.2016 # 21/16) in the amount of 2,9 mln RUB, including VAT. As of the reporting date, the obligations under the contract were fulfilled by both parties.*

*The remuneration for the auditor's services of RSM RUS for the audit of accounting (financial) statements of the issuer for 2015 under RAS and the audit of consolidated financial statements under IFRS for 2015 was 2,9 mln RUB, including VAT. At the reporting date there no arrears to pay the remuneration to the auditor.*

*There are no deferred and back payments for the services rendered by the auditor*

### **1.3. Data on the appraiser(s) of the issuer**

Full name: *Dmitry Vladimirovich Pechenkin*

*Appraiser works on the basis of an employment contract with a legal entity*

Phone, fax: *(495) 662-4617, (495) 148-2882*

E-mail: *info@instoc.com*

Data on the legal entity with which the appraiser has concluded the employment contract

Full trade name: *Limited Liability Company «Institute of property valuation and financial performance»*

Abbreviated trade name: *«Institute of assessment» LLC*

Location: *634061, Tomsk, Frunze prospect, 96 "a"*

TIN: *7018043400*

PSRN: *1027000867750*

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

Full name: *Non-commercial partnership «Community of appraisers «SMAO»*

Location:

*123007 Russia, Moscow, Khoroshevskoe highway 32A*

Date of registration of the appraiser in the register of self-regulatory organization of appraisers: *08.10.2007*

Registration number: *865*

Information on valuation services rendered by this appraiser:

*Valuation services of market value of rent for the use of immovable property located in the city of Voronezh, Arzamasskaya St., 2.*

Full name: *Artem Andreevich Golyshev*

*Appraiser works on the basis of an employment contract with a legal entity*

Phone, fax: *(495) 662-4617, (495) 148-2882*

E-mail: *info@instoc.com*

Data on the legal entity with which the appraiser has concluded the employment contract

Full trade name: *Limited Liability Company «Institute of property valuation and financial performance»*

Abbreviated trade name: *«Institute of assessment» LLC*



Location: **634061, Tomsk, Frunze prospect, 96 "a"**

TIN: **7018043400**

PSRN: **1027000867750**

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

Full name: **Non-commercial partnership «Community of appraisers «SMAO»**

Location:

**123007 Russia, Moscow, Khoroshevskoe highway 32A**

Date of registration of the appraiser in the register of self-regulatory organization of appraisers: **02.08.2007**

Registration number: **559**

Information on valuation services rendered by this appraiser:

**Valuation services of market value of rent for the use of immovable property located in the city of Voronezh, Arzamasskaya St., 2.**

Full name: **Evgenia Vladimirovna Gracheva**

**Appraiser works on the basis of an employment contract with a legal entity**

Phone, fax: **(495) 662-4617, (495) 148-2882**

E-mail: **info@instoc.com**

Data on the legal entity with which the appraiser has concluded the employment contract

Full trade name: **Limited Liability Company «Institute of property valuation and financial performance»**

Abbreviated trade name: **«Institute of assessment» LLC**

Location: **634061, Tomsk, Frunze prospect, 96 "a"**

TIN: **7018043400**

PSRN: **1027000867750**

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

Full name: **Non-commercial partnership Self-regulatory organization of appraisers «SIBERIA»**

Location:

**105062 Russia, Moscow, Furmanniy lane 9**

Date of registration of the appraiser in the register of self-regulatory organization of appraisers: **15.05.2012**

Registration number: **0778**

Information on valuation services rendered by this appraiser:

**Valuation services of market value of rent for the use of immovable property located in the city of Voronezh, Arzamasskaya St., 2.**

#### **1.4. Data on advisers of the issuer**

**Financial advisers for the reasons, listed in this paragraph, within 12 months prior to the end date of the reporting quarter, were not involved**

#### **1.5. Data on persons, who signed the quarterly report**

Full name: **Oleg Yuryevich Isaev**

Year of birth: **1969**

Primary employment:

Company: **IDGC of Centre, PJSC**

Title: **General Director**

Full name: **Lyudmila Alexeevna Sklyarova**

Year of birth: **1958**

Primary employment:

Company: **IDGC of Centre, PJSC**

Title: **Chief Accountant - Head of Financial and Tax Accounting and Reporting Department**

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

## 2.1. Main information on financial and economic condition of the issuer

The dynamics of indicators of economic and financial activities of the issuer, calculated on the basis of accounting (financial) statements

Standard (Rules), under which the accounting (financial) reporting is made, on the basis of which the indicators are calculated: **RAS**

The unit of measurement for calculating the rate of labor productivity: *thousand RUB/person*

Indicator	2016, 3 months	2017, 3 months
Productivity of labour	747.7	818.2
Ratio of debt to equity	1.11	1.09
Ratio of long-term debt to the sum of long-term debt and equity	0.46	0.45
Degree of coverage of debt with current income (profit)	2.01	1.23
Level of arrears, %	4.11	2.77

Indicator	2015	2016
Productivity of labour	2 697.1	2 904.3
Ratio of debt to equity	1.09	1.13
Ratio of long-term debt to the sum of long-term debt and equity	0.46	0.45
Degree of coverage of debt with current income (profit)	0.72	0.64
Level of arrears, %	5.21	2.66

Analysis of financial and economic activities of the issuer on the basis of economic analysis of the dynamics of these indicators:

*Labour Productivity is a measure of the amount of output per one employee. Labour Productivity for I quarter 2017 is 9,4% higher than the same period last year, which is explained by growth in revenue by 9,7%, which is mainly due to the growth of tariffs for electricity transmission services.*

*Labour Productivity for 2016 is 7,7% higher than for 2015, which is explained by growth in revenue by 7,9%, which is associated with an increase in tariffs for electricity transmission services and productive supply. The ratio of debt to equity reflects the ratio of external and own sources of funding. Following the results of I quarter 2017 this indicator decreased by 0,02 relative to I quarter 2016 due to the growth of long-term and short-term liabilities by 1,1 bln RUB. Following the results of 2016 this indicator increased by 0,04 relative to 2015 due to the growth of long-term and short-term liabilities by 3,4 bln RUB.*

*The ratio of the size of long-term debt to total long-term debt and equity is a measure of the extent to which the financing of activities of the Company is made at the expense of long-term loans. In the analyzed period the indicator significantly did not change and amounted to 0,45, which is caused by deviation of values of long-term liabilities by 0,6 bln RUB at 31.03.2017 relative to 31.03.2016. Following the results of 2016 the indicator significantly did not change and amounted to 0,45, which is caused by deviation of values of long-term liabilities by 0,3 bln RUB at 31.12.2016 relative to 31.12.2015.*

*Degree of coverage of debt with current income (profit) is a financial indicator that is used to assess the ability of a business to meet its debt obligations. The degree of coverage of debts, consistently exceeding one, speaks not only of the ability of the company to pay all its debt obligations, but also the availability of a certain cash reserve. Following the results of I quarter 2017 the ratio is within its normative values.*

*Following the results of activity in 4 quarter 2016 the ratio is lower than the normative values due to the growth of short-term borrowed funds by 2,3 bln RUB.*

*The level of overdue debt in the total amount of accounts payable as of 31.03.2017 decreased by 1,34 p.p., as of 31.12.2016 it decreased by 2,55 p.p. due to reduction of accounts receivable.*

## 2.2. Market capitalization of the issuer

*Market capitalization is calculated as the product of the number of shares of the corresponding category (type) on the market price per share disclosed by the organizer of trade*

Unit of measurement: *thousand RUB*

Indicator	As at 31.12.2016	As at 31.03.2017
Market capitalization	18 702 548	16 528 324

Information on the trade organizer at the 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:

**PJSC Moscow Exchange, 13, Bolshoy Kislovsky Lane, Moscow**

**Phone: +7 (495) 363-32-32, Fax: +7 (495) 705-96-22. Web: <http://moex.com/>**

## 2.3. Liabilities of the issuer

### 2.3.1. Borrowed funds and accounts payable

As at 31.12.2016

The structure of the borrowed funds

Unit of measurement: **thousand RUB**

Indicator	Value
Long-term borrowings	39 305 000
including:	
loans	19 305 000
loans, with the exception of bonded	0
bond issues	20 000 000
Short-term borrowings	3 987 585
including:	
loans	3 651 185
loans, with the exception of bonded	0
bond issues	336 400
Total amount of arrears on debt	0
including:	
loans	0
loans, with the exception of bonded	0
bond issues	0

The structure of the accounts payable

Unit of measurement: **thousand RUB**

Indicator	Value
Total amount of accounts payable	10 991 556
overdue	1 726 717
including	
to the budget of state and non-budgetary funds	2 204 753
overdue	0
to suppliers and contractors	5 708 787
overdue	762 620
to the organization personnel	612 841
overdue	0
other	2 465 175
overdue	964 097

In the presence of overdue accounts payable, including borrowed funds, the reasons for failure and the consequences that have come or are likely to occur in the future for the issuer as a result of these unfulfilled obligations, including penalties imposed on the issuer, and period (estimated time) repayment of overdue accounts receivable or arrears on debt are indicated.

***The amount of overdue debt as of December 31, 2016 is 16% of the total amount of accounts payable (excluding loans and borrowings). The consequences of non-fulfillment of obligations on the part of the***

**Company may be the collection of debt in court in accordance with the norms of the Civil Code of the Russian Federation.**

**In order to minimize risks, IDGC of Centre is working on pre-trial settlement of disputes and the possibility of debt restructuring. Repayment of overdue accounts payable is possible with a reduction in accounts receivable, including overdue accounts receivable.**

Lenders, who account for at least 10 percent of the total amount of accounts payable, or at least 10 percent of the total debt (long and short term):

Full trade name: **Sberbank of Russia**

Abbreviated trade name: **Sberbank**

Location: **117997, Moscow, Vavilov street, 19**

TIN: **7707083893**

PSRN: **1027700132195**

Outstanding amount: **13 696 185.12 thousand RUB**

Amount and conditions of the overdue accounts payable (interest rate, delay damages, penalties): **debt is not past due.**

This creditor is an affiliate of the issuer: **No**

Full trade name: **VTB Bank (public joint-stock company)**

Abbreviated trade name: **VTB Bank (PJSC)**

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

TIN: **7702070139**

PSRN: **1027739609391**

Outstanding amount: **9 260 000 thousand RUB**

Amount and conditions of the overdue accounts payable (interest rate, delay damages, penalties): **debt is not past due.**

This creditor is an affiliate of the issuer: **No**

Full trade name: **Public Joint Stock Company Federal Grid Company of Unified Energy System**

Abbreviated trade name: **PJSC FGC UES**

Location: **5A, Akademika Chelomeya str., Moscow, Russia, 117630**

TIN: **4716016979**

PSRN: **1024701893336**

Outstanding amount: **1 338 463.46 thousand RUB**

Amount and conditions of the overdue accounts payable (interest rate, delay damages, penalties): **no**

This creditor is an affiliate of the issuer: **Yes**

Issuer's share in the authorized capital of the commercial organization: **0.001534%**

Share of the Issuer's ordinary stocks of such joint-stock company: **0.001534%**

Equity holding in the authorized capital of the issuer: **0%**

Share of the Issuer's ordinary stocks belonging to the person: **0%**

As at 31.03.2017

The structure of the borrowed funds

Unit of measurement: **thousand RUB**

Indicator	Value
Long-term borrowings	39 305 000
including:	
loans	19 305 000
loans, with the exception of bonded	0
bond issues	20 000 000
Short-term borrowings	4 311 386
including:	

loans	3 651 086
loans, with the exception of bonded	0
bond issues	660 300
Total amount of arrears on debt	0
including:	
loans	0
loans, with the exception of bonded	0
bond issues	0

The structure of the accounts payable

Unit of measurement: *thousand RUB*

Indicator	Value
Total amount of accounts payable	10 916 096
overdue	1 798 714
including	
to the budget of state and non-budgetary funds	2 665 870
overdue	0
to suppliers and contractors	5 190 282
overdue	1 014 101
to the organization personnel	658 985
overdue	0
other	2 400 959
overdue	784 613

In the presence of overdue accounts payable, including borrowed funds, the reasons for failure and the consequences that have come or are likely to occur in the future for the issuer as a result of these unfulfilled obligations, including penalties imposed on the issuer, and period (estimated time) repayment of overdue accounts receivable or arrears on debt are indicated.

*The amount of overdue debt as of December 31, 2016 is 16% of the total amount of accounts payable (excluding loans and borrowings). The consequences of non-fulfillment of obligations on the part of the Company may be the collection of debt in court in accordance with the norms of the Civil Code of the Russian Federation.*

*In order to minimize risks, IDGC of Centre is working on pre-trial settlement of disputes and the possibility of debt restructuring. Repayment of overdue accounts payable is possible with a reduction in accounts receivable, including overdue accounts receivable.*

Lenders, who account for at least 10 percent of the total amount of accounts payable, or at least 10 percent of the total debt (long and short term):

Full trade name: *Sberbank of Russia*

Abbreviated trade name: *Sberbank*

Location: *117997, Moscow, Vavilov street, 19*

TIN: *7707083893*

PSRN: *1027700132195*

Outstanding amount: *13 696 086.15 thousand RUB*

Amount and conditions of the overdue accounts payable (interest rate, delay damages, penalties):  
*debt is not past due.*

This creditor is an affiliate of the issuer: *No*

Full trade name: *VTB Bank (public joint-stock company)*

Abbreviated trade name: *VTB Bank (PJSC)*

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

TIN: *7702070139*

PSRN: *1027739609391*

Outstanding amount: **9 260 000 thousand RUB**

Amount and conditions of the overdue accounts payable (interest rate, delay damages, penalties): **debt is not past due.**

This creditor is an affiliate of the issuer: **No**

Full trade name: **Public Joint Stock Company Federal Grid Company of Unified Energy System**

Abbreviated trade name: **PJSC FGC UES**

Location: **5A, Akademika Chelomeya str., Moscow, Russia, 117630**

TIN: **4716016979**

PSRN: **1024701893336**

Outstanding amount: **1 427 758.47 thousand RUB**

Amount and conditions of the overdue accounts payable (interest rate, delay damages, penalties): **no**

This creditor is an affiliate of the issuer: **Yes**

Issuer's share in the authorized capital of the commercial organization: **0.001534%**

Share of the Issuer's ordinary stocks of such joint-stock company: **0.001534%**

Equity holding in the authorized capital of the issuer: **0%**

Share of the Issuer's ordinary stocks belonging to the person: **0%**

### **2.3.2. The issuer's credit history**

The issuer's obligations execution in force during the last completed financial year and current financial year credit agreements and/or loan agreements is indicated, including concluded by issuing and selling bonds, the amount of principal debt for which was 5 percent or more of the carrying value of the assets of the issuer on the date of the last complete reporting period consisting of 3, 6, 9 or 12 months that preceded the conclusion of the agreement and other credit agreements and/or loan agreements, which the issuer considers essential.

***The issuer did not have such obligations***

***The Company did not conclude credit contracts, the obligations on which would exceed 5% of the book value of assets as of the last reporting date preceding the conclusion of the contract, in 2016 and for 3 months of 2017.***

### **2.3.3. Liabilities of the issuer from the provision given**

***There are no specified obligations***

### **2.3.4. Other liabilities of the issuer**

***There are no other liabilities, which were not reflected in the accounting (financial) statements, which can significantly influence the financial position of the issuer, its liquidity, sources of financing and conditions of their use, results of activity and charges***

## **2.4. The risks connected with purchase of placed (or being in the process of placement) securities**

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

***In accordance with the Risk Management Policy (Minutes of the meeting of the Board of Directors # 06/16 of 17.03.2016) IDGC of Centre defines the following tasks and objectives of risk management:***

- strategic objectives - high-level goals, correlated with the mission of the Company;
- operational objectives - ensuring the efficiency of financial and economic activity and economic use of resources, as well as safeguarding the Company's assets;
- targets for reporting - ensuring the completeness and accuracy of accounting (financial), statistical, administrative and other reports;
- objectives in the field of compliance - compliance with applicable legal requirements to the Company and local regulations of the Company.

The tasks of the risk management system are:

- development of a risk-oriented corporate culture, dissemination by the executive bodies and the management of the Company of knowledge and skills in the field of risk management and the use of the possibility of effective exchange of information in the framework of the risk management system;
- improving the decision-making process and choosing how to respond to emerging risks in order to ensure the economic effectiveness of events for risk management and cost-effectiveness;
- reduction in the number of unforeseen events and losses in economic activity by expanding capacity to identify potential events and take appropriate measures (risk response);

- identification and management of risks in the totality of economic activities for more effective response to different impacts using, including, an integrated approach to their sets.

***The risk management system is based on the following principles:***

- Creation and protection of the Company's values. The risk management system contributes to achieving the goals and improving productivity, ensuring human health and safety, safety of all the Company's activities, complying with legal and regulatory requirements, environmental protection, improving service quality, operational efficiency, management and reputation.
- Risk management is an integral part of all organizational processes. Risk management is not a separate activity that is separated from activities and processes in the organization. Risk management is a part of the obligations of management and an integral part of all organizational processes, including strategic planning, and all processes of project management and change management.
- Risk management is part of the decision-making process. The processes of planning and decision-making are carried out taking into account the comprehensive risk assessment of their implementation. Risks are linked to the objectives of the Company and its subsidiaries.
- Risk management is systematic, structured and timely. Risk management is an ongoing cyclical functioning process. The systematic, regular and structured management of all types of risks is carried out on all key areas of activity, at all management levels of the Company. At the same time information on identified risks in a timely manner should be provided to persons authorized to take appropriate decisions.
- Risk management is based on the best available information. The risk management system is based on sources of information such as historical data, experience and feedback of stakeholders, observations, forecasts and expert assessments. However, the decision-making authorities should inform each other about whether or not to take into account any limitations of the data, whether the simulation is used and whether emergence of differences of opinions between experts is possible.
- Risk management is adaptable. The Company should be provided with conditions for continued development of the risk management system with the need to meet new challenges arising from changes in the internal and external conditions of functioning of the Company.
- Risk management is transparent and takes into account the interests of stakeholders. Appropriate and timely involvement of stakeholders and, in particular, decision-makers at all levels of the Company ensures that the risk management system remains at an appropriate level and meets modern requirements.
- Risk management is dynamic, iterative (repetitive) and responsive to change. Risk management continuously detects changes and reacts to them. As soon as there is an external or internal event, situation or knowledge change, monitoring and review of the risks, including new risks, changing or elimination of existing risks is performed.
- Risk management promotes continuous improvement of the organization. The Company develops and implements strategies to improve risk management at the same time improving other processes. The Company is committed to improving the level of maturity of the risk management system on a par with an increase in the effectiveness of the internal control and risk management system.
- Responsibility for risk management. All participants of the risk management system are responsible for detection, assessment, analysis and continuous monitoring of risks in the framework of their activities, development and implementation of necessary measures for risk management, continuous monitoring of the effectiveness of the risk management measures.
- Principle of optimality. It analyzes the relative cost of implementing risk management measures, and the effect of the implementation of these measures, including the correspondence between the level of complexity of the risk management system and the level of complexity and the degree of importance of the object, analyzed in terms of risks. The volume and complexity of the risk management measures should be necessary and sufficient to meet the goals and objectives of the risk management system operation. Reducing adverse impacts and (or) the probability of risk is primarily carried out in relation to risks that occur with the highest probability and cause the greatest losses.
- Unity of the methodological framework. Risk management (identification, analysis, assessment and monitoring of risks, development and monitoring of the effectiveness of risk management measures) is carried out on the basis of approaches and standards, common to all structural units of the Company.
- Systematic approach - management of all types of risks is carried out on all key areas of activity, at all management levels of the Company.
- Leadership - the executive bodies and management of the Company ensure distribution of knowledge and skills in the Company in the field of risk management, as well as the possibility of effective exchange of information in the framework of the risk management system, promote the development of corporate culture of "management based on risk".
- Integrity - the risk management system is integrated into the strategic and operational management of the Company and its subsidiaries. The processes of planning and decision-making are carried out taking into account the comprehensive risk assessment of their implementation. Risks are linked to the objectives of the Company and its subsidiaries.

- Separation of levels of decision-making - decisions on risk management are taken at different levels of governance, depending on the significance of risks.
- Responsibility for risk management - every employee of the Company as one of his or her objectives considers risk management within his or her competence, knowledge and information available.
- Cross-functional interaction - the risk management process, affecting multiple areas of activity or the activity of several structural units within the same areas of activity, based on the collective decisions taken jointly, based on information available to various structural departments.
- A single information channel - the information security of the risk management system makes it possible to promptly and fully inform about risks individual decision-makers.
- Rationality - the risk management system ensures cost-effectiveness of risk management measures. Risk reduction is carried out on the basis of economic feasibility.

#### **2.4.1. Industry risks**

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

1. Operational (industrial) risks, connected with insufficient funding of the program of repair and maintenance, as well as the investment program, physical deterioration, infringement of terms of operation and drastic change of parameters of the equipment operation, which may lead to damage (failures) of equipment and destruction of constructions.

Poor condition of the equipment, caused by wear and tear and obsolescence, is one the principal causes of occurrence of industrial risks, the main of which are:

- down-grade rendering services on transmission of electric energy;
- failures of equipment with partial or full electric power not delivered with corresponding adverse social, environmental and economic consequences.

The probability of failure of electrical facilities (caused by damage) is at average level currently, at the realization of risks the consequences for activities of the Company may fluctuate from insignificant up to medium. For the purpose of minimizing of consequences of production risks, all the main industrial facilities of the Company are insured. Besides, a set of measures on maintenance of reliability of the equipment and constructions is adequately carried out:

1. The automated asset management system was implemented and is in use, aimed to optimize processes of operation, maintenance and repair of electric grid assets and also to put in order the investment activity.
2. To decrease deterioration level, re-equipment of electric power capacities is carried out on the basis of implementation of the innovative power equipment.
3. For maintenance of the system reliability a long-term target reliability program was developed and is being implemented.
4. The tender selection of the service and supplying organizations is implemented for the purpose of improvement of quality of these services and materials, the responsibility of counterparts and decrease in specific costs.

Risk management in the field of observance of requirements of industrial safety in the general structure of management of the issuer's 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.

2. Risks connected with state regulation of tariffs for services rendered

Transmission of electric energy through distribution grids and also grid connection to electric networks are regulated by the State.

The State realizes the policy of containment of increase of tariffs on product and services of natural monopolies. Increase of tariffs for electricity transmission is limited with a rate, established by the forecast of socio-economic development of the Russian Federation for the relevant year (hereinafter - the Forecast) or specific scenario conditions of the economy of the Russian Federation functioning, approved by the Government of the Russian Federation.

Limiting the growth of tariffs for electricity transmission from the second half of 2016 according to the Forecast was 7,5%, from the second half of 2017 – 3%.

In order to minimize "shortfall in income" from the implementation of Federal Law №308 dated 06.11.2013, which provides for prolongation of the lease of the Unified National Power Grid facilities until 01.07.2017 with a phased reduction in payment for services on electric power transmission of large industrial consumers connected to such facilities ("last mile" contracts), tariffs for electricity transmission services for other consumers in 2017 in the Kursk region were approved with exceeding the limit by 11% (14% from 01.07.2017), in the Lipetsk region - with exceeding the limit by 9% (12% from 01.07.2017). Termination of the "last mile" contracts from 01.07.2017 may lead to a deterioration of the Company's financial position.

*The following measures are applied to minimize the risks:*



1. *Work with tariffs regulatory authorities of RF subjects, the Ministry of Energy of the Russian Federation to ensure compensation "shortfall in income" of grid companies, arising from the implementation of Federal Law № 308-FZ, by providing additionally to the Forecast of the Ministry of Economic Development the increase of tariffs for other customers and provision of subsidies from the federal budget.*
2. *On an ongoing basis, the work is done on the economic justification of costs included in rates, as well as on the inclusion of economically justified costs incurred in excess of recorded in rates and not received income for reasons beyond the Company's control prior periods in tariffs.*
3. *Regular work on reduction of costs and investment program optimization is conducted.*
4. *Implementation together PJSC "Rosseti" of activities to amend the existing legislation of the Russian Federation in pricing for natural monopolies to take the interests of distribution grid companies in setting tariffs for electricity at the retail market into account.*

### **3. Environmental risks**

*Environmental risks consist in possible hazardous emissions of stationary installations (in respect to the issuer – insignificant) and transport systems. To prevent possible negative impacts on the environment the issuer performs control over toxicity of burnt transport gases. On this ground the specified risks are minimal with insignificant consequences for the Company'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. Probability of these risks is estimated as insignificant with insignificant consequences for the Company's activity.*

*The Environmental Policy of the issuer approved by the Board of Directors serves as the instrument for reduction of environmental risks, aimed to improve environmental safety by ensuring reliable and environmentally friendly delivery and distribution, integrated approach to the use of natural energy resources. The environmental policy implementation focuses on the work to handle different hazardous types of waste, this considerably reduces influence of toxic agents on soil and in consequence on human health.*

*Reduction of environmental risks is contributed by a multi-year program implemented by the issuer on change of oil circuit breakers to vacuum ones in distribution grids of 6-10 kV, and 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.*

*In the course of implementation of measures provided by perspective program of technical re-equipping and reconstruction the Company changes elements and assemblies of electric equipment to modern, which design ensures high environmental safety of production.*

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

*The main buyers of the issuer's services are retail companies, which carry out delivery of electric energy to end users. The main risk connected with buyers is the probability of increase in the debt receivable in connection with:*

*- infringement of payment discipline by end users of electric energy and occurrence of necessity of attraction of additional credit resources. In the given situation there is risk of insufficiency of money resources on the Company's accounts in connection with presence of time cash breaks between receipt of money resources from retailers and necessity of financing of current operations.*

*- infringement of payment discipline by retailers, due to "off-target" use of funds, that is, despite the fact that end-users fulfilled their payment obligations to the retailers, and funds do not come to the Company's accounts from retailers.*

*The probability of this risk occurrence is high.*

*For minimization of the probability of the given risk and its consequences, the management conducts work on the well-thought credit policy, on management of debt receivable directed to optimization of its amount and collection of debt. The Company also performs 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 the Company's service area, 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 medium.*

### **5. 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 behaviour of growth of power consumption for a certain period;*
- probability of reduction of electric power consumption of the Russian economy in whole in connection*

*with the adoption of Federal Law “On energy saving and on raising energy efficiency and on alteration of certain legislative acts of the Russian Federation” dated 23.11.2009 No. 261-FZ and implementation of social norm of consumption;*

- reduction of electric power consumption of the Russian economy in case of start of economic recession/crisis;*
- reduction in electric energy consumption due to the downturn of markets for the largest industrial consumers;*
- reduction in new connections or untimely execution of concluded contracts;*
- reduction of the actual power of consumers due to changes in the load curve of consumption per day (load transfer to the night hours with no reduction in consumption).*

*The specified circumstances make it impossible to perform exact forecasting of volumes of investments into the sector capable to satisfy 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 transmission of electric power.*

*This risk probability is estimated as medium with medium consequences for the Company’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;*
- diversification of the Company’s services portfolio.*

#### **6. Risks connected with shortage of qualified specialists in the industry**

*At present inflow of qualified production personnel in the industry is reducing. Keeping the current reduction rates the Company may confront with shortage of qualified production personnel in the regions of the service area. This risk is estimated as average within the long-term period with consequences for the Company’s activity varying from insignificant up to medium. For the purposes of minimization of this risk probability the Company performs the following measures:*

- support of industry secondary special and higher industrial institutions in the regions of the service area, 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 programs intended to increase motivation and reduction of volumes of staff turnover, implementation of non-material motivation methods.*

*The Issuer does not and is not planning to carry out activities in the foreign market, parts and equipment are purchased abroad in small volumes. Accordingly, the above-mentioned risks may not have a material impact on the Company’s activities and execution of obligations under securities.*

#### **7. Risks connected with possible change of prices for component parts and services used by the issuer in its activity (separately in the internal and external markets), and their influence on activity of the Company and execution of obligations under securities**

*In the process of the activity, there can be risks connected with increase of prices for component parts, equipment and other material resources. The given risks are caused basically by 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). Influence of the given risks on activity of the Company at the current rate of inflation processes is medium at medium probability of risks.*

*The Issuer does not carry out activities in the foreign market.*

#### **8. Risks connected with possible change of the prices for products and (or) 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.**

*For the Issuer this risk is associated with decrease of the tariff for electricity transmission services below the economically justified level.*

*The current pricing system allows artificial containment of growth of tariffs for services on electric power transmission by executive authorities of a Russian Federation subject in the field of state regulation of tariffs by establishing economically unjustified tariffs. This may result in the Issuer’s uncompensated costs from the increase in the price of raw materials and services purchased by the Issuer, and the inability to adjust the tariffs on its products. The situation is made more complicated with the complexity of appealing Resolutions on the establishment of tariffs in arbitration court because of imperfections in the existing*

legislation in the field of tariff regulation.

The growth of prices for the Issuer's services has a risk of late payment by consumers for electric power transmission services.

In the Issuer's opinion, the impact of these risks on the Issuer's business and performance of obligations under securities has medium importance.

The Issuer does not carry out activities in the foreign market.

## 2.4.2. Country and regional risks

### Country risks

At the moment the sovereign rating of the Russian Federation has been downgraded due to the current economic situation and is at the level «BBB-» (Standard & Poor's) – outlook «Negative», «BBB-» (Fitch) – outlook «Stable», and «Baa3» (Moody's) – outlook «Stable». Financial problems or aggravated perception of risks of investment in the countries with a developing economy lowered the volume of foreign investments into Russia, caused an outflow of foreign capital, and rendered negative influence on the Russian economy. Besides, the Russian economy is especially vulnerable to changes of the world prices for natural gas and oil.

Changes of growth of prices for consumer products in the country remains to be a problem as well. All these events can limit access of the Company to the capital and render adverse influence on purchasing capacity of consumers of products. The Government of the Russian Federation is implementing its policy of containment of growth of tariffs for products and services of natural monopolies, this can result in shortage of financing of the Company's investment program.

Furthermore, in the medium term the legal basis of a set of measures to tackle the problem of cross-subsidization in the electric power industry is expected to change. Probability of these risks is estimated as high with consequences for the Company's activity varying from significant 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 its well-thought-out policy in the field of taking out borrowed funds.

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

### Regional risks

The issuer carries out its activities in the Central Federal District of the Russian Federation being an economically developed region of the country, the centre of financial and political activity. According to the Investment Rating of Regions of Russia 2016, prepared by the "Expert RA" Rating Agency, 6 out of 11 regions, which the issuer's activity is connected with, are referred to the territories with moderate investment risks and various investment potential, five of the regions (Belgorod, Voronezh, Kursk, Lipetsk and Tambov regions) – to the regions with minimal investment risks.

The regional risks in the activity of the issuer are mainly as follows:

- disagreement of the authorized state tariff making bodies in part of economically proved costs declared by the Company for inclusion in the 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 Company, and their probability remains high. In order to decrease influence of regional risks on realization of the investment program, the Company on a constant basis cooperates with the state bodies and other stakeholders for the purpose of the control and management of the choice of stakeholders concerning their actions in connection with investment projects of the Company. The Company also performs activities on optimization of the investment program financing for the account of reduction of internal costs.

The main political risk of the Company's activity at the regional level is possible change of the government of regions with subsequent change of the then current model of relations. The main consequences for the Company'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 with IDGC of Centre.

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

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

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.

*In case of occurrence of military conflicts, the Company bears risks of its fixed assets destruction. The probability of military conflicts and introduction of state of emergency in the country and in the regions of the service area of the Company is insignificant. In order to minimize the consequences of the risk, the Company planned activities for transferring to work in a "special period".*

*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, possible interruption of transport communication due to remoteness and/or inaccessibility, etc. Geographic features of the region, in which the Company performs its activity, suppose risk of natural disasters within the autumn and winter period (AWP). These risks are estimated as high. The Company implements a complex of measures on preparing of the grid for autumn and winter period, each division 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 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 operation through the AWP.*

### **2.4.3. Financial risks**

*In the course of business, the Company is faced with factors that may lead to a shortage of funds for investment and operations. The most significant financial risk factors are associated with imperfect mechanisms of functioning of the retail electricity market and explained in the section "Industry risks". However, there are several risk factors potentially affecting the financial and economic activity as well.*

#### **Inflation risks**

*The negative impact of inflation on the financial and economic activity of the Company may be due to loss of real value of receivables, an increase in interest expense on borrowed capital, an increase in the cost of construction of items of the investment program, cost of materials, outsourced services necessary for operating activities that may have a negative impact on payment for shares of the Company.*

*Following the results of 2016 CPI average was 107.1, which is 8.4 percentage points lower than the level of 2015 and it indicates a decline in the risk degree. For 2017 the projected inflation rate is 104.7. The increase in inflation can lead to an unplanned increase in operating expenses of the Company.*

*The rate on bond coupons is fixed for the entire period of circulation of the paper and does not depend on the change in inflation.*

*To reduce the inflation risk the Company conducts a policy aimed at optimizing operating costs in accordance with the Program of performance management and reduction of expenses and conclusion of long-term agreements with suppliers and contractors.*

#### **Currency risks**

*Adverse changes in foreign currency exchange rates against the ruble may affect the operating and investment performance of the Company. Foreign exchange risk does not have any significant effect on the Company due to the fact that settlements are carried out exclusively with counterparties in the currency of the Russian Federation. However, given that the range of goods and equipment purchased by the Company contain imported components, a significant increase in the exchange rate may lead to higher prices for purchased products. In this connection, the Company has a policy aimed at import substitution and signing long-term agreements that do not provide for the growth of prices for purchased products.*

#### **Interest rate risks**

*Dynamics of changes in the refinancing rate of the Central Bank of Russia reflects the state of the macroeconomic situation in the economy and has impact on the cost of raising loans. Raising rates on loans can lead to an unplanned increase in the cost of servicing the debt of the Company.*

*To mitigate interest rate risk the Company pursues a balanced credit policy aimed at optimizing the structure of the loan portfolio and minimizing the cost of servicing the debt.*

#### **Liquidity risks**

*The Company's operations are subject to risks that may result in reduced liquidity and financial stability of the Company. The most important factors are cross-subsidies between consumer groups and a low payment discipline in the retail electricity market.*

*As a result of the implemented tariff policy by the state aimed at curbing the growth of tariffs for the population, the amount of cross-subsidization increases. The most significant proportion of cross-subsidies accounts for large consumers, with which "last mile" contracts have been signed. Moving large industrial*

customers to direct contracts with FGC UES contributes to the formation of "shortfall in income" of the Company.

Low payment discipline of contractors of the issuer results in creation of a large amount of accounts receivable, including overdue. The main factors that contributed to the low payment discipline were disagreements over the customer contract demand in settlements with retail companies, and misuse of funds for electricity supplied by retail companies, deprived of the status of suppliers of last resort. As a result of implementation of these risk factors the Company may be unable to meet the financial and other restrictive conditions specified in the loan agreements. In order to minimize this risk factor the Company monitors the capital structure and determines the optimal parameters of borrowing, as well as taking steps to optimize the structure of working capital.

*Influence of the financial risks on financial statements*

Changes in prices for electricity transmission in the first place will affect the total revenue of the Company and will have a significant impact on the net profit of the issuer.

Inflationary processes, resulting in appreciation of materials and raw materials used in production could have a material impact on the balance sheet total, with the increase in accounts payable and receivable impairment.

Also, inflation in the economy of the Russian Federation may have a material impact on the net profit of the issuer in connection with the fact that the issuer's ability to raise prices for electricity transmission is limited with the annual state regulation, that is, the issuer cannot vary according to changes in the rate of inflation and at the same time costs of the issuer, which are mainly denominated in rubles, vary according to the rate of inflation.

In the case of risks, the following financial statements indicators are subject to the greatest changes: revenue, net income, the amount of accounts receivable and accounts payable.

The probability of financial risks occurrence is estimated as low and is associated with the general economic situation in the country.

#### 2.4.4. Legal risks

Legal risk management is based on optimization of the process of legal registration of papers and support of the Company's operations. To minimize legal risks any business processes subject to risks pass obligatory legal examination, continuous monitoring of changes in legislation and judicial practice is carried out.

For the issuer (as well as for all joint-stock companies, operating in the territory of the Russian Federation) there is a risk of changes in legislation (federal laws and subordinate legislation) regulating economic relations.

Legal risks, in particular, connected with ambiguous treatment of norms of the legislation, can lead to incorrect calculation and payment of taxes, resulting in fines from the tax authorities. For their decrease the work 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 connected with change of the laws, incorrect legal official registration of papers and support of activity of the Company. For minimization of such risks, the Company's operations pass obligatory preliminary legal examination.

The Company is subject to risks of the appeal by shareholders of large transactions and related-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 preliminary legal analysis of concluded transactions for presence of the bases of carrying out of the preliminary corporate procedures stipulated by the current legislation of the Russian Federation and/or the Articles of Association of the Company is performed without fail. In case of need the corresponding transactions are submitted for consideration by the competent governance bodies of the Company.

For minimization of the risks in the corporate governance area (in particular, the risks "Reduction of the level of corporate governance", "Decline in the quotation list level, delisting" and "Risk of conflict of interests of shareholders") the Company carries out a complex of measures directed to information interaction with shareholders, investors and all interested parties, as well as full observance of legitimate rights and interests of the latter. The key activities are:

- holding regular meetings of the companies' management with shareholders and investors with a view to clarifying the existing issues of current activities,
- comprehensive disclosure of information provided by the legislation, as well as additional information voluntarily disclosed by the Company,
- integrated management of conflicts of interest of members of the Board of Directors and executive bodies,

- monitoring the level of corporate governance by independent experts (under the assignment/confirmation of a corporate governance rating),
- analysis of transactions made by the Company, identifying the need for their approval/coordination by management bodies, establishment of a methodology.

*Risks, connected with change of the foreign currency legislation*

*The Company's exposure to risks associated with changes in the currency legislation is actually minimal as the Company 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 activity.*

*Risks, connected with change of tax laws*

*Statutory acts quite often contain indistinct formulations, or operate with the terms which do not have specific legal definition. Also official explanations of the Tax Code by the Ministry of Finance of the Russian Federation and Federal Tax Service of the Russian Federation are not always available in the necessary volume.*

*The formation of rules and mechanisms of preparation and provision of the tax reporting are in the competence 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 Company 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 Company is going to plan the financial and economic activity in view of these changes.*

*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 for the Company's activity since the Company does not carry out and does not plan to carry out export of services outside the boundaries of the Russian Federation.*

*Risks, connected with change of requirements to licensing of primary activity of the issuer or licensing of rights to use facilities, the availability of which is limited (including natural resources)*

*Possible change of requirements on licensing the activity may 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 with the requirements set forth. However, the given risk is to be considered as insignificant, except for those cases when requirements will be stipulated for obtaining or extension of the license or for realization of the activity which is subject to licensing which cannot be met by the Company, or conformity with which will be connected with excessive expenses.*

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

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

*The possibility of change of the judiciary practice connected with the Company'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 the core activity, the Company is going to plan its financial and economic activity in view of these changes.*

*The issuer does not carry out and does not plan to carry out its activities in foreign markets. The probability of realization of the legal risks is characteristic for the internal market.*

#### **2.4.5. Risk of loss of good will (reputation risk)**

*The Company defines reputational risk as the probability of damage to the business reputation of the Company as a result of the impact of various external and internal factors that could lead to lower levels of positive perception of the Company's activity in the target groups and a wide public opinion.*

*The presence of information on the activities of the Company in the media, the level of positive perception of its activity by professional expert communities influence decision-making by investors and shareholders, directly affecting the Company and its position in the relevant markets.*

*As the reputational risk is a consequence of the onset of other types of risks (financial, operational, legal, etc.), the Company's compliance with laws and internal rules and regulations, ethics and social responsibility standards contributes to minimization of the probability of its occurrence.*

*Following the principles of transparency, timely dissemination of reliable information, the priorities of the Company are to create integrated communications with target audiences, to implement a unified internal*

and external information policy.

*The adopted in IDGC of Centre uniform standard of disclosure enables timely and efficiently to fulfill the requirements of the Russian Federation legislation in the area of mandatory disclosure.*

*In addition to compliance with mandatory disclosure, IDGC of Centre maintains an ongoing dialogue with its shareholders and representatives of the business community in a timely manner by providing them with relevant information about the company's activity.*

*The Company pays particular attention to interaction with the media to provide timely, objective and comprehensive information to target audiences, the public and other stakeholders on the results of financial and economic activities of the Company, its social activities and future development plans. The corporate website and social media accounts are regularly updated.*

*In the prescribed manner and in compliance with corporate standards and regulations, the Company's representatives provide comments and clarifications to the media on relevant information and facts.*

*Briefings, press conferences, conference calls for journalists, analysts, investors and experts are held.*

*There is regular media monitoring, recording the amount of the Company's presence in the information space.*

*The Company's representatives participate in public events. It carries out information interaction with the state, regional and municipal executive and management authorities.*

#### 2.4.6. Strategic risk

*The emergence of strategic risk, associated with non-achievement of targets and mission of the Company (in accordance with the strategy of development of the electric grid complex of the Russian Federation approved by Resolution of the RF Government dated 03.04.2013 # 511-r), is offset by the execution of organizational activities:*

- to improve the reliability and quality of power supply to a level matching the request of consumers;*
- to increase safety of power supply, including reduction in the overall number of accidents;*
- to reduce zones of free flow of electric energy;*
- to improve the efficiency of electric grid facilities, including:*
  - increasing capacity utilization;*
  - reducing specific investment costs;*
  - decreasing operating costs;*
  - reducing the value of electric energy losses.*

*The Company considers this risk as insignificant.*

#### 2.4.7. Risks connected with the issuer's activity

*Risks, connected with the current litigations in which the Company participates*

*In 2013 some retail companies operating in regions of the service area of the issuer, and consumers of the Company's services, were deprived of their status of a supplier of last resort. In connection with the insolvency of these organizations insolvency (bankruptcy) suits were filed following both petitions of both creditors and debtors themselves. Within these cases the issuer stated requirements for inclusion in the register of creditors' demand the debt of the retail companies to the Company. However, satisfaction of the Company's demand within the bankruptcy proceedings in full at the expense of the bankrupt assets is unlikely.*

*Risks connected with the inability to renew the license by the issuer to conduct certain activities or use facilities, the availability of which is limited (including natural resources)*

*The issuer estimates the risk of non-renewal of the license of the issuer to conduct certain activities or use facilities, the availability of which is limited (including natural resources), as low.*

*Currently, the Company is not liable for debts of third parties, including the issuer's subsidiaries.*

*The responsibility for debts of its subsidiaries may occur if the Company's instructions, binding to be performed by subsidiaries, will lead it to loss or bankruptcy. However, the Company makes every effort to prevent the occurrence of such a situation, because it would be contrary to the main goal of the Company's operations – profit making.*

*Risks related to possible liability for debts of third parties are estimated by the Company as insignificant.*

*Risks connected with the potential loss of customers, the turnover of which accounts for at least 10 percent of the total revenue from the sale of goods (works, services) of the issuer.*

*Since IDGC of Centre is a subject of a natural monopoly in the sphere of the sale of electricity transmission services, the issuer has no risks associated with the potential loss of customers, accounting for no less than 10 percent of the total revenue from the sale of goods (works, services).*

*There are no other risks connected with the activity of the issuer, peculiar to the Company, the information on which must be reflected in this report.*

## Section III. Detailed information on the issuer

### 3.1. Creation and development history of the issuer

#### 3.1.1. Data on the company name of the issuer

Full company name of the issuer in Russian: *Публичное акционерное общество «Межрегиональная распределительная сетевая компания Центра»*

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

Effective date of the current full company name: *07.07.2015*

Abbreviated company name of the issuer in Russian: *ПАО "МРСК Центра"*

Abbreviated company name of the issuer in Russian: *IDGC of Centre, PJSC*

Effective date of the current abbreviated company name: *07.07.2015*

*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, Public Joint-Stock Company (IDGC of Centre and Volga Region, PJSC);*

*Interregional Distribution Grid Company of Urals, Open Joint-Stock Company (IDGC of Urals, OJSC);*

*Interregional Distribution Grid Company of Volga, Public Joint-Stock Company (IDGC of Volga, PJSC);*

*Interregional Distribution Grid Company of the South, Public Joint-Stock Company (IDGC of South, PJSC);*

*Interregional Distribution Grid Company of North Caucasus, Public Joint-Stock Company (IDGC of North Caucasus, PJSC);*

*Interregional Distribution Grid Company of Siberia, Public Joint-Stock Company (IDGC of Siberia, PJSC);*

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

Explanations necessary for avoidance of confusion of the 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 the name introduction: *17.12.2004*

Grounds for the 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.*

Full company name: *Открытое акционерное общество "Межрегиональная распределительная сетевая компания Центра", "Interregional Distribution Grid Company of Centre", Joint-Stock Company*



Abbreviated company name: *ОАО "МРСК Центра", IDGC of Centre, JSC*

Date of the name introduction: *06.08.2007*

Grounds for the name introduction:

*18.07.2008 under the decision of the Extraordinary General Meeting of Shareholders of IDGC of Centre and North Caucasus, JSC the Company's Articles of Association in a new edition were approved with the renaming of the Company to "Interregional Distribution Grid Company of Centre", Joint-Stock Company (abbreviated name - IDGC of Centre, JSC). The Articles of Association in a new edition was registered by the Interdistrict Inspectorate of the FTS of Russia #46 in Moscow on 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**

The issuer was created for an indefinite term

Brief description of the history of the issuer's establishment and development. Targets of the issuer's establishment, the issuer's mission (if any) and other 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 Extraordinary General Shareholders Meeting of the issuer, 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 Kurskenergo, JSC Lipetskenergo, JSC Oreleenergo, JSC Tambovenergo, JSC Smolenskenergo, JSC Tverenergo, and JSC Yarenergo with it and approval of the Contract for Consolidation.*

*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 at the par value of 4 211 820 000 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 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 the amount of the registered authorized capital of the Company 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 headed by Public Joint-Stock Company "Rosseti" (hereinafter referred to as PJSC "Rosseti"; until 04.04.2013 - Joint-Stock Company "Interregional Distribution Grid Companies Holding", IDGC Holding, JSC). PJSC "Rosseti" is a majority shareholder of the Company – it owns 50,23% of the authorised capital of the Company.*

*The core activities of the Company are electricity transmission and grid connection of consumers to electric networks.*

*The issuer was assigned with the international credit rating of Standard & Poor`s at the level «BB-/B/ruAA-», outlook «Positive». The Company also has the national credit rating, assigned by*

*"National Rating Agency" LLC, at the level "AA" - very high creditability, the second level.*

*The issuer was assigned with the national corporate governance rating at the level NRCG 7+ "Developed Practice of Corporate Governance". The history of this Company's rating dates back to 2007.*

*Ordinary shares of the issuer since January 31, 2017 have been transferred from the First Tier section to the Third Tier section of the list of securities of PJSC Moscow Exchange, due to incomplete compliance with the requirements for corporate governance provided for by the Listing Rules.*

*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;*
- *profit making.*

*The role and mission of the Company are related to expectations of the key market participants from it:*

- *for the investment community the Company — an investment tool, aimed at ensuring their return, security, profitability and liquidity;*
- *for consumers the Company — a company aimed at providing high-quality service, quality and reliable power supply, timely and transparent connection to power grids;*
- *for regions and local authorities — a company that provides the needs of the economy in the transmission capacities; a reliable partner of the executive authorities of the Russian Federation in the planning and implementation of regional programs of territorial development, a diligent taxpayer and employer;*
- *for Employees — a conscientious employer, an effectively organized company with a clear and understandable system of corporate governance, providing opportunities to maximize the potential revealing by its Employees.*

*The Company's mission is to provide reliable and quality electric power supply for the growing needs of the economy and social sector under economically feasible for consumers fee for the services rendered.*

#### **3.1.4. Contact information**

The issuer's location

*Moscow, Russia*

The issuer's registered office, specified in the Unified State Register of Legal Entities

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

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

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

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

The Internet website (s) where the information on the issuer, securities issued and/or being in the process of issue are available: *www.e-disclosure.ru/portal/company.aspx?id=7985; http://www.mrsk-1.ru*

Name of the issuer's special subdivision for the work with shareholders and investors of the issuer:

*IR Division*

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

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

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

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

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

#### **3.1.5. Taxpayer identification number**

*6901067107*

### 3.1.6. Branches and representative offices of the issuer

The issuer's branches and representative offices:

Name: **Branch of IDGC of Centre, JSC - "Belgorodenergo"**

Location: **the Russian Federation, Belgorod, Preobrazhenskaya St., 42**

Date of incorporation: **18.01.2008**

Director of the branch (representative office)

Full name: **Sergey Nikolayevich Demidov**

The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Bryanskenergo"**

Location: **the Russian Federation, 241000, Bryansk, Sovetskaya St., 35**

Date of incorporation: **18.01.2008**

Director of the branch (representative office)

Full name: **Alexander Ivanovich Kosarim**

The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Voronezhenergo"**

Location: **the Russian Federation, 394033, Voronezh, Arzamasskaya St., 2**

Date of incorporation: **18.01.2008**

Director of the branch (representative office)

Full name: **Vyacheslav Alexeevich Antonov**

The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Kostromaenergo"**

Location: **the Russian Federation, 156961, Kostroma, Mir avenue, 53**

Date of incorporation: **18.01.2008**

Director of the branch (representative office)

Full name: **Evgeny Alexandrovich Smirnov**

The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Kurskenergo"**

Location: **the Russian Federation, 305029, Kursk, K. Marx St., 27**

Date of incorporation: **18.01.2008**

Director of the branch (representative office)

Full name: **Alexander Nikolayevich Rudnevsky**

The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Lipetskenergo"**

Location: **the Russian Federation, 398001, Lipetsk, 50 let NLMK St., 33**

Date of incorporation: **18.01.2008**

Director of the branch (representative office)

Full name: **Alexander Sergeevich Glebov**

The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Orelenergo"**

Location: **the Russian Federation, 302030, Orel, Mir square, 2**

Date of incorporation: **18.01.2008**

Director of the branch (representative office)

Full name: **Yury Alexeevich Volchenkov**

The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Smolenskenergo"**  
Location: **the Russian Federation, 214019, Smolensk, Tenisheva St., 33**  
Date of incorporation: **18.01.2008**  
Director of the branch (representative office)  
Full name: **Sabir Rafikovich Agamaliev**  
The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Tambovenergo"**  
Location: **the Russian Federation, 392680, Tambov, Morshanskoe highway, 23**  
Date of incorporation: **18.01.2008**  
Director of the branch (representative office)  
Full name: **Vladimir Alexandrovich Syschikov**  
The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Tverenergo"**  
Location: **the Russian Federation, 170006, Tver, Bebel St., 1**  
Date of incorporation: **18.01.2008**  
Director of the branch (representative office)  
Full name: **Vadim Olegovich Yurchenko**  
The power of attorney is valid until: **01.06.2017**

Name: **Branch of IDGC of Centre, JSC - "Yarenergo"**  
Location: **the Russian Federation, 150003, Yaroslavl, Voinov St., 12**  
Date of incorporation: **18.01.2013**  
Director of the branch (representative office)  
Full name: **Alexander Anatolyevich Kornilov**  
The power of attorney is valid until: **01.06.2017**

### **3.2. Main economic activities of the issuer**

#### **3.2.1. Core economic activities of the issuer**

The code of the main industry line of business of the issuer

Codes under the All-Russian Classifier of Economic Activities (OKVED)
35.12

OKVED Codes
33.13
35.13
52.10.21
61.10.1
70.10.1
70.10.2
70.22
85.42

#### **3.2.2. Core economic activity of the issuer**

The kinds of economic activities (types of activities, types of products (works, services)) providing at least 10 percent of the proceeds (profit) of the issuer for the reporting period

Unit of measurement: **thousand RUB**

Type of economic activity: **Services on electric energy transmission**

Indicator	2015	2016
Amount of sales proceeds (turnover) of this economic activity, thousand RUB	77 733 610	83 590 448
Share of sales proceeds (turnover) of this economic activity in the total amount of sales proceeds (turnover) of the issuer, %	97.4	97.1

Indicator	2016, 3 months	2017, 3 months
Amount of sales proceeds (turnover) of this economic activity, thousand RUB	21 738 596	23 585 068
Share of sales proceeds (turnover) of this economic activity in the total amount of sales proceeds (turnover) of the issuer, %	98.2	97.1

Changes of the issuer's revenue (income) amount from the principal business activity by 10 and more percent in comparison with the relevant reporting period of the prior year and reasons of such changes

***In accordance with the accounting statements, revenue from electricity transmission services for 1 quarter of 2017 was 23 585 068 thous. RUB. The revenue for 1 quarter 2016 was 21 738 596 thous. RUB.***

***In connection with taking by the Company from 01 December 2016 of the functions of the electricity supplier of last resort in accordance with the orders of the Ministry of Energy of the Russian Federation and accounting features, part of the revenue (delivery component for 1 quarter 2017 in the amount of 69 935 thous. RUB), previously attributable to services for the transmission of electricity, refers to the revenue from the provision of electricity sales services. Taking into account the delivery component, the revenue from electricity transmission services for 1 quarter 2017 is 23 655 003 thous. RUB, an increase of 8.8%.***

***The increase in revenue from electricity transmission services compared to the same period last year was due to the growth of tariffs for electricity transmission services from 01.07.2016, which were approved by the executive authorities of the subjects of the Russian Federation in the field of state regulation of tariffs and the growth of productive supply.***

***The revenue from electricity transmission services for 2016 amounted to 83 590 448 thous. RUB. The revenue for 2015 amounted to 77 733 610 thous. RUB. The increase in revenue from electricity transmission services by 7.6% compared to 2015 is due to an increase in tariffs for electricity transmission services from 01.07.2015 and an increase in productive supply.***

General structure of the issuer's cost price

Indicator	2015	2016
Raw and materials, %	3.83	3.72
Purchased component products, semi-processed materials, %	0	0
Works and services of industrial character executed by third-party organizations, %	40.07	39.55
Fuel, %	0	0
Energy, %	15.93	16.67
Expenses for payment, %	16.24	15.99
Interest under credits, %	0	0
Rent, %	0.5	0.53
Deductions for social needs,	5.18	5.14
Amortization of the fixed assets, %	13.17	13.39
Taxes included in the cost price of products, %	1.5	1.77
Other expenses (to be explained)	3.58	3.24

amortization of intangible assets, %	0.03	0.03
rewards for innovative proposals, %	0	0
obligatory insurance payments, %	0.05	0.05
hospitality expenditure, %	0.01	0
other, %	3.49	3.16
Total: expenses for manufacture and sale of products (works, services) (cost price), %	100	100
For reference: The proceeds from products (works, services) sale, % to cost price	116.49	117.17

Indicator	2016, 3 months	2017, 3 months
Raw and materials, %	2.19	2.19
Purchased component products, semi-processed materials, %	0	0
Works and services of industrial character executed by third-party organizations, %	37.51	38.49
Fuel, %	0	0
Energy, %	21.46	20.79
Expenses for payment, %	16.01	15.11
Interest under credits, %	0	0
Rent, %	0.52	0.4
Deductions for social needs,	5.04	4.76
Amortization of the fixed assets, %	12.8	13.43
Taxes included in the cost price of products, %	1.73	2.01
Other expenses (to be explained)	2.74	2.82
amortization of intangible assets, %	0.03	0.03
rewards for innovative proposals, %	0	0
obligatory insurance payments, %	0.05	0.05
hospitality expenditure, %	0	0
other, %	2.66	2.74
Total: expenses for manufacture and sale of products (works, services) (cost price), %	100	100
For reference: The proceeds from products (works, services) sale, % to cost price	117.54	123.07

Essential new types of products (works, services) offered by the issuer on its core market, as far as it conforms to the public information on such types of products (works, services). The status of development of these types of products (works, services) is indicated.

***There are no new essential types of products (works, services)***

Standards (regulations), the accounting reporting and calculations are made under, which are reflected in this item of the quarterly report:

***The issuer's accounting statements are prepared in accordance with the existing law of the Russian Federation in the field of the business accounting:***

- ***Federal Law "On book keeping" of 06.12.2011 No.402-FZ;***
- ***Federal Law "On joint-stock companies" of 26.12.1995 No. 208-FZ;***
- ***Regulations on conducting book keeping and accounting reporting in the Russian Federation approved (Order of the Ministry of Finance of the Russian Federation of 29.07.1998 No. 34-n);***
- ***Chart of accounts of book keeping of financial and economic activity of the enterprises and Guide to its application (Order of the Ministry of Finance of the Russian Federation of 31.10.2000 No. 94-n);***
- ***RAS 1/2008 "Accounting policy of an organization" (Order of Ministry of Finance of the Russian Federation dated 6 October, 2008 N 106n);***
- ***RAS 2/2008 "Accounting of construction contracts" (Order of Ministry of Finance of the Russian Federation dated 24 October, 2008 N 116n);***
- ***RAS 3/2006 "Accounting of assets and liabilities, which value is expressed in foreign exchange" (Order of Ministry of Finance of the Russian Federation dated 27 November, 2006 N 154n);***
- ***Methodic instructions on formation of accounting statements at reorganization of organizations***

(Order of Ministry of Finance of the Russian Federation dated 20.05.2003 N 44n);

- RAS 4/99 "Accounting reporting of the organization" (Order of the Ministry of Finance of the Russian Federation of 6 July 1999 N 43n);
- RAS 5/01 "Accounting of inventories" (Order of the Ministry of Finance of the Russian Federation dated 9 June, 2001 N 44n);
- RAS 6/01 "Accounting of fixed assets" (Order of the Ministry of Finance of the Russian Federation of 30 March 2001 N 26n);
- RAS 7/98 "Events after the accounting date" (Order of the Ministry of Finance of the Russian Federation of 25 November 1998 N 56n);
- RAS 8/2010 "Provisions, Contingent Liabilities and Contingent Assets" (Order of Ministry of Finance of the Russian Federation dated 13 December, 2010 N 167n);
- RAS 9/99 "Incomes of the organization" (Order of the Ministry of Finance of the Russian Federation of 6 May 1999 N 32n);
- RAS 10/99 "Charges of the organization" (Order of the Ministry of Finance of the Russian Federation of 6 May 1999 N 33n);
- RAS 11/2008 "Information about affiliated persons" (Order of Ministry of Finance of the Russian Federation dated 29.04.2008 N 48n);
- RAS 12/2010 "Information on segments" (Order of the Ministry of Finance of the Russian Federation of 08 November 2010 N 143n);
- RAS 13/2000 "Accounting of the state assistance" (Order of the Ministry of Finance of the Russian Federation of 16 October 2000 N 92n);
- RAS 14/2007 "Accounting of intangible assets" (Order of Ministry of Finance of the Russian Federation dated 27 December, 2007 N 153n);
- RAS 15/2008 «Accounting of expenses on loans and credits» (Order of Ministry of Finance of the Russian Federation dated 06.10.2008 N 107n);
- RAS 16/02 "Information on terminated activity" (Order of the Ministry of Finance of the Russian Federation of 2 July 2002 N 66n);
- RAS 17/02 "Accounting for expenditure on research, development and technological works" (Order of the Ministry of Finance of the Russian Federation of 19 November 2002 N 115n);
- RAS 18/02 "Accounting of settlements under the profit tax" (Order of the Ministry of Finance of the Russian Federation of 19 November 2002 N 114n);
- RAS 19/02 "Accounting of financial investments" (Order of the Ministry of Finance of the Russian Federation of 10 December 2002 N 126n);
- RAS 20/03 "Information on participation in joint activity" (Order of the Ministry of Finance of the Russian Federation of 24 November 2003 N 105n);
- RAS 21/2008 "Change of estimates" (Order of the Ministry of Finance of the Russian Federation of 06.10.2008 N 106n);
- RAS 22/2010 "Correction of errors in the accounting and reporting" (Order of the Ministry of Finance of the Russian Federation of 28.06.2010 N 63n);
- RAS 23/2011 "Statement of Cash Flows" (Order of the Ministry of Finance of the Russian Federation of 02.02.2011 N 11n);
- and also according to the Accounting Policy of the Company for 2017.

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

For 2016

The issuer's suppliers performing not less than 10 percent of all supplies of materials and goods (raw materials)

***There are no suppliers performing not less than 10 percent of all supplies of materials and goods (raw materials)***

Information on price change of more than 10% for main materials and goods (raw materials) within the corresponding reporting period as compared to the corresponding reporting period of the previous year

***Following the results of 2016 there was an increase in prices of basic materials and goods (raw materials) by 11,5 % compared to 2015.***

Import share in supplies of materials and goods, forecast of import source availability in future and possible alternative sources

***There are no import supplies***

For 3 months 2017

The issuer's suppliers performing not less than 10 percent of all supplies of materials and goods (raw materials)

***There are no suppliers performing not less than 10 percent of all supplies of materials and goods (raw materials)***

Information on price change of more than 10% for main materials and goods (raw materials) within the corresponding reporting period as compared to the corresponding reporting period of the previous year

***There were no changes in prices of more than 10% for basic materials and goods (raw materials) during the corresponding reporting period***

Import share in supplies of materials and goods, forecast of import source availability in future and possible alternative sources

***There are no import supplies***

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

Main markets, in which the issuer performs its activity:

***IDGC of Centre on the territory of 11 regions (Belgorod, Bryansk, Voronezh, Kostroma, Kursk, Lipetsk, Orel, Smolensk, Tambov, Tver, Yaroslavl) provides electricity transmission services to 17 suppliers of last resort, 108 retailers, 186 end customers and 1 territorial grid company. The share of the given customers in the total revenue of IDGC of Centre from the electricity transmission services for 1Q 2017 is as follows:***

- suppliers of last resort – 73,64 %;***
- retailers – 15,94 %;***
- end customers – 8,90 %,***
- territorial grid company "BryanskElectro" LLC – 1,52 %.***

***In accordance with Order of the Ministry of Energy of Russia dated 17.11.2016 № 1214, since 01.12.2016 IDGC of Centre has been performing the functions of the electricity supplier of last resort in the service area of JSC "Transservicenergo" in the cities of Nelidovo, Toropets, Andreapol and Western Dvina, except for the service area of JSC "Oboronenergobyt".***

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 sale of services on electric power transmission of IDGC of Centre, are:***

- high degree of dependence on financial stability (solvency) of suppliers of last resort;***
- grid connection of consumers from grids of territorial grid companies, located in territories of the issuer's service area.***

***To reduce influence of these factors IDGC of Centre takes measures on conclusion of «direct» contracts for services on electric power transmission with end consumers serviced by suppliers of last resort and retailers.***

***Possible factors that may adversely affect the sale of electricity by IDGC of Centre are:***

- reduction of the customer base at the expense of possible entrance of large consumers and power supply companies to the wholesale market of electric energy (power), transition of consumers to competing power sales organizations;***
- assignment of the status of a supplier of last resort to a power sales organization on the basis of the ongoing tender of the Russian Energy Ministry for selection of a supplier of last resort.***

***To minimize the negative factors and improve its competitive positions IDGC of Centre develops and improves the quality of services related to the delivery of electricity.***

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

- reduction of demand for grid connection;***
- high degree of dependence on financial stability (solvency) of applicants;***
- adaptation to change in legislative base;***
- increase of a number of preferential categories of applicants;***
- development of territorial grid organisations that render services for grid connection;***
- regions do not have perspective development plans.***

***To minimize these factors the issuer actively participates in the work of proposing to amend the existing legislation, organizes work with regional administrations of the Russian Federation on the territory of the issuer's service area on the development of long-term development plans, and interacts with the regulator in terms of tariff making.***



### 3.2.5. Data on the issuer's licenses (permits) to perform some types of work

*The issuer has no permissions (licenses) information on which is required to be specified in the quarterly report*

### 3.2.6. Data on the activities of certain categories of issuers of securities

*The issuer is not a stock investment fund, an insurance company or a credit institution, a mortgage agent.*

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

*The main activity of the issuer is not extraction of minerals*

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

*The main activity of the issuer is not provision of telecommunications services*

### 3.3. Plans of the future activity of the issuer

*The core activities of IDGC of Centre are electric power transmission and connection of customers to power grids. The main source of the Company's revenues is the electricity transmission activity. Starting from 1 December 2016 by Order of the Ministry of Energy of Russia dated 17 November 2016 № 1214 IDGC of Centre has been selling electricity, serving as a supplier of last resort in the Tver region. IDGC of Centre does not plan to change the core activities, and the income structure significantly.*

*The main directions in the plans for future activities of the issuer:*

- provision of quality services for electric power transmission and grid connection of consumers to electric networks;*
- expansion of the market and the volume of services provided;*
- modernization and reconstruction of fixed assets and equipment, expansion of existing and construction of new electric grid infrastructure in the framework of the approved investment program of the Company;*
- implementation of the Unified Technical Policy of the electric grid complex (approved by the Company's Board of Directors, Minutes #31/13 of 28.12.2013);*
- implementation of the approved programs: the Program to increase the reliability, the Program of long-term development of electricity metering systems in the retail market, the Program of energy saving and energy efficiency, the Innovative Development Program and others.*
- implementation of measures to improve the payment discipline of contractors: the issuer plans together with the Administrations of subjects of the Russian Federation to address issues of non-payments in the regions with the regional commissions to monitor the situation with payments for electricity and its transmission services.*

### 3.4. Participation of the issuer in bank groups, bank holdings and associations

*The issuer is not involved in banking groups and bank holding companies, holding companies and associations*

### 3.5. Controlled economic entities of the issuer which have significance for it

*The issuer has no controlled organizations that have significance for it*

### 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 fixed assets encumbrance

As at 31.12.2016

Unit of measurement: *thousand RUB*

Name of group of items of fixed assets	Initial (recovery) cost	Accrued amortization
Land	291 405	0
Buildings	9 724 472	2 308 877
Constructions and transfer mechanisms	79 398 406	27 895 815
Material-working machinery and equipment	59 025 117	25 905 811

Transport	4 241 041	2 145 714
Inventory	280 858	205 756
<b>TOTAL</b>	<b>152 961 299</b>	<b>58 461 973</b>

Information on methods of accrual of depreciation deductions according to groups of the fixed assets items: *depreciation of fixed assets is accrued by straight-line method in accordance with the useful life terms established by the Commission of the Company for the acceptance of fixed assets on the basis of the conclusion of technical experts taking into account the information specified in the technical documentation for the facility*

Reporting date: **31.12.2016**

As at 31.03.2017

Unit of measurement: **thousand RUB**

Name of group of items of fixed assets	Initial (recovery) cost	Accrued amortization
Land	291 405	0
Buildings	9 730 225	2 400 162
Constructions and transfer mechanisms	80 100 436	29 238 871
Material-working machinery and equipment	59 208 063	26 990 121
Transport	4 267 366	2 265 311
Inventory	283 214	214 862
<b>TOTAL</b>	<b>153 880 709</b>	<b>61 109 327</b>

Information on methods of accrual of depreciation deductions according to groups of the fixed assets items: *depreciation of fixed assets is accrued by straight-line method in accordance with the useful life terms established by the Commission of the Company for the acceptance of fixed assets on the basis of the conclusion of technical experts taking into account the information specified in the technical documentation for the facility*

Reporting date: **31.03.2017**

Results of the last re-estimation of fixed assets and long-term leased fixed assets, carried out during the last completed financial year, indicating the date of the revaluation, the total and residual (net of depreciation) book value of fixed assets revaluation and the total and residual (net of depreciation) replacement cost of fixed assets in the light of this reassessment. This information is provided for groups of fixed assets. Information about how to charge depreciation on groups of fixed assets items is specified.

***Revaluation of fixed assets during the period was not conducted***

Data on plans on purchase, replacement, retirement of the fixed assets, the value of which is 10 and more percent of the value of the fixed assets of the issuer, and other fixed assets under the discretion of the issuer, as well as data on all facts of encumbrance of the fixed assets of the issuer (please, specify encumber method, moment of encumber, its validity and other conditions at the issuer's discretion), existing for the end date of the last completed reporting period:

The issuer has no plans for acquisition, replacement, retirement of fixed assets which amount to 10 and more percent of the issuer's fixed assets value.

Information on facts of the fixed assets encumbrance of the issuer (specifying the nature of encumbrance, the date of encumbrance, its validity and other conditions at the issuer's discretion) is provided in Appendix 4 to the quarterly report.

## **Section IV. Data on financial and economic activities of the issuer**

### **4.1. Results of financial and economic activities of the issuer**

The dynamics of indicators characterizing the financial results of the issuer, including its profit and loss, is calculated on the basis of accounting (financial) statements

Standard (Rules), under which the accounting (financial) statements are made, on the basis of which the indicators are calculated: **RAS**

Unit of measurement for the amount of uncovered loss: *thousand RUB*

Indicator	2015	2016
Net profit margin, %	1.14	2.17
Asset turnover ratio, times	0.68	0.7
Return on total assets, %	0.77	1.52
Return on equity, %	1.61	3.23
Amount of uncovered loss on the balance sheet date	0	0
Ratio of uncovered loss on the balance sheet date and the book value of assets, %	0	0

Indicator	2016, 3 months	2017, 3 months
Net profit margin, %	4.44	8.62
Asset turnover ratio, times	0.18	0.19
Return on total assets, %	0.81	1.68
Return on equity, %	1.72	3.5
Amount of uncovered loss on the balance sheet date	0	0
Ratio of uncovered loss on the balance sheet date and the book value of assets, %	0	0

*All the indicators are calculated based on the recommended calculation methods*

Economic analysis of profits/losses of the issuer, based on the dynamics of these indicators, as well as the reasons which, according to management bodies, led to the losses/profit of the issuer, as reflected in the financial (accounting) statements:

*as at 31.12.2016*

*Net profit margin characterizes the level of profitability of business operations of the Company. This indicator as at 31.12.2016 increased by 1,03 p.p. in relation to 2015. The main reason for the deviation of the indicator is the increase in the Company's net profit by 1,0 bln RUB following the results of 2016.*

*The asset turnover ratio describes the efficiency of the Company's use of all available resources, regardless of the sources of their formation, that is, shows how many times during the period under review a complete cycle of production and circulation takes place. Following the results of 2016 the ratio is equal to 0,70. A slight increase in this ratio by 0,02 in relation to 2015 is due to a growth in revenues for 2016 by 6,2 bln RUB.*

*The return on assets is the ratio of net profit to total assets size and displays the Company's ability to make profit. Following the results of 2016 the ratio is equal to 1,52%. The change of this indicator by 0,75 p.p. in relation to is due to a growth in the Company's net profit by 1,0 bln RUB.*

*The return on equity shows how much profit comes from each ruble invested in the business of the Company. Following the results of 2016 the ratio is equal to 3,23%. The growth of this indicator by 1,62 p.p., in relation to 2015 is mainly due to the change in the Company's equity by 1,4 bln RUB, as well as the growth in the Company's net profit by more than 2 times.*

*as at 31.03.2017*

*Net profit margin characterizes the level of profitability of business operations of the Company. This indicator as at 31.03.2017 increased by 4,18 p.p. in relation to 1Q 2016. The main reason for the deviation of the indicator is the increase in the Company's net profit following the results of 1Q 2017 by 1,1 bln RUB. The asset turnover ratio describes the efficiency of the Company's use of all available resources, regardless of the sources of their formation, that is, shows how many times during the period under review a complete cycle of production and circulation takes place. Following the results of 3 months of 2017 this ratio has not changed significantly and is equal to 0,19.*

*The return on assets is the ratio of net profit to total assets size and displays the Company's ability to make profit. Following the results of 1Q 2017 the ratio is equal to 1,68%. The change of this indicator by 0,87 p.p. in relation to 1Q 2016 is due to a growth in the Company's net profit by 1,1 bln RUB.*

*The return on equity shows how much profit comes from each ruble invested in the business of the Company. Following the results of 1Q 2017 the ratio is equal to 3,50%. The growth of this indicator by 1,78 p.p., in relation to 1Q 2016 is mainly due to the change in the Company's equity by 2,5 bln RUB and the growth in the Company's net profit by 1,1 bln RUB.*

The opinions of the management bodies of the issuer with respect to the causes or extent of their influence on

the results of the financial activities of the issuer are not the same: *No*

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

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

Dynamics of indicators characterizing the liquidity of the issuer is calculated on the basis of accounting (financial) statements

Standard (Rules), under which the accounting (financial) statements are made, on the basis of which the indicators are calculated: *RAS*

Unit of measurement for the indicator 'net working capital': *thousand RUB*

Indicator	2015	2016
Net working capital	7 058 784	3 319 019
Current liquidity ratio	1.53	1.2
Acid ratio	1.38	1.07

Indicator	2016, 3 months	2017, 3 months
Net working capital	8 006 737	6 508 177
Current liquidity ratio	1.53	1.38
Acid ratio	1.35	1.21

At the discretion of the issuer there is an additional dynamic of indicators characterizing the liquidity of the issuer, calculated on the basis of the consolidated accounting (consolidated financial) statements of the issuer to be included in the quarterly report: *No*

All the indicators are calculated based on the recommended calculation methods: *Yes*

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

*as at 31.12.2016*

*Net working capital is necessary to maintain the financial stability of the Company, as the excess of current assets over current liabilities means that the enterprise is able not only pay its current liabilities, but also has reserve for expansion of its activity. Following the results of 2016 this indicator decreased by 3 739 765 thousand RUB due to changes in the amount of short-term receivables by 2,8 bln RUB, short-term liabilities by 3,6 bln RUB and the cash balance by 2,5 bln RUB.*

*The current liquidity ratio as at 31.12.2015 was 1,53. As at 31.12.2016 the value of this ratio was 1,20. This ratio reflects the company's ability to repay the current (short-term) liabilities with only current assets. The higher the indicator is, the higher the solvency of the company is.*

*The acid ratio as at 31.12.2016 was 1,07. This ratio reflects the company's ability to repay its current liabilities in case of difficulties to sell services. Normative value of the coefficient is above 0.8. In the period under review this figure is within the allowable values.*

*as at 31.03.2017*

*Net working capital is necessary to maintain the financial stability of the Company, as the excess of current assets over current liabilities means that the enterprise is able not only pay its current liabilities, but also has reserve for expansion of its activity. Following the results of 3 months 2016 this indicator decreased by 1 498 560 thousand RUB due to changes in the amount of short-term receivables by 3,4 bln RUB, short-term liabilities by 1,7 bln RUB and the cash balance by 3,3 bln RUB.*

*The current liquidity ratio as at 31.03.2016 was 1,53. As at 31.03.2017 the value was 1,38. This ratio reflects the company's ability to repay the current (short-term) liabilities with only current assets. The higher the indicator is, the higher the solvency of the company is.*

*The acid ratio as at 31.03.2017 was 1,21. This ratio reflects the company's ability to repay its current liabilities in case of difficulties to sell services. Normative value of the coefficient is above 0.8. In the period under review this figure is within the allowable values.*

The opinions of the management bodies of the issuer with respect to the causes or extent of their influence on the results of the financial activities of the issuer are not the same: *No*

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

#### 4.3. Financial investments of the issuer

As at 31.12.2016

List of the issuer's financial investments, which amount to 5 and more percent of all its financial investments for the date of completion of the reporting period

Investments in equity securities

Type of securities: *shares*

Full company name of the issuer: *Yunipro Public Joint Stock Company*

Abbreviated company name of the issuer: *Yunipro PJSC*

Location of the issuer: *Russian Federation, Tyumen region, Khanty-Mansi Autonomous area – Yugra, Surgut city, Energostroitelei Street 23, bld. 34*

TIN: *8602067092*

Primary State Registration Number (OGRN): *1058602056985*

Date of the state registration of issue (issues)	Registration number	Registering agency
19.04.2007	1-02-65104-D	FFMS of Russia

Number of the securities which are owned by the issuer: *72 456 737*

Total par value of the securities being in the issuer's property:

*28 982 694,8 RUB x 1*

Total book value of securities held by the issuer:

*208 458 032.35*

Unit of measurement: *RUB*

*Amount of the fixed interest or other income under bonds and other promissory equity securities or the procedure of its definition, term of payment: this information is not specified for this type of securities.*

*Amount of the dividend under preferred shares or the procedure of its definition in case it is defined in the by-laws of the joint stock company-issuer, term of payment: The Company did not issue preferred shares.*

*Amount of the declared dividend per ordinary shares (if there is no data on the amount of declared dividend on ordinary shares in the current year, the amount of dividend declared in the previous year is specified), term of payment:*

*Total size of dividend accrued per ordinary shares of the Company following the results of 2015:*

*14 292 365 thousand RUB.*

*Size of dividend per ordinary share of the Company following the results of 2015:*

*0,197253780372175 RUB.*

*Payment period: Dividends are paid to nominal holders and beneficial owners being professional securities market participants no later than 10 working days from the record date of persons entitled to receive dividends – until 18.07.2016;*

*to other registered shareholders in the register of shareholders dividends are paid no later than 25 working days from the record date of persons entitled to receive dividends – until 08.08.2016.*

Size of fixed interest or other income on bonds and other promissory equity securities or the procedure

for determining it, term of payment;

size of dividend on preferred shares or the procedure for determining it when it is defined in the charter of the joint stock company - issuer, term of payment;

size of declared dividend on ordinary shares (in the absence of data on the size of declared dividend on ordinary shares in the current year, the amount of dividends declared in the previous year), term of payment

Additional information: *no*

Type of securities: *shares*

Full company name of the issuer: *Joint-Stock Company "Sanatorium "Energetik"*

Abbreviated company name of the issuer: *JSC "Sanatorium "Energetik"*

Location of the issuer: *Russian Federation, Tambov region, Tambov district, Novaya Lyada workers' settlement, Sanatornaya Str., 1*

TIN: *6820019240*

Primary State Registration Number (OGRN): *1036841127091*

Date of the state registration of issue (issues)	Registration number	Registering agency
19.09.2003	1-01-42545-A	Orel RB of the Federal Securities Commission of Russia

Number of the securities which are owned by the issuer: *15 354 998*

Total par value of the securities being in the issuer's property:

*15 354 998 RUR x 1*

Total book value of securities held by the issuer: *15 354 998*

Unit of measurement: *RUB*

*The issuer of the securities is a daughter and (or) dependent company of the issuer, who has drawn up this quarterly report*

*Amount of the fixed interest or other income under bonds and other promissory equity securities or the procedure of its definition, term of payment: this information is not specified for this type of securities.*

*Amount of the dividend under preferred shares or the procedure of its definition in case it is defined in the by-laws of the joint stock company-issuer, term of payment: The Company did not issue preferred shares.*

*Amount of the declared dividend per ordinary shares (if there is no data on the amount of declared dividend on ordinary shares in the current year, the amount of dividend declared in the previous year is specified), term of payment:*

*Total size of dividend accrued per ordinary shares of the Company following the results of 2015: 194 thousand RUB.*

*Size of dividend per ordinary share of the Company following the results of 2015: 0,01264 RUB.*

*Payment period: Dividends are paid to nominal holders and beneficial owners being professional securities market participants no later than 10 working days from the record date of persons entitled to receive dividends – until 27.07.2016;*

*to other registered shareholders in the register of shareholders dividends are paid no later than 25 working days from the record date of persons entitled to receive dividends – until 17.08.2016.*

Size of fixed interest or other income on bonds and other promissory equity securities or the procedure for determining it, term of payment;

size of dividend on preferred shares or the procedure for determining it when it is defined in the charter of the joint stock company - issuer, term of payment;

size of declared dividend on ordinary shares (in the absence of data on the size of declared dividend on ordinary shares in the current year, the amount of dividends declared in the previous year), term of payment

Investments in non-equity securities

***There are no investments in non-equity securities that make up 5 percent or more of all financial investments***

Other financial investments

***There are no other financial investments that make up 5 percent or more of all financial investments***

Information on the amount of potential losses connected with bankruptcy of organizations (enterprises), in which the investments were made, according to each type of these investments:

- for Yunipro PJSC - 208 458 032.35 RUB;
- for JSC "Sanatorium "Energetik" - 15 354 998 RUB.

Information on losses is given in the issuer's estimate of financial investments reflected in the accounting statements of the issuer for the period from the beginning of the reporting year till the end date of the last reporting quarter

Standards (rules) of the accounting statements, in accordance with which the issuer has made calculations, are reflected in this clause of the quarterly report:

***Accounting of financial investments is performed in accordance with RAS 19/02 "Accounting of financial investments", approved by Order of the Ministry of Finance of the Russian Federation No. 126n dated 10.12.2002.***

As at 31.03.2017

List of the issuer's financial investments, which amount to 5 and more percent of all its financial investments for the date of completion of the reporting period

Investments in equity securities

Type of securities: *shares*

Full company name of the issuer: ***Yunipro Public Joint Stock Company***

Abbreviated company name of the issuer: ***Yunipro PJSC***

Location of the issuer: ***Russian Federation, Tyumen region, Khanty-Mansi Autonomous area – Yugra, Surgut city, Energostroitelei Street 23, bld. 34***

TIN: ***8602067092***

Primary State Registration Number (OGRN): ***1058602056985***

Date of the state registration of issue (issues)	Registration number	Registering agency
19.04.2007	1-02-65104-D	FFMS of Russia

Number of the securities which are owned by the issuer: ***72 456 737***

Total par value of the securities being in the issuer's property:

***28 982 694,8 RUR x 1***

Total book value of securities held by the issuer:

***196 140 387.06***

Unit of measurement: ***RUB***

***Amount of the fixed interest or other income under bonds and other promissory equity securities or the procedure of its definition, term of payment: this information is not specified for this type of securities.***

***Amount of the dividend under preferred shares or the procedure of its definition in case it is defined in the by-laws of the joint stock company-issuer, term of payment: The Company did not issue preferred shares.***

***Amount of the declared dividend per ordinary shares (if there is no data on the amount of declared dividend on ordinary shares in the current year, the amount of dividend declared in the previous year is specified), term of payment:***

**Total size of dividend accrued per ordinary shares of the Company following the results of 2015: 14 292 365 thousand RUB.**

**Size of dividend per ordinary share of the Company following the results of 2015: 0,197253780372175 RUB.**

**Payment period: Dividends are paid to nominal holders and beneficial owners being professional securities market participants no later than 10 working days from the record date of persons entitled to receive dividends – until 18.07.2016;**

**to other registered shareholders in the register of shareholders dividends are paid no later than 25 working days from the record date of persons entitled to receive dividends – until 08.08.2016.**

Size of fixed interest or other income on bonds and other promissory equity securities or the procedure for determining it, term of payment;

size of dividend on preferred shares or the procedure for determining it when it is defined in the charter of the joint stock company - issuer, term of payment;

size of declared dividend on ordinary shares (in the absence of data on the size of declared dividend on ordinary shares in the current year, the amount of dividends declared in the previous year), term of payment

Type of securities: *shares*

Full company name of the issuer: *Joint-Stock Company “Sanatorium “Energetik”*

Abbreviated company name of the issuer: *JSC “Sanatorium “Energetik”*

Location of the issuer: *Russian Federation, Tambov region, Tambov district, Novaya Lyada workers’ settlement, Sanatornaya Str., 1*

TIN: *6820019240*

Primary State Registration Number (OGRN): *1036841127091*

Date of the state registration of issue (issues)	Registration number	Registering agency
19.09.2003	1-01-42545-A	Orel RB of the Federal Securities Commission of Russia

Number of the securities which are owned by the issuer: *15 354 998*

Total par value of the securities being in the issuer’s property:

*15 354 998 RUR x 1*

Total book value of securities held by the issuer: *15 354 998*

Unit of measurement: *RUB*

*The issuer of the securities is a daughter and (or) dependent company of the issuer, who has drawn up this quarterly report*

*Amount of the fixed interest or other income under bonds and other promissory equity securities or the procedure of its definition, term of payment: this information is not specified for this type of securities.*

*Amount of the dividend under preferred shares or the procedure of its definition in case it is defined in the by-laws of the joint stock company-issuer, term of payment: The Company did not issue preferred shares.*

*Amount of the declared dividend per ordinary shares (if there is no data on the amount of declared dividend on ordinary shares in the current year, the amount of dividend declared in the previous year is specified), term of payment:*

*Total size of dividend accrued per ordinary shares of the Company following the results of 2015: 194 thousand RUB.*

*Size of dividend per ordinary share of the Company following the results of 2015: 0,01264 RUB.*

*Payment period: Dividends are paid to nominal holders and beneficial owners being professional securities market participants no later than 10 working days from the record date of persons entitled to receive dividends – until 27.07.2016;*

*to other registered shareholders in the register of shareholders dividends are paid no later than 25 working days from the record date of persons entitled to receive dividends – until 17.08.2016.*



Size of fixed interest or other income on bonds and other promissory equity securities or the procedure for determining it, term of payment;

size of dividend on preferred shares or the procedure for determining it when it is defined in the charter of the joint stock company - issuer, term of payment;

size of declared dividend on ordinary shares (in the absence of data on the size of declared dividend on ordinary shares in the current year, the amount of dividends declared in the previous year), term of payment

Investments in non-equity securities

***There are no investments in non-equity securities that make up 5 percent or more of all financial investments***

Other financial investments

***There are no other financial investments that make up 5 percent or more of all financial investments***

Information on the amount of potential losses connected with bankruptcy of organizations (enterprises), in which the investments were made, according to each type of these investments:

***- for Yunipro PJSC - 196 140 387.06 RUB;***

***- for JSC "Sanatorium "Energetik" - 15 354 998 RUB.***

Information on losses is given in the issuer's estimate of financial investments reflected in the accounting statements of the issuer for the period from the beginning of the reporting year till the end date of the last reporting quarter

Standards (rules) of the accounting statements, in accordance with which the issuer has made calculations, are reflected in this clause of the quarterly report:

***Accounting of financial investments is performed in accordance with RAS 19/02 "Accounting of financial investments", approved by Order of the Ministry of Finance of the Russian Federation No. 126n dated 10.12.2002.***

#### **4.4. Intangible assets of the issuer**

As at 31.12.2016

Unit of measurement: ***thousand RUB***

Group of intangible assets items	Initial (recovery) cost	Accrued amortization
Trade mark	94	72
Software products	5 769	5 480
Utility model, R&D	28 061	8 677
Other	240	0
<b>TOTAL</b>	<b>34 164</b>	<b>14 229</b>

Standards (rules) of the accounting, in accordance with which the issuer submits information on its intangible assets:

***RAS No. 14/2007 "Accounting intangible assets" approved by Order of the Ministry of Finance of Russia No. 153n of 27.12.2007.***

Reporting date: ***31.12.2016***

As at 31.03.2017

Unit of measurement: ***thousand RUB***

Group of intangible assets items	Initial (recovery) cost	Accrued amortization
Trade mark	94	74

Software products	5 769	5 499
Utility model, R&D	28 376	9 434
Other	240	20
<b>TOTAL</b>	<b>34 479</b>	<b>15 027</b>

Standards (rules) of the accounting, in accordance with which the issuer submits information on its intangible assets:

***RAS No. 14/2007 "Accounting intangible assets" approved by Order of the Ministry of Finance of Russia No. 153n of 27.12.2007.***

Reporting date: **31.03.2017**

#### **4.5. Data on the policies and expenses of the issuer in the field of scientific and technical development, concerning licenses and patents, new development and researches**

In accordance with the Unified Technical Policy of the Electric Grid Complex IDGC of Centre accepted and performs the following areas of activity:

- application at investment and repair activity of new hi-tech equipment and materials, including 6 - 10 kV XLPE cables, 35 kV switch-gear cubicles, reclosers, compact SF6 modules, equipment for automation of substations, increase of visibility and controllability of distribution grids, modernization of reference and working measuring instruments;
- joint work with manufacturers related to testing and "pilot" use of new equipment at power grid facilities of the divisions of the Company;
- work to select new innovation projects;
- presentations of new equipment and new developments and technologies held by manufacturers and scientific and technical centres within the framework of the Company's Presentation day;
- development of standards of organization, participation in the development of state standards in the field of electrical engineering;
- analysis of work of the equipment which is in test operation at power grid facilities of the divisions of the Company;
- development of the production asset management system of the Company.

As at the reporting date the current items of legal protection of intellectual property are:

- Patent for utility model of remote cabinet of electric power metering #84571 dated 10.04.2009 valid until 10.04.2019;
- Patent for utility model of the pole mounted transformer substation #99905 dated 31.08.2010 valid until 31.08.2020;
- Patent for utility model of the pole mounted transformer substation #101278 dated 31.08.2010 valid until 31.08.2020;
- Patent for utility model of the pole mounted transformer substation #133982 dated 27.10.2013 valid until 30.04.2023;
- Patent for utility model of the Power line pole #138695 dated 20.02.2014 valid until 19.12.2023;
- Patent for utility model of the pole mounted transformer substation # 146463 dated 27.01.2014 valid until 27.01.2024.
- Certificate of state registration of the computer program "Software for the analysis of performance of energy-efficient outdoor lighting systems" # 2015614715 dated 27.04.2015;
- Certificate of state registration of the computer program «Control of hazardous areas at electric grid facilities of IDGC of Centre, PJSC» ("Modular industry solution: Production asset management system") № 2016617162 dated 28.06.2016;
- Certificate of state registration of the computer program «Power quality monitoring at electric grid facilities of IDGC of Centre, PJSC» ("Modular industry solution: Production asset management system") № 2016617160 dated 28.06.2016;
- Certificate of state registration of the computer program «Switching resource of switching devices of IDGC of Centre, PJSC» ("Modular industry solution: Production asset management system") № 2016617159 dated 28.06.2016;
- Certificate of state registration of the computer program № 2016617342 dated 01.07.2016 «Unified system of technical diagnostics of electric grid facilities of IDGC of Centre, PJSC» ("Modular industry solution: Production asset management system");
- Certificate of state registration of the computer program № 2016617341 dated 01.07.2016 «Management of production activities of IDGC of Centre, PJSC» ("Modular industry solution: Production asset management system");

- Certificate of state registration of the computer program № 2016617364 dated 01.07.2016 «Management of mobile crews of IDGC of Centre, PJSC». «Mobile solutions» ("Modular industry solution: Production asset management system");
- Certificate of state registration of the computer program № 2016618722 dated 05.08.2016 «Control over proper choice of switching equipment of IDGC of Centre, PJSC». «Grounding circuit step and touch measurement» ("Modular industry solution: Production asset management system");
- Certificate of state registration of the computer program № 2016618754 dated 05.08.2016 «Database management of electric grid facilities of IDGC of Centre, PJSC» ("Modular industry solution: Production asset management system").
- Certificate of state registration of the computer program "Software for security and technological video surveillance" № 2015617848 dated 23.07.2015;
- Certificate of state registration of the computer program "Automated system of operational environmental monitoring" № 2015617795 dated 22.07.2015;
- Utility model patent "Package transformer substation with charging infrastructure for electric vehicles" № 165524 dated 04.10.2016;
- Trademark with emblem of the Company and lettering "OAO "МРСК Центра" in Russian, registered on 11.02.2010;
- Trademark with emblem of the Company and lettering "IDGC of Centre, JSC" in English, registered on 18.02.2010.

The main areas of intellectual property for the issuer is the use of pole-mounted transformer substations and steel multifaceted poles for construction of facilities within grid connection.

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

R&D was funded at the expense of the issuer:

- in 2014 – 37 699,600 thousand RUB;
- in 2015 – 24 031,195 thousand RUB;
- in 2016 - 35 423,00 thousand RUB.

In 2016 the issuer received a payment as the license fee in the amount of 26 626,10 RUB.

The licensed product:

- patent for utility model of the Power line pole #138695 (26 626,10 RUB).

For 1Q 2017 the issuer received a payment as the license fee in the amount of 275 379,13 RUB.

The licensed product:

- patent for utility model of the Power line pole #138695 (121 775,63 RUB);
- patent for utility model of the Pole mounted transformer substation #99905, # 101278, #133982, # 146463 (153 603,50 RUB).

#### **4.6. Analysis of tendencies of development in the sphere of the core activity of the issuer**

*Electric grid connection defines development of the Company, growth of volume of electric energy transmission, 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 service area of the issuer: development of the industry, agriculture, household sector, construction of habitation, etc., it allows to estimate them as favourable at any conditions. For creation of favourable conditions of development of regions the issuer actively cooperates with local authorities and large consumers in the sphere of planning and increasing the investment attractiveness of the region. The result of this work is steady demand for electric capacity, which is the ground for formation of the issuer's investment program. Given the recent decline in investment in fixed assets and a reduction in foreign investment in the economy of the Russian Federation, there is a risk that demand for connection to the power grid from large applicants in the territory of the company will be reduced. With respect to the applicants, the Government of the Russian Federation is implementing a policy aimed at increasing the availability of energy infrastructure in order to create favourable conditions for small and medium-sized businesses, as well as to increase the investment attractiveness of the regions.*

*With regard to the provision of electricity transmission services, a reduction in the amount of electricity consumption is planned for 2017 in relation to the termination of the "last mile" facilities from 01.07.2017 within the current legislation of the Russian Federation in four branches of IDGC of Centre - "Belgorodenergo", "Kurskenergo", "Lipetskenergo" and "Tambovenergo". This decrease in electricity*

consumption is taken into account in the tariff regulation for 2017. At the same time, the Company forecasts revenue growth for electricity transmission services in 2017 relative to 2016, which is mainly due to the growth of unified (boiler) tariffs for electricity transmission services in the regulation period under review.

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

*Key factors in the activities of the issuer are:*

- factors affecting the state of the economy as a whole (the GDP growth, the consumer price index, the interest rates to attract credit resources);
- the state regulation of tariffs. Main activities of the issuer (electric energy transmission and grid connections) are regulated by the state through the establishment of appropriate tariffs for these services. Regulatory approval of tariffs for services of the issuer directly influences volumes of received proceeds. Establishment of tariffs below the economically justified level may lead to underfunding by tariff sources of the current activity and investment program of the issuer;
- a trend in power consumption. The volume of energy consumption in 1Q 2017 in the Russian Federation amounted to 283,59 billion kWh, which is 1,5 % higher than the relevant period of 2016. In this case on the basis of 1Q 2017 the volume of electricity transmission services of IDGC of Centre compared with the same period last year increased by 2,5 %;
- the current condition of the industry. The state of the industry directly affects the issuer's operations and is currently characterized by substantial depreciation of fixed assets, lack of investment in the industry, a problem of non-payment, the tariff policy, aimed at curbing the growth of tariffs for products and services of natural monopolies.

*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 together with the federal and regional bodies of regulation of tariffs takes measures to amend the legislation of the Russian Federation in the sphere of pricing on services of natural monopolies to protect the interests of distribution grid companies at establishment of tariffs for electric energy in the retail market.*

*The issuer works on the economic feasibility of expenses included in tariffs, takes measures to reduce costs and optimize the investment program.*

*The issuer also implements a set of measures to diversify the package of services to compensate for drop in consumption in the medium term. It implements the latest tools to manage the Company, automates key functions to increase efficiency of management decision-making.*

*Essential events/factors which may greatly affect an opportunity of achieving by the issuer in the future 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).*

*Factors that have a negative impact on the activities of the issuer:*

1. There is a reduction of power consumption due to the optimization of customer circuits of external power supply, including connection of facilities to the UNPG grids, construction of own generation.
2. Reducing demand for grid connection.
3. Development of territorial grid organizations rendering grid connection services.
4. Increasing the number of privileged categories of applicants. The cost of grid connection for these groups of applicants does not cover all costs of power grid companies, which leads to the emergence of "shortfall in income".
5. Stage by stage termination of the "last mile" mechanism. The Federal law prescribes a gradual termination of "last mile" contracts with the introduction of a separate HV-1 tariff level and schedule to lower rates of cross-subsidization.
6. Imperfection of the regulatory framework in the field of tariff regulation:
  - 6.1. Growth in tariffs does not reflect the real level of inflation and does not compensate for all costs of the Company. Indexation of tariffs for electricity transmission is based on forecasts of the Russian Ministry of Economic Development (MED RF) taking into account the requirement of gradual termination of "last mile" contracts. Real tariff growth is much lower than the growth index, as defined in the forecast of the RF Ministry of Economic Development.
  - 6.2. Restriction of the growth of the "boiler" tariff for the transmission of electricity by the forecast of the Ministry of Economic Development of the Russian Federation. Lack of possibility of returning by regions of debt accumulated as a result of the mechanism of "smoothing", without the possibility of its return in subsequent periods.
  - 6.3. The current return mechanism in the tariff for electricity transmission of the investment component of

grid connection cannot compensate for the costs in full, it forms a shortage of funds for the implementation of grid connection contracts.

7. Depending on the financial stability (solvency) of applicants for grid connection.

8. The deterioration of payment discipline for the power transmission services due to the imperfection of the mechanisms of the retail electricity market functioning and the influence of macroeconomic factors.

9. Change in the cost of servicing loans. As a result of the growth of the key rate of the Bank of Russia there is growth in rates on loans of partner banks of IDGC of Centre.

10. Rising prices for the Company's suppliers of fuel, materials, outsourced services (rent, security, communications, etc.).

The probability of occurrence of these factors varies from medium to high, duration – from the medium to long term.

11. The regions do not have plans for the future development.

Methods 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.

In order to reduce the negative impact of external factors the issuer has developed a set of measures to improve efficiency and financial sustainability in the current macroeconomic environment, including taking into account the changes in the regulation at the federal and regional levels:

1. Growth of tariffs in excess of the forecast of the Russian Ministry of Economic Development to compensate for "shortfall in income" due to termination of "last mile" contracts.

2. Return of "smoothing" by increasing the maximum level of the tariff for the next regulatory period.

3. Measures aimed at reducing the shortfall in income from privileged grid connections:

- an increase in connection fee for the "preferential" categories of applicants;

- accounting for the investment component for the reconstruction of the existing network in the fee for grid connection for all categories of applicants;

- application of penalties for non-use of power and/or payment for power redundancy.

4. Measures aimed at improving the payment discipline:

- claim-related work to collect overdue receivables and penalties for non-performance of contractual obligations for payment of services;

- improving the guarantee mechanism for retail companies regarding payment for electricity transmission services.

5. Measures to optimize the loan portfolio:

- implementation of the mechanism of the investment issue;

- lending for infrastructure sectors, including the Group of Companies PJSC "Rosseti", on special terms and conditions;

- revision of the rate of return on invested capital.

Significant events/factors that can improve the performance of the issuer, and the probability of their occurrence and their duration.

The significant factor which within long-term perspective may have positive influence on results of the Company'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 sheet of the issuer as intangible assets in the process of estimation performance. Duration of the given factor is considered 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. The Company developed and realizes the program of energy conservation and energy efficiency, within which it is planned to implement an energy management system in accordance with the international standard ISO 50001:2011. The Company also implements its program of perspective development of electricity metering systems in the retail electricity market, which in the middle term will have a significant influence on changes of commercial losses towards their decrease. These factors will have a significant positive impact in the medium term.

#### 4.8. Competitors of the issuer

The issuer operates electric power transmission and grid connection in 11 regions of Central Russia and provides electricity to large enterprises of industry, transport, agriculture, as well as the population of the regions.

In these markets the issuer holds a leading position.

The Company's share in the electricity transmission market (share of the required gross revenue (RGR) of

the issuer in the RGR of the regions) in accordance with the tariff and balance decisions in 2017 is 85,9 %. The grid connection market share on the basis of services rendered in the I quarter 2017 is 88,6 %.

In accordance with the current legislation IDGC of Centre refers to the subjects of natural monopolies, provides state-regulated activities and has no direct competitors.

However, in large cities of the regions, where the issuer operates, there are other territorial grid organizations providing similar services on transmission and distribution of electricity, grid connection. The main competitors of IDGC of Centre providing services for connection to electric grids are territorial grid companies operating in major cities of regions of the service area: JSC "Oboronenergo"; LLC "United Power Grid Company"; LLC "Bryanskoblenergo"; Municipal Unitary Enterprise "Voronezh Gorelektroset"; LLC "LGEK"; OJSC "Oreoblenergo"; LLC "Tambov Grid Company"; LLC "Tveroblelectro".

## **Section 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):

*IDGC of Centre's governance bodies in accordance with the Company's Articles of Association are:*

- 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.*

*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 authorized capital by way of the increase of the nominal value of shares or by way of placement of additional shares;*
- 6) reduction of the authorized 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 issue 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 members of the Audit Commission of the Company and the early termination of their powers;*
- 11) approval 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 (declaration) 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 internal documents regulating the activity of bodies of the Company;*
- 20) making the decision on paying the members of the Audit 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) making the decision on addressing with an application for delisting of shares of the Company and (or) securities of the Company convertible into its shares;*
- 23) 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 a not held one by the reason of the quorum absence;*
- 4) election of the Secretary of the Company's 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 additional shares into which preferred shares placed by the Company of a certain type are converted, convertible into common shares or preferred shares of other types, if such an arrangement is not associated with an increase in the authorized capital of the Company as well as the placement of bonds and other equity securities other than shares; Eurobonds issue and determining the policy of the Company in terms of the issue of securities (except for shares) and Eurobonds;*
- 8) approval of the decision on the issue of securities (additional issue), issue prospect of securities, the report on the results of the issue of securities (additional issue) and notification on the results of the issue (additional issue), 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 issue 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 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 members of the Management Board of the Company, establishment of compensations and remunerations paid to them, early termination of their powers;*

- 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 Audit Commission 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 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 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 (adjusted 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 (adjustment) of control indicators of 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 representation 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 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's Board of Directors Chairperson and the early termination of his/her powers;*
- 30) *election of the Company's Board of Directors Deputy Chairperson and the early termination of his/her powers;*
- 31) *election of the Company's 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 (amounts) 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 (amounts) 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 in the cases determined by separate decisions of the Board of Directors of the Company, as well as bringing to disciplinary liability;*
- 35) *disciplinary punishment of the General Director and members of the Management Board of the Company and his/her remuneration in accordance with the labour 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 Company's general meeting and 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 (hereinafter - SDC) and meetings of the SDC boards of directors:*
- i) on the determination of the agenda of the general meeting of the shareholders (participants of SDC) (except those SDC that are wholly owned by the Company);*
  - ii) on the reorganization and liquidation of SDC;*
  - 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 SDC and the rights provide by the given shares;*
  - v) on the increase of the authorized capital of SDC through the increase of the nominal value of shares or through the placement of additional shares;*
  - vi) on the placement of securities of SDC converted into ordinary shares;*
  - vii) on the fractioning and consolidation of the shares of SDC;*
  - viii) on the approval of large deals, made by the SDC;*
  - ix) on the participation of SDC 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 SDC participates, changes in the part of the participation in the authorized capital of the respective organization;*
  - x) on the deals made by SDC (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 heat power in cases (amounts) 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;*
  - xi) on the introduction of alternations and amendments in the constituent documents of SDC;*
  - xii) on the determination of the procedure of remuneration payments to the members of the Board of Directors and Audit Commission of SDC;*
  - xiii) on the approval of target values of key performance indicators (adjusted target values of key performance indicators);*
  - xiv) on the approval of the report on implementation of planned values of annual and quarter key performance indicators;*
  - xv) on the approval of the business plan (adjusted business plan) that includes the investment program and the 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;*
  - xxxx) on reduction of the authorized capital of SDC by decreasing the par value of the shares through the acquisition of the shares by SDC in order to reduce their total number, as well as through the redemption of shares acquired or repurchased by SDC;*
  - xxxxx) the definition of credit policy of SDC is part of the grant of loans, making credit contracts and loan agreements, issue of sureties, accepting obligations on bills (issuing an ordinary and transfer bill), pledging of property and making decisions about making by SDC of the above transactions in cases where the procedure for adoption decisions on them is not determined by the credit policy of SDC, as well as the adoption, in the manner prescribed by the credit policy of SDC, of decisions on bringing the debt position of SDC in line with the limits established by the credit policy of SDC, on the consideration of a report on the*

*credit policy of SDC, the approval of the loan plan of SDC, the approval of the Plan for the future development of SDC, the adjusted Plan for the future development of SDC, on the consideration of a report on the implementation of the Plan for the future development of SDC;*

*39) determination of the position of the Company (representatives of the Company) on the following items of the agenda of the SDC 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 SDC 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 SDC, 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 heat 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 SDC 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 SDC, participating in the production, delivery, dispatching, distribution of electric and heat 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, construction in progress, the purpose of use of which is production, delivery, dispatching, distribution of electric and thermal energy in the cases (amounts) determined by separate decisions of the Company’s Board of Directors, or, if such cases (amounts) are not defined by the Board of Directors of the Company;*

*d) deals (including several associated deals) connected with acquisition, alienation or an opportunity of alienation of the property forming the fixed assets, intangible assets, construction in progress, the purpose of use of which is production, delivery, dispatching, distribution of electric and thermal energy in the cases (amounts) determined by separate decisions of the Company’s Board of Directors, or, if such cases (amounts) are not defined by the Board of Directors of the Company;*

*e) transactions for the term of more than 5 years for the transfer for temporary possession and use or for temporary use of real estate, electric grid facilities or receive temporary possession and use or for temporary use of real estate, in cases (amounts) determined by separate decisions of the Board of Directors, or, if the said cases (amounts) have not been defined by the 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 heat power, as well as the repairs and maintenance types of activities;*

*42) determination of the directions of the Company’s insurance policy, performance of control over insurance coverage provision of the Company, including the approval of Insurers 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 senior managers of the Company; approval of the list of senior managers.*

*45) coordination of nominees for separate positions of the executive body of the Company defined by the Company’s 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’s Board of Directors, election of members of the Committees of the Company’s Board of Directors and early termination of their powers, election and early termination of powers of chairpersons of the Committees of the Company’s 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 issue 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 fixed 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; determining the Company’s policy regarding transactions with business financial instruments;*

*51) determination of the purchasing policy of the Company, including the approval of the Regulations on purchases of goods, works and services, approval of the head of the Central purchasing authority 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 awards;*

*53) approval of target values (adjusted values) of the key performance indicators (KPI) of the Company and reports on their implementation;*

*54) determination of the policy of the Company aimed at improving the reliability of power distribution grids and other power grid facilities, including the approval of the Company’s strategic programs on the reliability improvement of power grid facilities, their development, security and 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) filing an application for listing of shares of the Company and (or) the Company’s equity securities, convertible into shares of the Company;*

*57) taking decisions on the Company’s joining the industry and cross-industry standards, regulations and other documents in the electricity sector on the various activities of the Company, including the technical regulation;*

*58) definition of principles and approaches to risk management and internal control in the Company;*

*59) assessment of key operational risks (both financial and non-financial risks), as well as establishment of an acceptable amount of risks for the Company;*

*60) organization of at least 1 time a year of analysis and evaluation of the risk management and internal control system;*

*61) annual consideration of the organization, functioning and effectiveness of the risk management and internal control system in the Company;*

*62) control and organization of the internal audit unit activity, including the approval of a plan of internal audit, a report on the implementation of the plan of internal audit activities and budget of the internal audit unit, approval of decisions on the appointment, removal from office and the definition of remuneration of the head of the internal audit unit;*

*63) monitoring the compliance of the company’s executive bodies with the approved strategy by the Company; hearing reports of General Director and members of the Management Board on the implementation of the strategy approved by the Company;*

*64) recommendations of executive bodies on any matters of the Company’s activities;*

*65) preliminary approval of one or more interconnected transactions of the Company relating to the acquisition or possible acquisition of options, notes, investment shares of mutual funds and/or bonds by the Company worth more than 1 000 000 000 (One billion) rubles;*

*66) preliminary approval of one or more interconnected transactions of the Company relating to the transfer or possibility of the transfer of property by the Company in trust management worth more than 1 000 000 000 (One billion) rubles;*

*67) preliminary approval of one or more interconnected transactions of the Company relating to the receipt or possibility of the receipt of bank guarantees by the Company under which the Company is a principal in the amount of more than 1 000 000 000 (One billion) rubles;*

*68) approval of the list of credit institutions in which the Company may deposit funds;*

*69) 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 - 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's 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 (adjustment) 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 Management Board of the decisions of the Company's 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, 65-67 of clause 15.1 of the Articles of Association);*
- 8) effective risk management within the framework of the current activities of the Company; approval of the budget for the risk management activities of the Company within the limits agreed by the Board of Directors of the Company; the resolution of cross-functional (performed by several structural divisions) tasks on risk management.*
- 9) solution 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 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.*

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

- ensure the fulfillment of the activity plans of the Company necessary for the solution of its tasks;*
- organize accounting and reporting 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 labour law;*
- exercise functions of Chairperson of the Management Board of the Company;*
- distribute obligations among Deputies of 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 sub-clause 6 of clause 22.2 of Article 22 of the Articles of Association of the Company;*

- *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 the 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 a similar document:

*The Company has the Corporate Governance Code and Code of Conduct, approved by the Board of Directors of the Company, Minutes # 03/13 of 01.03.2013.*

*During the last reporting period, amendments were made to the charter (constituent documents) of the issuer, or to internal documents regulating the activities of the issuer's bodies*

Data on changes made to the Articles of Association of the issuer, as well as internal documents regulating the activities of the issuer during the last reporting period:

*During the reporting period the following internal documents, regulating the activities of the issuer, were approved:*

- *the Internal Audit Policy of IDGC of Centre, PJSC was amended (Minutes of the Board of Directors dated 22.02.2017 # 03/17).*

## 5.2. Information on the persons forming governance bodies of the issuer

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

Full name: *Yury Nikolayevich Mangarov*

*(Chairperson)*

Year of birth: *1956*

Education:

*1978, Plekhanov Russian University of Economics, branch of study: economic cybernetics.*

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		
10.2016	current	JSC "NPF of the electric power industry"	Member of the Supervisory Board
08.2016	current	PJSC «Rosseti»	Deputy Chief of Staff
06.2016	current	IDGC of North-West	Member of the Board of Directors
12.2015	current	Lenenergo	Adviser to General Director, Acting Head of Administration Department (part-time)
08.2015	06.2016	Ingushenergo	Member of the Board of Directors
06.2015	current	Russian Industrial Association of Employers in the Power Industry (RaEI Association)	Chairman of the Supervisory Board
06.2015	current	KEU-EES	Member of the Supervisory Board
06.2015	current	Kubanenergo	Member of the Board of Directors
06.2015	06.2016	Sevkavkazenergo	Member of the Board of Directors
06.2015	06.2016	Kabbalkenergo	Member of the Board of

			Directors
06.2015	06.2016	Dagestan Energy Retail Company	Member of the Board of Directors
06.2015	06.2016	Kalmenergosbyt	Member of the Board of Directors
06.2015	06.2016	Tyvaenergosbyt	Member of the Board of Directors
06.2015	06.2016	Karachaevo-Cherkesskenergo	Member of the Board of Directors
01.2015	08.2016	PJSC «Rosseti»	Top Adviser
06.2014	current	IDGC of Centre, PJSC	Member of the Board of Directors
06.2014	current	Yantarenergo	Member of the Board of Directors
06.2014	06.2016	MOESK	Member of the Board of Directors
06.2014	06.2016	IDGC of North Caucasus	Member of the Board of Directors
12.2013	02.2015	JSC «Rosseti»	Adviser
06.2012	04.2013	FGC UES	Deputy Chairman of the Management Board - Chief of Staff
03.2012	06.2013	IDGC Holding	Deputy Executive Director - Chief of Staff (as a second job)

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***the issuer did not issue options***

Data on participation in the work of committees of the Board of Directors

Name of Committee	Chairperson
Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC	No

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***

Data on any sibs with other persons who form a part of the issuer's 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 Evgenyevich Bogashov***

Year of birth: ***1989***

Education:

***2011, Federal State Budget Institution of Higher Education State University of Management, branch of study: Enterprise 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		
2013	current	Ministry of Energy of the Russian Federation	Deputy Director of Corporate Governance, Pricing Environment and Supervisory Work in the Fuel and Energy Industry Department, Leading advisor, Deputy Head, Head of Corporate Governance Section of Corporate Governance, Pricing Environment and Supervisory Work in the Fuel and Energy Industry Department of the Ministry of Energy of Russia
06.2016	current	IDGC of Centre, PJSC	Member of the Board of Directors
06.2016	current	Kubanenergo	Member of the Board of Directors
06.2016	current	IDGC of South	Member of the Board of Directors
06.2016	current	IDGC of Volga	Member of the Board of Directors
06.2016	current	Rosneft - Artag	Member of the Board of Directors
06.2015	06.2016	PJSC "Permneftegeofizika"	Member of the Board of Directors
06.2015	06.2016	Central Geophysical Expedition Joint Stock Company	Member of the Board of Directors
06.2015	06.2016	OJSC "Nizhnevartovskneftegeofizika"	Member of the Board of Directors
06.2015	06.2016	Open Joint Stock Company "Volga branch of the Institute of Geology and Development of Combustible Minerals"	Member of the Board of Directors
06.2015	06.2016	PJSC "Sibneftegeofizika"	Member of the Board of Directors
2011	2013	Federal Agency for State Property Management	Specialist of the 1st category, Leading specialist-expert

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***the issuer did not issue options***

Data on participation in the work of committees of the Board of Directors

***Member of the Board of Directors (Supervisory Board) does not participate in the committees of the Board of Directors (Supervisory Board)***

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***

Data on any sibs with other persons who form a part of the issuer's 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: ***Oleg Yuryevich Isaev***

Year of birth: ***1969***

Education:

***1992, Krasnoznamenny Military Institute, branch of study: Lawyer.***

***2004, Russian Academy of State Service under the President of the Russian Federation, branch of study: management.***

***2011-2012, Professional retraining in “Management in the Electric Power Industry”.***

***Scientific degree: Doctor of Laws.***

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		
11.2016	current	IDGC of Centre and Volga Region	Acting General Director
11.2016	current	IDGC of Centre and Volga Region	Chairman of the Management Board
06.2016	current	MOESK	Member of the Board of Directors
05.2016	current	Moscow Chamber of Commerce and Industry	Member of the Council
06.2013	current	IDGC of Centre, PJSC	Member of the Board of Directors
04.2013	current	IDGC of Centre, PJSC	General Director
12.2012	04.2013	IDGC of Centre, JSC	Acting General Director
12.2012	current	IDGC of Centre, PJSC	Chairman of the Management Board
10.2012	05.2016	Moscow Chamber of Commerce and Industry	Member of the Management Board
12.2011	12.2012	V/O Tyazhpromexport	Chairman of the Board of Directors
12.2011	12.2012	V/O Tyazhpromexport	General Director

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***the issuer did not issue options***

Data on participation in the work of committees of the Board of Directors

***Member of the Board of Directors (Supervisory Board) does not participate in the committees of the Board of Directors (Supervisory Board)***

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***

Data on any sibs with other persons who form a part of the issuer’s 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: ***Denis Alexandrovich Malkov***

Year of birth: ***1974***

Education:

***1996, Ural State Technical University-UPI named after the first President of Russia Boris Yeltsin, qualification: 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		
01.2016	12.2016	PJSC «Rosseti»	Head of Project Office
12.2015	09.2016	Lenenergo	Adviser to General Director (part-time)
06.2015	current	IDGC of Centre, PJSC	Member of the Board of
06.2015	06.2016	MOESK	Member of the Board of Directors
06.2014	06.2015	IDGC of Urals	Member of the Board of Directors
06.2014	06.2016	Energy Service Company of Urals	Member of the Board of Directors
06.2014	06.2015	IDGC of Volga	Member of the Board of Directors
06.2013	06.2014	Energy Service Company	Member of the Board of Directors
06.2013	06.2015	Kalmenergosbyt	Member of the Board of Directors
05.2013	01.2016	PJSC «Rosseti»	Director of Electricity Balances and Metering Department
02.2013	05.2013	FGC UES	Head of Substations Department
01.2006	02.2013	IDGC of Urals	Head of Technical Development Department

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***the issuer did not issue options***

Data on participation in the work of committees of the Board of Directors

Name of Committee	Chairperson
Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC	No

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***

Data on any sibs with other persons who form a part of the issuer's 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:

***Member of the Board of Directors of OJSC "Energy Service Company of Urals"***

Full name: ***Irina Borisovna Masaleva***

Year of birth: ***1974***

Education:

***1997, Moscow Power Engineering Institute, branch of study: Industrial electronics***

***2000, Moscow Power Engineering Institute, branch of study: Computer-aided design systems.***

***Candidate of Engineering Science***

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		
06.2016	current	IDGC of Centre, PJSC	Member of the Board of Directors
06.2016	08.2016	Lenenergo	Member of the Board of Directors
2013	03.2017	PJSC «Rosseti»	Director of Perspective Development and Grid Connection Department
2008	2013	JSC "FGC UES"	Deputy Head of Grid Connection Department, Head of Grid Connection Department

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***the issuer did not issue options***

Data on participation in the work of committees of the Board of Directors

Name of Committee	Chairperson
Grid Connection Committee of the Board of Directors of IDGC of Centre, PJSC	No

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***

Data on any sibs with other persons who form a part of the issuer's 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: ***Maxim Mikhailovich Saukh***

Year of birth: **1979**

Education:

**2001, St. Petersburg Humanitarian University of Trade Unions; 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		
06.2015	current	NIC EES	Member of the Board of Directors
06.2014	06.2015	IDGC of North-West	Member of the Board of Directors
06.2013	current	IDGC of Centre, PJSC	Member of the Board of Directors
06.2013	current	PJSC «Rosseti»	Head of Corporate Governance Office of Corporate Governance and Interaction with Shareholders and Investors Department
2013	2015	NIC of Siberia	Member of the Board of Directors
06.2012	08.2012	IDGC of Centre, JSC	Member of the Board of Directors
2012	2014	TRK	Member of the Board of Directors
2012	2013	NIC of South	Member of the Board of Directors
2011	2014	Energy Service Company of Tyumenenergo	Member of the Board of Directors
2011	2012	NIC EES	Member of the Board of Directors
2010	2014	ZAO Kurortenergo	Member of the Board of Directors
2010	2016	LLC IT Energy Service	Member of the Board of Directors
2010	2011	NIC of South	Member of the Board of Directors
2010	2012	IDGC of Urals	Member of the Board of Directors
2010	2012	IDGC of Siberia	Member of the Board of Directors
2009	current	Pskovenergosbyt	Member of the Board of Directors
2009	current	Kabbalkenergo	Member of the Board of Directors
2009	2016	Ekaterinburg Electric Grid Company	Member of the Board of Directors
2009	2014	ZAO Svet	Member of the Board of Directors
2009	2014	SZEYK	Member of the Board of Directors
2009	2014	Kaliningrad Generating Company	Member of the Board of Directors
07.2008	06.2013	IDGC Holding	Head, First Deputy Head;

			Deputy Head of Corporate Governance and Shareholders Interaction Department
2007	2015	ENIN	Member of the Board of Directors

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

**the issuer did not issue options**

Data on participation in the work of committees of the Board of Directors

Name of Committee	Chairperson
Audit Committee of the Board of Directors of IDGC of Centre, PJSC	No

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**

Data on any sibs with other persons who form a part of the issuer's 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: **Denis Alexandrovich Spirin**

Year of birth: **1980**

Education:

**2002, Moscow State Railway University, specialization: Railway Carriages Repair Management**

**2006, Moscow State Law Academy, branch of study: Law, qualification: Lawyer.**

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		
06.2016	current	IDGC of Centre, PJSC	Member of the Board of Directors
06.2016	12.2016	JSC «Kamensk-Uralsky non-ferrous processing plant» (KUZOCM Inc.)	Member of the Board of Directors
06.2016	current	IDGC of South	Member of the Board of Directors
08.2012	03.2015	Urengoytruboprovodstroy	Member of the Board of Directors
06.2012	current	OJSC «TGC-2»	Member of the Board of Directors
05.2012	current	OJSC "Smolensk Energy Repair Company"	Member of the Board of Directors
04.2012	04.2014	Prokatmontazh	Member of the Board of Directors
05.2010	12.2014	OJSC «TGC-6»	Member of the Board of Directors

07.2007	current	Representative Office of Prosperity Capital Management (Russian Federation) Ltd.	Director for Corporate Governance
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**Stake of this person in the authorized capital of the issuer/ordinary shares: does not have**

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

**the issuer did not issue options**

Data on participation in the work of committees of the Board of Directors

**Member of the Board of Directors (Supervisory Board) does not participate in the committees of the Board of Directors (Supervisory Board)**

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**

Data on any sibs with other persons who form a part of the issuer's 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:

**He is Member of the Board of Directors of OJSC "Smolensk Energy Repair Company".**

**He was Member of the Board of Directors of OJSC "Urengoytruboprovodstroy".**

Full name: **Roman Alexeevich Filkin**

Year of birth: **1983**

Education:

**2005, Financial Academy under the Government of the Russian Federation; specialty: 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		
03.2015	current	Representative office of "Prosperity Capital Management (RF) Ltd."	Director, power engineering, machine building
06.2016	12.2016	JSC «Kamensk-Uralsky non-ferrous processing plant» (KUZOCM Inc.)	Member of the Board of Directors
03.2014	current	IDGC of North-West	Member of the Board of Directors
06.2013	current	TGK-2	Member of the Board of Directors
08.2012	03.2015	Urengoytruboprovodstroy	Member of the Board of Directors
06.2012	06.2014	Kurgan Machine-Building Plant	Member of the Board of Directors
06.2012	11.2016	Dalenergomontazh	Member of the Board of Directors
06.2012	06.2014	Noyabrskselectrosetstroy	Member of the Board of Directors
05.2012	current	Smolensk Energy Repair Company	Member of the Board of Directors
04.2012	04.2014	Prokatmontazh	Member of the Board of Directors
07.2011	current	IDGC of South	Member of the Board of

			Directors
06.2011	06.2013	IDGC of North-West	Member of the Board of Directors
04.2011	04.2014	Prokatmontazh	Member of the Audit Committee
10.2009	03.2015	Representative office of "Prosperity Capital Management (RF) Ltd."	Co-Director, power engineering, machine building
06.2009	current	IDGC of Centre and Volga Region	Member of the Board of Directors
06.2009	current	IDGC of Centre, PJSC	Member of the Board of Directors
04.2006	12.2014	TGC-6	Member of the Board of Directors

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***the issuer did not issue options***

Data on participation in the work of committees of the Board of Directors

Name of Committee	Chairperson
Audit Committee of the Board of Directors of IDGC of Centre, PJSC	No
Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC	No
Strategy and Development Committee of the Board of Directors of IDGC of Centre, PJSC	No

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***

Data on any sibs with other persons who form a part of the issuer's 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:

***He is Member of the Board of Directors of OJSC "Smolensk Energy Repair Company".***

***He was Member of the Board of Directors of OJSC "Dalenergomontazh", OJSC "Urengoytruboprovodstroy".***

Full name: ***Oxana Vladimirovna Shatokhina***

Year of birth: ***1975***

Education:

***1999, Financial Academy under the Government of the Russian Federation; specialty: finance and credit, qualification: 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		
06.2016	current	IDGC of Centre, PJSC	Member of the Board of

			Directors
12.2013	current	PJSC "Rosseti"	Deputy General Director for Economy
06.2013	06.2015	MOESK	Member of the Board of Directors
06.2013	06.2014	IDGC of South	Member of the Board of Directors
04.2013	12.2013	JSC "Russian Grids"	Deputy General Director for Economy and Finance
08.2012	06.2015	IDGC of Centre, JSC	Member of the Board of Directors
08.2012	06.2014	IDGC of Siberia	Member of the Board of Directors
07.2012	04.2013	IDGC Holding	Director for Economy
06.2012	06.2013	NIC of Volga Region	Member of the Board of Directors
06.2012	06.2013	NIC of South	Member of the Board of Directors
03.2012	04.2013	FGC UES	Director for Economy

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

**the issuer did not issue options**

Data on participation in the work of committees of the Board of Directors

Name of Committee	Chairperson
Audit Committee of the Board of Directors of IDGC of Centre, PJSC	Yes

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

Data on any sibs with other persons who form a part of the issuer's 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**

**Independent member of the Board of Directors**

Year of birth: **1983**

Education:

**2005, Financial Academy under the RF 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	

06.2016	current	IDGC of Urals	Member of the Board of Directors
06.2016	current	IDGC of North-West	Member of the Board of Directors
06.2015	current	IDGC of Centre, PJSC	Member of the Board of Directors
06.2015	current	PJSC "OGK-2"	Member of the Board of Directors
06.2014	current	IDGC of Centre and Volga Region	Member of the Board of Directors
03.2014	current	Association of Institutional Investors	Executive Director
04.2013	02.2014	UAZ	Member of the Board of Directors
06.2012	06.2016	MOSTOTRUST	Member of the Board of Directors
06.2011	06.2014	IDGC of Centre, JSC	Member of the Board of Directors
06.2011	06.2012	IDGC of North Caucasus	Member of the Board of Directors
07.2011	current	IDGC of South	Member of the Board of Directors
06.2011	06.2012	Volgogradoblorgas	Member of the Board of Directors
06.2011	07.2012	Urengoitruboprovodstroy	Member of the Board of Directors
06.2011	02.2012	Yuzhtruboprovodstroy	Member of the Board of Directors
2001	03.2014	Association of Institutional Investors	Deputy Executive Director, chief expert, expert

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***the issuer did not issue options***

Data on participation in the work of committees of the Board of Directors

Name of Committee	Chairperson
Grid Connection Committee of the Board of Directors of IDGC of Centre, PJSC	Yes
Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC	No
Audit Committee of the Board of Directors of IDGC of Centre, PJSC	No

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***

Data on any sibs with other persons who form a part of the issuer's 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: *Natalia Ilyinichna Erpsher*

Year of birth: *1969*

Education:

*1991, MIIT, branch of study: system engineer.*

*2002, Lomonosov Moscow State University, branch of study: psychology of HR management.*

*2012, National Research University "Moscow Power Engineering Institute", production management and project 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		
06.2016	current	TPK	Member of the Board of Directors
03.2015	06.2015	IDGC of South	Member of the Board of Directors
06.2014	current	IDGC of Centre, PJSC	Member of the Board of Directors
06.2014	06.2015	TPK	Member of the Board of Directors
07.2013	current	PJSC «Rosseti»	Head of Organizational Development Office of Personnel Policy and Organizational Development Department
06.2013	06.2015	NIC of South	Member of the Board of Directors
06.2013	06.2016	SZEYK	Member of the Board of Directors
03.2013	current	KEU-EES	Member of the Supervisory Board
09.2012	07.2013	FGC UES	Head of Organizational Development Department
06.2011	06.2014	VNIPIEP	Member of the Board of Directors
07.2008	09.2012	IDGC Holding	Head of Organizational Development Department

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***the issuer did not issue options***

Data on participation in the work of committees of the Board of Directors

Name of Committee	Chairperson
Personnel and Remuneration Committee of the Board of Directors of IDGC of Centre, PJSC	Yes
Audit Committee of the Board of Directors of IDGC of Centre, PJSC	No

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***

Data on any sibs with other persons who form a part of the issuer's 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 a certain position «current» this means that the person held the given position as of the end date of the reporting quarter. And the information is given based on personal data provided to the issuer by that person.***

## 5.2.2. Data on the sole executive body of the issuer

Full name: ***Oleg Yuryevich Isaev***

Year of birth: ***1969***

Education:

***1992, Krasnoznamenny Military Institute, branch of study: Lawyer.***

***2004, Russian Academy of State Service under the President of the Russian Federation, branch of study: management.***

***2011-2012, Professional retraining in “Management in the Electric Power Industry”.***

***Scientific degree: Doctor of Laws.***

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		
11.2016	current	IDGC of Centre and Volga Region	Acting General Director
11.2016	current	IDGC of Centre and Volga Region	Chairman of the Management Board
06.2016	current	MOESK	Member of the Board of Directors
05.2016	current	Moscow Chamber of Commerce and Industry	Member of the Council
06.2013	current	IDGC of Centre, PJSC	Member of the Board of Directors
04.2013	current	IDGC of Centre, PJSC	General Director
12.2012	04.2013	IDGC of Centre, JSC	Acting General Director
12.2012	current	IDGC of Centre, PJSC	Chairman of the Management Board
10.2012	05.2016	Moscow Chamber of Commerce and Industry	Member of the Management Board
12.2011	12.2012	V/O Tyazhpromexport	Chairman of the Board of Directors
12.2011	12.2012	V/O Tyazhpromexport	General Director

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer’s 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: ***Oleg Yuryevich Isaev***

(***Chairperson***)

Year of birth: ***1969***

Education:

***1992, Krasnoznamenny Military Institute, branch of study: Lawyer***

***2004, Russian Academy of State Service under the President of the Russian Federation, branch of study: management***

***2011-2012, Professional retraining in “Management in the Electric Power Industry”***

***Scientific degree: Doctor of Laws.***

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		
11.2016	current	IDGC of Centre and Volga Region	Acting General Director
11.2016	current	IDGC of Centre and Volga Region	Chairman of the Management Board
06.2016	current	MOESK	Member of the Board of Directors
05.2016	current	Moscow Chamber of Commerce and Industry	Member of the Council
06.2013	current	IDGC of Centre, PJSC	Member of the Board of Directors
04.2013	current	IDGC of Centre, PJSC	General Director
12.2012	04.2013	IDGC of Centre, JSC	Acting General Director
12.2012	current	IDGC of Centre, PJSC	Chairman of the Management Board
10.2012	05.2016	Moscow Chamber of Commerce and Industry	Member of the Management Board
12.2011	12.2012	V/O Tyazhpromexport	Chairman of the Board of Directors
12.2011	12.2012	V/O Tyazhpromexport	General Director

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer’s 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: ***Inna Vitalievna Gromova***

Year of birth: ***1967***

Education:

***1997, International Institute of Economics and Law, Bachelor of Law.***

***2002, International Institute of Economics and Law, jurisprudence, lawyer.***

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		
03.2017	current	IDGC of Centre and Volga Region	Adviser (part-time)
10.2016	current	JSC "NPF of the electric power industry"	Member of the Supervisory Board
05.2016	current	Russian Industrial Association of Employers in the Power Industry (RaEI Association)	Member of the Supervisory Board
05.2015	current	IDGC of Centre, PJSC	Member of the Management Board
07.2013	current	IDGC of Centre, PJSC	Deputy General Director for HR Management and Organizational Design
06.2013	current	JSC "Sanatorium "Energetik"	Member of the Board of Directors
01.2013	06.2013	IDGC of Centre, JSC	Adviser to General Director
10.2012	02.2013	"RAO Energy Systems of the East"	HR Director of HR Department
08.2012	09.2012	"RAO Energy Systems of the East"	Adviser of category 1
10.2011	08.2012	V/O Tyazhpromexport	Head of HR Department

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer's 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		
03.2017	current	Branch of IDGC of Centre and Volga Region – Nizhnovenergo	Deputy General Director - Director of the branch
01.2017	03.2017	IDGC of Centre and Volga Region	Adviser of Administration Department
02.2010	current	IDGC of Centre, PJSC	Member of the Management Board
01.2009	11.2012	Private educational institution "Voronezh training center "Energetik"	Chairman of the Board of Trustees
07.2008	01.2017	IDGC of Centre - Voronezhenergo division	Deputy General Director – Director of the division

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

**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**

Data on any sibs with other persons who form a part of the issuer's 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: **Konstantin Alexandrovich Mikhailik**

Year of birth: **1983**

Education:

**2004, St. Petersburg University of the Russian Interior Ministry, specialty: jurisprudence.**

**2005, MGIMO, specialty: international economist with knowledge of foreign languages.**

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		
03.2015	current	IDGC of Centre, PJSC	Member of the Management Board
03.2015	current	IDGC of Centre, PJSC	First Deputy General Director
12.2014	03.2015	IDGC of Centre, JSC	Acting First Deputy General Director
03.2014	12.2014	Intercomp	Deputy General Director
11.2013	03.2014	Intercomp	Adviser to General Director
10.2012	11.2013	The Accounts Chamber of the Russian Federation	Chief of Inspectorate for control over the Central Bank of the Russian Federation and

			monitoring of the financial markets of the Department for control over public debt, the banking system, the Central Bank of the Russian Federation, financial institutions and expenditures of the federal budget on ICT
05.2011	10.2012	The Accounts Chamber of the Russian Federation	Deputy Chief of Inspectorate for control over the Central Bank of the Russian Federation and monitoring of the financial markets of the Department for control over public debt, the banking system, the Central Bank of the Russian Federation, financial institutions and expenditures of the federal budget on ICT

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

**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**

Data on any sibs with other persons who form a part of the issuer's 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 Pilyugin**

Year of birth: **1968**

Education:

**1992, Kursk Polytechnic Institute, specialty: electrical engineer.**

**2006, State Educational Institution of Higher Professional Education "Kursk State Technical University", specialty: 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		
11.2016	current	IDGC of Centre and Volga Region	Member of the Management Board
11.2016	current	IDGC of Centre and Volga Region	Adviser (part-time)
11.2014	current	IDGC of Centre, PJSC	First Deputy General Director - Chief Engineer
02.2014	11.2014	IDGC of Centre, JSC	Deputy General Director for Technical Issues - Chief Engineer

02.2014	current	IDGC of Centre, PJSC	Member of the Management Board
03.2008	02.2014	IDGC of Centre - Kurskenergo division	Deputy General Director – Director of the division

Equity holding in the authorized capital of the issuer, %: **0.00035**

Share of the Issuer's ordinary stocks belonging to the person, %: **0.00035**

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer's 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 Yuryevich Rummyantsev***

Year of birth: ***1956***

Education:

***1978, Moscow Institute of Management, specialty: management organization in the energy sector.***

***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		
12.2016	current	IDGC of Centre, PJSC	Adviser to General Director
06.2013	current	IDGC of Centre, PJSC	Member of the Management Board
05.2013	12.2016	IDGC of Centre, PJSC	Deputy General Director for Economy and Finance
04.2013	08.2014	OJSC "Energy Service Company"	Member of the Board of Directors
02.2013	05.2013	IDGC of Centre, JSC	Adviser to General Director, Acting Deputy General Director for Economy and Finance
06.2008	02.2013	Inter RAO	Member of the Management Board, Adviser to Chairman of the Management Board, Director for Economy, Head of Investment Programs Unit, Deputy Head of Investment Strategy - Director for Investment Programs

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer’s 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:

***Member of the Board of Directors of OJSC “Energy Service Company”***

Full name: *Lyudmila Alexeevna Sklyarova*

Year of birth: *1958*

Education:

*1982, Correspondence Institute of Soviet Trade, specialty: food science and organization of trade in food products.*

*1989, Karaganda Cooperative Institute, specialty: accounting and analysis of economic activity in sectors of the national economy.*

*1999, Institute of Professional Accountants of Russia, Professional Accountant - Chief Accountant, Accountant - expert (consultant).*

*1999, IFAC Institute of Professional Accountants and Auditors of Russia, Professional Accountant - Chief Accountant, Accountant expert (consultant).*

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		
10.2014	current	IDGC of Centre, PJSC	Member of the Management Board
04.2013	current	IDGC of Centre, PJSC	Chief Accountant - Head of Financial and Tax Accounting and Reporting Department
01.2013	04.2013	IDGC of Centre, JSC	Adviser to General Director
08.2011	07.2012	MOESK	Chief Accountant - Department Director

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer’s 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 a certain position «current» this means that the person held the given 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 that person.*

### 5.3. Data on amount of remuneration and/or compensation 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 reimbursement of charges, and also other property granting which were paid by the issuer for the last completed financial year are specified:

#### Remuneration

##### Board of Directors

Unit of measurement: **thousand RUB**

Indicator	2016	2017, 3 months
Remuneration for participation in the work of the governance body	7 810	0
Wages	0	0
Bonuses	0	0
Commission fees	0	0
Other types of rewards	63	0
<b>TOTAL</b>	<b>7 873</b>	<b>0</b>

Information on the existing agreements relating to such payments within the current financial year:  
**Remunerations and compensations to members of the Board of Directors are paid according to the Regulation on payment of remuneration and compensation to members of the Board of Directors of IDGC of Centre, PJSC (Minutes of the Annual General Meeting of Shareholders No.01/15 dated 26.06.2015).**

*The document is on the website of the issuer at:*

*[http://www.mrsk-1.ru/upload/documents/polozhenie\\_sd\\_vozn.pdf](http://www.mrsk-1.ru/upload/documents/polozhenie_sd_vozn.pdf).*

**Remuneration of a member of the Board of Directors who is Chairman of the Management Board and holds the position of CEO of the Company is included in the table "Collegial executive body".**

##### Collegial executive body

Unit of measurement: **thousand RUB**

Indicator	2016	2017, 3 months
Remuneration for participation in the work of the governance body	913	246
Wages	47 773	9 241
Bonuses	49 999	1 292
Commission fees	0	0
Other types of rewards	0	0
<b>TOTAL</b>	<b>98 685</b>	<b>10 779</b>

Information on the existing agreements relating to such payments within the current financial year:  
**The income of the 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 of the issuer as well.**

#### Compensation

Unit of measurement: **thousand RUB**

Name of the governance body	2016	2017, 3 months
Board of Directors	110	0
Collegial executive body	0	0

#### **5.4. Data about the structure and competence of the bodies of control over financial and economic activities of the issuer, as well as on the organization of risk management and internal control systems**

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) and internal documents:

*The structure of control over financial and economic activities of the issuer and their competence are defined in Article 24 of the Company's Articles of Association:*

*24.1. The Audit Commission of the Company shall be elected by the General Meeting of Shareholders to control financial and business activity of the Company for the period until the next Annual General Meeting of Shareholders.*

*In case of election of the Company's Audit Commission at the Extraordinary General Meeting of Shareholders, members of the Audit Commission shall be elected for the period until the date of the Annual General Meeting of Shareholders of the Company.*

*The Company's Audit Commission shall include 5 (five) persons.*

*24.2. The powers of all or some members of the Company's Audit Commission may be early terminated under the resolution of the General Meeting of Shareholders of the Company.*

*Members of the Company's Audit Commission cannot simultaneously be members of the Board of Directors of the Company or hold other positions in the management bodies of the Company.*

*24.3. The competence of the Company's Audit Commission shall include:*

- audit (inspection) of financial, accounting, payment and calculation documents as well as other documents of the Company related to the Company's financial and business activity to determine whether these documents comply with the laws of the Russian Federation, the Articles of Association, internal and other documents of the Company;*
- audit and analysis of the financial condition of the Company, its solvency, internal control and risk management systems functioning, the liquidity of assets, the ratio of debt to equity, accuracy and timeliness of calculation and payment of interest on bonds, income on other securities;*
- control over expenditure of monetary funds of the Company in accordance with the approved business plan and budget of the Company;*
- control over establishment and use of the reserve fund and other special funds of the Company;*
- checking the timeliness and correctness of settlement transactions with counterparties and budget, as well as the settlement operations on wages, social insurance, and payment of dividends and other payment transactions;*
- monitoring compliance with the established procedure for writing off debts of insolvent debtors;*
- verification of the Company's business operations, carried out in accordance with existing agreements;*
- verification of compliance with the use of material, labour and financial resources, financial and economic activities of existing agreements, norms and standards, approved cost estimates and other documents regulating the activities of the Company;*
- control over the safety and use of fixed assets;*
- check of funds and assets of the Company, effective use of assets and other resources of the Company, identifying reasons for non-production losses and costs, identification of reserves to improve the financial condition of the Company;*
- check of performance of instructions given previously for elimination of violations and defects previously revealed by the Company's Audit Commission;*
- development of recommendations for the management bodies of the Company;*
- other actions (measures) related to check of financial and business activity of the Company.*

*The procedure of activity of the Audit Commission of the issuer is determined by the Regulation for the Audit Commission of IDGC of Centre, PJSC, approved by the Annual General Meeting of Shareholders of the Company on 25.06.2015 (Minutes No. 01/15 of 26.06.2015). The text of the Regulation for the Audit Commission of the issuer is freely available on the Internet at:  
[http://www.mrsk-1.ru/upload/documents/polozhenie\\_o\\_rk.pdf](http://www.mrsk-1.ru/upload/documents/polozhenie_o_rk.pdf).*

*The Company created the Audit Committee of the Board of Directors*

The main functions of the Audit Committee:

*The Audit Committee of the Board of Directors of the Company carries out an overall assessment of the effectiveness of internal control in the Company (including on the basis of messages and reports of the Internal Audit and Control Department). In accordance with the established procedures, the Audit Committee has a key role in the internal control process. The activity of the Audit Committee of the Board of Directors of the issuer is determined by the Regulation on the Audit Committee of the Board of Directors of IDGC of Centre (Minutes of the Board of Directors # 04/16 of 01.03.2016) with amendments dated 20.10.2016 (Minutes of the Board of Directors # 29/16 of 21.10.2016). The Regulation is freely available on the Internet at:*

*[https://www.mrsk-1.ru/upload/documents/Polozhenie\\_o\\_komitete\\_po\\_auditu\\_s\\_uchetom\\_izmenenij\\_2110.pdf](https://www.mrsk-1.ru/upload/documents/Polozhenie_o_komitete_po_auditu_s_uchetom_izmenenij_2110.pdf).*

*In accordance with the Regulation on the Audit Committee, the tasks of the Audit Committee are:*

- consideration of the financial (accounting) statements of the Company and supervision of the process of preparation;*
  - control of the reliability and efficiency of the internal control, risk management, corporate governance practice systems;*
  - supervision of the external audit and the auditor selection;*
  - ensuring the independence and objectivity of the internal audit function;*
  - control over performance of the counter-fraud system to the Company's employees and third parties.*
- The Committee is not intended to serve as a guarantor of achieving the Company's goals to ensure the reliability of reporting, the effectiveness of internal control and risk management systems, corporate governance practice, the independence and objectivity of the internal audit function, compliance with legislation, and monitors the implementation by executive bodies of their duties to ensure the implementation of these goals of the Company.*

*Each year, Chairperson of the Committee submits a report on the results of its work to the Board of Directors of the Company. Chairperson of the Committee may submit to the Board of Directors separate reports on the results of studies on matters within the competence of the Committee. The Company's Board of Directors may at any time request the Committee's report on the current activities of the Committee. Terms of preparation and submission of such a report shall be determined by the Board of Directors of the Company.*

*The Audit Committee of the Board of Directors was established in April 2008. The Audit Committee consists of 5 people who are members of the Board of Directors of the issuer.*

Members of the Audit Committee of the Board of Directors

Full name	Chairperson
Oxana Vladimirovna Shatokhina	Yes
Maxim Mikhailovich Saukh	No
Roman Alexeevich Filkin	No
Alexander Viktorovich Shevchuk	No
Natalia Ilyinichna Erpsher	No

Information on the availability of a separate structural unit (s) of the issuer on risk management and internal control (other than the Audit Commission (Auditor), a body (a structural unit) in charge of internal control over financial and economic activities of the issuer), its tasks and functions:

*System monitoring of compliance with the internal control procedures, and direct assessment of the adequacy and effectiveness of internal control procedures is performed by a separate structural unit of the issuer - the Internal Control and Risk Management Sector of Anti-Corruption and Compliance Procedure Department. The Sector of the issuer has been exercising its functions since 2016.*

*In accordance with the Regulation on the Sector of internal control and risk management, the main tasks of the Sector include:*

- organization and implementation of follow-up control activities of the Company and its subsidiaries;*
- organization of interaction with the external auditor of the Company and its subsidiaries on the assessment of effectiveness of the internal control and risk management system;*
- implementation of interaction with the committees of the Company's Board of Directors within the framework of functional subordination:
 
  - interaction with the Audit Committee of the Company's Board of Directors on internal control issues;*
  - interaction with the Strategy and Development Committee of the Company's Board of Directors on risk management issues;**
- implementation of common approaches to the construction of the system of internal control and risk management of the Company, subsidiaries and affiliates;*
- methodological and organizational support for the implementation of current and preventive control in*

*the Company and its subsidiaries;*

*- assessment of corruption risks in order to identify specific business processes and business operations in the Company's activities, at the implementation of which employees most likely may commit corruption offenses as for private gain, and in order to obtain the benefits of the Company.*

Information on the availability of a separate structural unit (service) of internal audit, its tasks and functions:  
*Internal audit of the issuer is performed by the structural unit Internal Audit Department.*

*The Regulation on the Internal Audit Department is freely available on the Internet at:*

*[https://www.mrsk-1.ru/upload/documents/polowenie\\_dva.pdf](https://www.mrsk-1.ru/upload/documents/polowenie_dva.pdf)*

*According to the Regulation on the Internal Audit Department, the Department has the following key tasks:*

- implementation and application of common approaches to the construction, management and coordination of the internal audit function in the Company;*
- internal audit performance, participation in other verification activities in the Company and its subsidiaries;*
- providing independent and objective assurance regarding the effectiveness of internal control, risk management and corporate governance systems, and assistance to the executive bodies and employees of the Company in the development and monitoring of execution of procedures and measures to improve internal control, risk management and corporate governance systems of the Company;*
- organization of effective interaction of the Company with the Company's external auditor, the Audit Committee of the Company, with other stakeholders on issues related to the internal audit competence;*
- preparation and submission of reports/information on results of the internal audit activity.*

*According to the Regulation on the Internal Audit Department, the Department is an independent structural unit of the Company. In accordance with the Company's organizational structure the Division functionally reports to the Board of Directors (through the Audit Committee of the Board of Directors) and administratively reports to General Director of the Company. The Division is reorganized and liquidated by an order of General Director of the Company on the basis of the Board of Directors' decision, with preliminary review by the Audit Committee of the Board of Directors of the Company.*

*Staff of the Department carry out their activities in accordance with the job description. In their professional activities the employees are independent of the Company's executive bodies and management of the branches and divisions, whose work is being reviewed.*

*Quarterly the Internal Audit Department provides to the Company's Audit Committee reports on checks and audits performed, as well as information on the status of documents aimed at improvement and development of the internal audit system in the Company.*

*The issuer's policy in the field of risk management and internal control is described in paragraph 2.4 of this quarterly report by the issuer*

*The issuer approved (adopted) an internal document of the issuer, which establishes the rules for preventing the misuse of confidential and insider information.*

Data on the issuer's internal document establishing rules to prevent the misuse of confidential and insider information:

*The Company approved and uses the Regulations on insider information (Minutes of the Board of Directors dated 29.12.2011 # 27/11). The document is freely available on the Internet at:*

*[http://www.mrsk-1.ru/common/upload/docs/Polozhenie\\_ob\\_insayderskoy\\_informatsii.pdf](http://www.mrsk-1.ru/common/upload/docs/Polozhenie_ob_insayderskoy_informatsii.pdf).*

## **5.5. Information on members of the bodies of control over financial and economic activities of the issuer**

Name of the body for control over financial and economic activity of the issuer:

*Audit Commission*

Full name: *Svetlana Anatolyevna Kim*

*(Chairperson)*

Year of birth: *1981*

Education:

*2004, MIIT; branch of study: commerce*

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
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since	till		
2015	current	IDGC of Centre, PJSC	Member of the Audit Commission
2013	current	PJSC «Rosseti»	Head of Internal Audit Office of Internal Audit and Control Department
2008	2013	FGC UES	Head of Investment Control of Control and Audit Department

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer's 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: ***Elena Stanislavovna Erandina***

Year of birth: ***1972***

Education:

***1994, Moscow State University of Environmental Engineering, branch of study: economics and management in AIC branches;***

***2006, State University of Management, 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		
2016	current	IDGC of Centre, PJSC	Member of the Audit Commission
2016	current	PJSC «Rosseti»	Chief Expert of Control and Expert Office of Internal Audit and Control Department
2013	2015	OAO Elektrosetservis Enes	Chief Specialist of Internal Audit Service
2011	2013	Oil Assets Management Closed Joint Stock Company	Deputy Head of Audits of Financial and Economic Activity Section of Internal Control Department

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer's 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 Vladimirovich Malyshev***

Year of birth: ***1965***

Education:

***1986, Yaroslavl Military Finance and Economics Institute, specialty: economist-financial expert.***

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		
2014	current	IDGC of Centre, PJSC	Member of the Audit Commission
2013	current	PJSC «Rosseti»	Leading Expert of Investment Audit Section of Internal Audit Office of Internal Audit and Control Department
2013	2013	FGC UES	Chief Expert, Head of Control and Audit Department
2011	2012	Gazpromneft - Aero	Principal Specialist of Capital Construction Section

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer's 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: ***Oxana Alexeevna Medvedeva***

Year of birth: ***1978***

Education:

***Moscow, Branch of Russian Academy of Entrepreneurship in Magadan; branch of study: accounting, analysis 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		
2015	current	IDGC of Centre, PJSC	Member of the Audit Commission
2014	current	PJSC «Rosseti»	Chief Expert of Internal Audit Office of Internal Audit and Control Department; Head of General Audit and Audit Activities Section of Audit Activities and Internal Audit Office of Internal Audit and Control Department
2011	2014	FGC UES	Head of Section of Control and Audit Department

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer's 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 Ivanovich Ochikov***

Year of birth: ***1983***

Education:

***2004, Krasnoyarsk State Technical University, branch of study: power plants and substations.***

***2007, Siberian Federal University, branch of study: economics and business management in the energy industry.***

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		
2017	current	Kubanenergo	Head of Internal Control and Risk Management Directorate
2014	current	IDGC of Centre, PJSC	Member of the Audit Commission
2013	2016	PJSC «Rosseti»	Chief Expert of Internal Audit Directorate; Leading Expert of General Audit Section of Internal Audit Office of Internal Audit and Control Department
2013	2013	FGC UES	Chief Expert of Investment Audit of Internal Audit and

			Risk Management Department
2009	2013	IDGC Holding, JSC	Leading Expert of Internal Audit Section of Internal Audit and Risk Management Department
2009	2013	IDGC of North-West	Leading Specialist of Risk Management and Internal Control of Internal Audit and Risk Management Office

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

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer's 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***

Name of the body to control over the financial and economic activities of the issuer: ***Other***

***Internal Audit Department***

Information about the head of the separate structural division (body) of the issuer

Title of the head of the structural division:

***Head of Internal Audit Department***

Full name: ***Svetlana Valeryevna Shpakova***

Year of birth: ***1975***

Education:

***1997, Krasnoyarsk State Technical University; specialty: 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		
12.2016	current	IDGC of Centre and Volga Region	Adviser (part-time)
04.2013	current	IDGC of Centre, PJSC	Head of Internal Audit Department (till 06.2016 - Internal Audit and Control Department)
12.2012	04.2013	LLC "Bashkir Generation Company"	Member of the Board of Directors
07.2012	09.2012	OJSC "WGC-3"	Member of the Board of Directors, Member of the Audit Committee
02.2008	03.2013	INTER RAO	Head of the Department of Economic Planning of subsidiaries/subsidiaries and



			affiliates of Financial and Economic Centre, Head of the Department of Budget Office of Financial and Economic Centre, Head of the Department of Budget Management of Economy and Finance Unit, Head of the Department of Budget Management of Corporate Centre, Deputy Financial Director for budget management - Head of the Department of Budget Management of the Financial Activities Unit
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***Stake of this person in the authorized capital of the issuer/ordinary shares: does not have***

Number of shares of each category (type) which may be acquired as a result of exercising rights on options of the issuer owned by him:

***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***

Data on any sibs with other persons who form a part of the issuer's 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 and/or compensation on the body of control over financial and economic activity of the issuer**

Remuneration

For each body of control over financial and economic activities of the issuer (except for a natural person holding the position (exercising functions) of the issuer's auditor) are described with the indication of the size of all types of remuneration, including salaries of members of bodies supervising financial and economic activities of the issuer, who are (were) its employees, including existing part-time employees (part-time employees who worked), bonuses, commissions, fees, separately paid for participation in the relevant body of control over financial and economic activities of the issuer, other types of remuneration that were paid by the issuer during the reporting period, and the costs, the issuer compensated during the relevant reporting period, associated with the performance of functions of members of bodies supervising financial and economic activities of the issuer are described indicating the size.

Unit of measurement ***thousand RUB***

Name of the body for control over financial and economic activity of the issuer:

***Audit Commission***

Remuneration for participation in the work of the control body

Unit of measurement: ***thousand RUB***

Indicator	2016	2017, 3 months
Remuneration for participation in the work of the governance body to control over the financial and economic activities of the issuer	793	0

Wages	0	0
Bonuses	0	0
Commission fees	0	0
Other types of rewards	0	0
TOTAL	793	0

Information on the existing agreements relating to such payments within the current financial year:  
*Remuneration and compensation to members of the Audit Commission is paid in accordance with the new edition of the Regulation on payment of remuneration and compensation to members of the Audit Commission of IDGC of Centre, PJSC (Minutes #01/15 of 26.06.2015). The document is on the website of the issuer at: [http://www.mrsk-1.ru/upload/documents/polozhenie\\_rk\\_vozn.pdf](http://www.mrsk-1.ru/upload/documents/polozhenie_rk_vozn.pdf).*

Name of the body for control over financial and economic activity of the issuer: **Internal Audit Department**  
Remuneration for participation in the work of the control body

Unit of measurement: **thousand RUB**

Indicator	2016	2017, 3 months
Remuneration for participation in the work of the governance body to control over the financial and economic activities of the issuer	0	0
Wages	13 205	3 596
Bonuses	9 195	1 041
Commission fees	0	0
Other types of rewards	0	0
TOTAL	22 400	4 637

Information on the existing agreements relating to such payments within the current financial year:  
*Payment of remuneration to employees of the Internal Audit Department is made in accordance with the terms and conditions of their employment contracts.*

Compensation

Unit of measurement: **thousand RUB**

Name of the control body (structural unit)	2016	2017, 3 months
Audit Commission	0	0
Internal Audit Department	0	105

### **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 measurement: **thousand RUB**

Indicator	2016	2017, 3 months
Average number of employees, people	29 649	29 688
Fund of accrued wages of employees during the reporting period	14 264 765	3 339 039
Social benefits of employees during the reporting period	174 060	27 602

*Employees of the issuer established their trade union body.*

### **5.8. Data on any obligations of the issuer to the staff (employees) concerning the possibility of their participation in the authorized capital of the issuer**

*There are no liabilities of the issuer concerning opportunities of participation of the issuer's employees (staff) in the authorized capital of the issuer*

## **Section VI. Data on participants (shareholders) of the issuer and related-party transactions of the issuer**

### **6.1. Data on the total number of shareholders (participants) of the issuer**

Total number of persons registered in the issuer's shareholder register on the end date of completion of the last reporting quarter: **14 295**

Total number of nominee holders of the issuer's shares: **8**

The total number of persons included in the final recorded list of persons who had (who have) the right to participate in the general meeting of shareholders of the issuer (another list of persons recorded to perform the (sale) of rights on shares of the issuer and which is to be made the nominees in the issuer provided the data on persons for whose benefit they owned (own) the shares of the issuer): **16 920**

Record date of the list of persons included in the latest list of those who had (have) the right to participate in the general meeting of shareholders of the issuer (another list of persons recorded for the implementation (realization) of rights on the issuer's shares and compiled on the basis of submitted data of nominee shareholders on the persons for whose benefit they owned (own) shares of the issuer): **22.04.2016**

The holders of ordinary shares of the issuer that are subject to the inclusion in this list: **16 920**

Information on the number of treasury shares owned by the issuer at the end of the reporting quarter: **there are no treasury shares owned by the issuer**

Information about the number of shares belonging to organizations under its control: **there are no shares belonging to organizations under its control**

### **6.2. Data on the participants (shareholders) of the issuer owning at least 5 percent of its authorized capital or at least 5 percent of its ordinary shares, as well as data on persons controlling such participants (shareholders), and in case of absence of such persons, on such participants (shareholders) owning at least 20 percent of the authorized capital or at least 20 percent of their ordinary shares**

The issuer's participants (shareholders) holding not less than 5 percent of its authorized capital or not less than 5 percent of its ordinary shares

**1.** Full legal name: **Rosseti, Public Joint Stock Company**

Abbreviated trade name: **PJSC «Rosseti»**

Location: **Russia, Moscow**

TIN: **7728662669**

Primary State Registration Number (OGRN): **1087760000019**

Equity holding in the authorized capital of the issuer: **50.23%**

Stake of the issuer's ordinary shares belonging to the entity: **50.23%**

Persons controlling the participant (shareholder) of the Issuer

**1.1.** Full legal name: **Federal Agency for Federal Property Management**

Abbreviated trade name: **Rosimushchestvo**

Location: **109012 Russian Federation, Moscow, Nikolsky pereulok 9**

TIN: **7710723134**

Primary State Registration Number (OGRN): **1087746829994**

The reason, on which the person that controls the participant (shareholder) of the issuer exercises such control (participation in a legal entity being a participant (shareholder) of the issuer, the conclusion of a simple partnership agreement, the conclusion of an agency contract, the conclusion of the shareholders' agreement, the conclusion of other agreements, the subject of which is the exercise of rights certified by shares (interests) of the legal entity that is a participant (shareholder) of the issuer): **participation in the legal entity, which is a shareholder of the issuer**

The attribute of the person, controlling the participant (shareholder) of the issuer, exercising such control:

**the right to dispose of more than 50 percent of the votes in the supreme governing body of the legal entity, which is a participant (shareholder) of the issuer**

Type of control: **direct control**

The size of the person's stake in the authorized (share) capital (share fund) of the issuer's participant (shareholder), %: **87.9**

The person's stake of ordinary shares belonging to the issuer's participant (shareholder), %: **88.75**

Other information provided by the issuer at its own discretion:

***The size of such a person in the authorized capital of the shareholder and the share of ordinary shares of the issuer's shareholder belonging to the person is represented on the basis of data of the quarterly report of PJSC «Rosseti» for the 4th quarter of 2016.***

***Addition to the attribute of the person, controlling the participant (shareholder) of the issuer, exercising such control: The notification the issuer's shareholder besides the above attributes also indicates: the right to appoint (elect) the sole executive body of the legal entity, which is a participant (shareholder) of the issuer, and the right to appoint (elect) more than 50 percent of the collegial body of the legal, which is a participant (shareholder) of the issuer.***

Other information provided by the issuer at its own discretion: **no**

2. Full legal name: ***Genhold Limited***

Abbreviated trade name: ***Genhold Limited***

Location: ***9, Giannou Kranidioti, Office 210, P.C.1065, Nicosia, Cyprus***

Equity holding in the authorized capital of the issuer: **15%**

Stake of the issuer's ordinary shares belonging to the entity: **15%**

Persons controlling the participant (shareholder) of the Issuer

2.1. Full legal name: ***NEW RUSSIAN GENERATION LIMITED***

Abbreviated name: ***no***

Location: ***Dorey Court, Admiral Park, St. Peter Port, Guernsey, GY1 2HT***

The reason, on which the person that controls the participant (shareholder) of the issuer exercises such control (participation in a legal entity being a participant (shareholder) of the issuer, the conclusion of a simple partnership agreement, the conclusion of an agency contract, the conclusion of the shareholders' agreement, the conclusion of other agreements, the subject of which is the exercise of rights certified by shares (interests) of the legal entity that is a participant (shareholder) of the issuer):

***Participation in the legal entity, which is a shareholder of the issuer***

The attribute of the person, controlling the participant (shareholder) of the issuer, exercising such control:

***the right to dispose of more than 50 percent of the votes in the supreme governing body of the legal entity, which is a participant (shareholder) of the issuer***

Type of control: ***direct control***

The size of the person's stake in the authorized (share) capital (share fund) of the issuer's participant (shareholder), %: **100**

Other information provided by the issuer at its own discretion:

***Information on the person controlling the shareholder (as the sole member) came to the issuer in a letter of Genhold Limited dated 15.10.2014 # w/n.***

Other information provided by the issuer at its own discretion: **no**

### **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')**

Information about managers of the state, municipal packages of the shares: ***there are no such persons***

Persons who, on behalf of the Russian Federation, entity of the Russian Federation or municipal entity shall perform the functions of a participant (shareholder) of the issuer: ***federal property***

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

Location: ***109012, Moscow, Nikolsky pereulok 9.***

The size of the authorized (share) capital (share fund) of the issuer, owned by the state (federal, entities of the Russian Federation), municipal authorities: **0.4552**

***Property of subjects of the Russian Federation***

Full legal name: ***the Kostroma region represented by the Department of Property and Land Relations of***

*the Kostroma region*

Location: **156013, Kostroma region, Kostroma, Kalinovskaya Str., 38**

The size of the authorized (share) capital (share fund) of the issuer, owned by the state (federal, entities of the Russian Federation), municipal authorities: **0.000000099**

***Municipal property***

Full name: **South-West districts, Property Management Committee**

Location: **no data.**

The size of the authorized (share) capital (share fund) of the issuer, owned by the state (federal, entities of the Russian Federation), municipal authorities: **0.0058**

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 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 capital 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 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 when the list of persons entitled to participate in the general meeting of the issuer's shareholders (participants) was recorded: **22.04.2016**

List of shareholders (participants)

Full legal name: **Rosseti, Public Joint Stock Company**

Abbreviated company name: **PJSC "Rosseti"**

Location: **Russia, Moscow**

TIN: **7728662669**

PSRN: **1087760000019**

Equity holding in the authorized capital of the issuer, %: **50.23**

Stake of the issuer's ordinary shares belonging to the entity, %: **50.23**

Full legal name: **Genhold Limited**

Abbreviated trade name: **no data**

Location: **9, Giannou Kranidioti, 2nd floor, Flat/Office 210, P.C.1065, Nicosia, Cyprus**

**It is not a resident of the Russian Federation**

Equity holding in the authorized capital of the issuer, %: **15**

Stake of the issuer's ordinary shares belonging to the entity, %: **15**

**6.6. Data on related-party transactions of the issuer**

*The mentioned transactions were not settled*

**6.7. Data on accounts receivable amount**

As at 31.12.2016

Unit of measurement: **thousand RUB**

Indicator	Value*
Accounts receivable of buyers and customers	12 678 148
including overdue	3 443 821
Accounts receivable under promissory notes receivable	0
including overdue	0
Accounts receivable of participants (founders) under contributions to the authorized capital	0
including overdue	0
Other accounts receivable	2 497 618
including overdue	554 940
Total amount of accounts receivable	15 175 766
including total amount of overdue accounts receivable	3 998 761

\*Accounts receivable on the balance sheet

The debtors owing at least 10% of the total amount of accounts receivable for the stated reporting period

Full legal name: **Joint Stock Company "AtomEnergoSbyt"**

Abbreviated trade name: **JSC "AtomEnergoSbyt"**

Location: **Moscow. Company address: 115114, Moscow, Letnikovskaya Street, 10, bldg. 4**

TIN: **7704228075**

PSRN: **1027700050278**

Amount of accounts receivable: **2 551 992.79**

Unit of measurement: **thousand RUB**

The size and terms of overdue accounts receivable (interest rate, penalties, fines): **595 425.17 thousand RUB**

Debtor is an affiliate of the issuer: **No**

Full legal name: **Lipetsk Power Sales Company Open Joint-Stock Company**

Abbreviated trade name: **"LESK" OJSC**

Location: **398024, Lipetsk, Victory Avenue, 87-A**

TIN: **4822001244**

PSRN: **1054800190037**

Amount of accounts receivable: **2 120 764.18**

Unit of measurement: **thousand RUB**

The size and terms of overdue accounts receivable (interest rate, penalties, fines): **1 653 469.52 thousand RUB**

Debtor is an affiliate of the issuer: **No**

Full legal name: **Public Joint Stock Company TNS energo Yaroslavl**

Abbreviated trade name: **PJSC TNS energo Yaroslavl**

Location: **21b, Lenina Avenue, Yaroslavl, Russia, 150003**

TIN: **7606052264**

PSRN: **1057601050011**

Amount of accounts receivable: **1 934 930.64**

Unit of measurement: **thousand RUB**

The size and terms of overdue accounts receivable (interest rate, penalties, fines): **590 178.56 thousand RUB**

Debtor is an affiliate of the issuer: **No**

As at 31.03.2017

Unit of measurement: **thousand RUB**

Indicator	Value*
Accounts receivable of buyers and customers	10 602 449
including overdue	4 053 005
Accounts receivable under promissory notes receivable	0
including overdue	0
Accounts receivable of participants (founders) under contributions to the authorized capital	0
including overdue	0
Other accounts receivable	1 589 486
including overdue	578 840
Total amount of accounts receivable	12 191 935
including total amount of overdue accounts receivable	4 631 845

\*Accounts receivable on the balance sheet

The debtors owing at least 10% of the total amount of accounts receivable for the stated reporting period

Full legal name: **Joint Stock Company "AtomEnergoSbyt"**

Abbreviated trade name: **JSC "AtomEnergoSbyt"**

Location: **Moscow. Company address: 115114, Moscow, Letnikovskaya Street, 10, bldg. 4**

TIN: **7704228075**

PSRN: **1027700050278**

Amount of accounts receivable: **2 716 222.05**

Unit of measurement: **thousand RUB**

The size and terms of overdue accounts receivable (interest rate, penalties, fines): **925 032.44 thousand RUB**

Debtor is an affiliate of the issuer: **No**

Full legal name: **Lipetsk Power Sales Company Open Joint-Stock Company**

Abbreviated trade name: **"LESK" OJSC**

Location: **398024, Lipetsk, Victory Avenue, 87-A**

TIN: **4822001244**

PSRN: **1054800190037**

Amount of accounts receivable: **1 871 251.2**

Unit of measurement: **thousand RUB**

The size and terms of overdue accounts receivable (interest rate, penalties, fines): **1 637 452.89 thousand RUB**

Debtor is an affiliate of the issuer: **No**

## **Section VII. Accounting (financial) statements of the issuer and other financial information**

### **7.1. Annual accounting (financial) reporting of the issuer**

**The information is provided in Appendix #1 to this quarterly report**

The issuer's annual accounting (financial) statements as of 31.12.2016, attached to the quarterly report:

- **Balance sheet;**
- **Profit and loss statement;**
- **Statement of changes in equity;**
- **Cash flow statement;**
- **Explanatory note to the Balance sheet;**
- **Auditor's opinion.**

## 7.2. Interim accounting (financial) statements of the issuer

*The information is provided in Appendix #2 to this quarterly report*

The issuer's interim accounting (financial) statements as of 31.03.2017, attached to the quarterly report:

- **Balance sheet;**
- **Profit and loss statement;**
- **Appendices to the balance sheet.**

## 7.3. Consolidated financial statements of the issuer

*The annual consolidated financial statements of the issuer for the last completed fiscal year were compiled before the end date of the first quarter and included in the report for the first quarter*

2016 - IFRS/GAAP

Reporting period

Year: **2016**

*The information is provided in Appendix #3 to this quarterly report*

## 7.4. Data on the accounting policy of the issuer

*The accounting policy of IDGC of Centre, PJSC for 2017 was approved by Order from 28.12.2016 # 436-CA and is generated according to the requirements of the following regulations:*

- The Civil Code of the Russian Federation;
- Federal Law "About the business accounting" of 06.12.2011 # 402-FZ;
- Provisions on conducting the business accounting and accounting reporting in the Russian Federation (order of MF of the Russian Federation from 29.07.1998 # 34-n).
- Business accounting provisions:
  - RAS 1/2008 «Company accounting policy»;
  - RAS 3/2006 «Accounting of assets and the obligations, which cost is expressed in foreign exchange»;
  - RAS 4/99 «Company accounting statements»;
  - RAS 5/01 «Accounting of inventories»;
  - RAS 6/01 «Accounting of fixed assets»;
  - RAS 7/98 «Events after the reporting date»;
  - RAS 8/2010 «Estimated liabilities, contingent liabilities and contingent assets»;
  - RAS 9/99 «Company Income»;
  - RAS 10/99 ««Company expenses»»;
  - RAS 11/2008 «Information on affiliated parties»;
  - RAS 12/2000 «Information on segments»;
  - RAS 13/2000 «Accounting of the state support»;
  - RAS 14/2007 «Accounting of intangible assets»;
  - RAS 15/2008 «Accounting of expenses under loans and credits»;
  - RAS 16/02 «Information on terminated activity»;
  - RAS 17/02 «Accounting of expenses on R&D»;
  - RAS 18/02 «Accounting of settlements on the profit tax of the company»;
  - RAS 19/02 «Accounting of financial investments»;
  - RAS 20/03 «Information on participation in joint activity»;
  - RAS 21/2008 ««Change of estimate values»»;
  - RAS 22/2010 «Correction of errors in the business accounting and reporting»;
  - RAS 23/2011 «Cash flow statement».

*IDGC of Centre' accounting policy is generated proceeding from assumptions that:*

- assets and obligations of the Company exist separately from assets and obligations of proprietors and assets and obligations of other companies (the economic entity assumption);
- the Company will continue the activity in the foreseeable future and it does not have intentions and necessity of liquidation or essential reducing of activity and, hence, the obligations will be repaid when due hereunder (the accounting continuity assumption);
- the accounting policy adopted by the Company is applied on a consistent basis: from one accounting year to another, within one organization, as well as by a group of interrelated organizations (assumption of sequence of application of accounting policy);



- facts of economic activities of the Company concern that accounting period in which they took place, irrespective of actual time of receipt or payment of the money funds connected with these facts (assumption of time definiteness of facts of economic activities).

***Methods of estimation of inventories:***

Inventories are valued at cost of purchase. Write-off of inventories in production was carried out at average cost.

***Methods of depreciation and amortization for separate groups of fixed assets items:***

Depreciation of fixed assets is calculated by a straight-line method according to the useful life period established by the Commission of the Company for the acceptance of fixed assets on the basis of the conclusion of technical experts taking into account the information specified in the technical documentation for the facility.

***Methods of estimation of items of the fixed assets received under contracts, providing execution of obligations (payment) by non-monetary funds:***

Items of fixed assets received by the Company under contracts providing for the performance of obligations (payment) by non-monetary assets (in particular, under barter contracts) are valued at the cost of valuables transferred or to be transferred by the Company. The value of valuables transferred or to be transferred by the Company is established from the price at which, in comparable circumstances, the Company usually determines the value of similar valuables.

***Methods of estimation of intangible assets acquired by non-monetary funds:***

Intangible assets received by the Company under contracts providing for the performance of obligations (payment) by non-monetary assets (in particular, under barter contracts) are valued at the cost of valuables transferred or to be transferred by the Company. The value of valuables transferred or to be transferred by the Company is established from the price at which, in comparable circumstances, the Company usually determines the value of similar valuables.

***Methods of determination of depreciation of intangible assets:***

The sum of depreciation charges on intangible assets is determined on the rates calculated proceeding from their original cost and term of useful life (straight-line method).

***Changes of terms of useful life of intangible assets:***

Term of useful life of an intangible asset is annually checked by the Company on necessity of its specification. In case of essential change of duration of the period during which the Company assumes to use the assets, term of its useful use is specified. Arisen in this connection adjustments are recognized in the business accounting and the accounting statements at the beginning of an accounting year as changes in estimate values.

***Changes of methods of determination of intangible assets depreciation:***

The method of determination of depreciation of an intangible asset is annually checked by the Company on necessity of its specification. If calculation of expected receipt of the future economic gains from an intangible asset use has essentially changed, the method of determination of depreciation of such assets changes accordingly. Arisen in this connection adjustments are recognized in the business accounting and the accounting statements at the beginning of an accounting year as changes in estimate values.

***Procedure for recognition of revenue:***

The Company divides the revenues into revenues from ordinary activities and other revenues.

Revenues from ordinary activities are the receipts connected with rendering of services, accomplishment of works, from sale of goods and products to third party companies.

All income, which is not connected with realisation of works and services in ordinary activities, is recognized as other income. The revenue is recognized for the business accounting in the sum estimated in money terms, equal size of receipt of money funds and other property and (or) accounts receivable size.

***Procedure for recognition of commercial and administrative expenses:***

General economic expenses are recognized in full amount as administrative expenses and recognized in the cost value of the rendered services, the executed works completely in the reporting year of their recognition as expenses on ordinary types of activity.

***The chosen methods of accounting for accounts receivable:***

In the event that receivables are recognized as doubtful the Company establishes an allowance for doubtful debts with correlation of such amounts of reserves on the financial results.

Accounts receivable of the Company are considered doubtful, which have not been cancelled, or with high probability will not be repaid within the periods specified by the contract and not provided with appropriate provisions.

***The chosen methods of accounting for liabilities (accounts payable):***

Accounts payable to suppliers of goods, works, services are accounted in the amount of the accounts accepted for payment and amount of the accrued liabilities according to settlement documents.

Debts on credits and loans are divided into long-term and short-term:

- short-term debts are debts on the received loans and credits, the term of redemption of which according to contract conditions does not exceed 12 months;
- long-term debts are debts on the received loans and credits, the term of redemption of which according to the contract conditions exceeds 12 month.

Debts on the received loans and credits are estimated in view of due payment of interest according to the terms of the contracts as of the end of the accounting period.

***The chosen method to determine the current profit tax value:***

Profit tax for taxation purposes is recognized as the current profit tax determined on the basis of the amount of conventional expense (conventional income), which was adjusted by the amount of permanent tax liability (asset), increase or decrease of deferred tax asset and deferred tax liability of the reporting period. At this the amount of the current profit tax should comply with the amount of calculated profit tax recorded in tax return on profit tax.

***Event after the reporting date:***

Event after the reporting date is the fact of business activities, which influences or can influence on the financial situation, movement of monetary funds or results of activity of the organization, and which took place in the period between the accounting date and date of signing the accounting statements for the reporting year.

***Estimated liabilities:***

Estimated liability is an obligation of the Company with an uncertain quantity and (or) execution time. Estimated liability may arise from:

- legislative rules, other regulations, judicial decisions, agreement;
- as a result of actions of the Company, which, due to past practices or established public statements of the Company, indicate to others that the Company assumes certain responsibilities, and as a result, these persons happen to have reasonable expectation that the organization will perform such duties.

Estimated liability is recognized in the accounting records, if both of the following conditions take place:

- the organization has an obligation, which was the result of past events of its economic life, the performance of which the organization cannot avoid;
- decrease in economic benefits of the organization, which is necessary for the execution of an estimated liability, probably;
- value of the estimated liability can be reasonably estimated.

***Correction of errors in accounting and reporting:***

Error is recognized significant, if it, alone or in combination with other errors for the same period, could influence the economic decisions of users taken on the basis of their accounting statements prepared for this reporting period. The decision by the Company whether the error is significant depends on the error estimates, its nature and circumstances of occurrence, while errors are recognized significant, distorting, alone or in combination with others if the reporting error rate exceeds 10 %.

**7.5. Data on the total sum of export, and on export share in the total amount of sales**

*The issuer does not export goods (works, services)*

**7.6. Data on the essential changes which occurred in the structure of property of the issuer after the date of the last completed reporting year**

Information on essential changes in the structure of the issuer's property, made within 12 months till the date of completion of the reporting quarter

*There were no essential changes in the structure of the issuer's property within 12 months till the date of completion of the reporting quarter*

**7.7. Data on participation of the issuer in litigations if such participation can essentially influence financial and economic activities of the issuer**

*The issuer did not participate/is not involved in any litigation that affected/may affect the financial and*

*economic activity during the period from the date of the last completed fiscal year and before the end date of the reporting quarter*

## **Section 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 capital of the issuer**

Authorized capital of the issuer on the date of completion of the 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, rubles: **0**

Stake amount in the authorized capital, %: **0**

The information on the compliance of the value of the share capital, provided in this paragraph, with the founding documents of the issuer is specified:

*The value of the share capital, provided in this paragraph, corresponds to the founding documents of the issuer.*

#### **8.1.2. Data on the change of the amount of the authorized capital of the issuer**

*There were no changes in the size of the Authorized Capital for the period*

#### **8.1.3. Data on the procedure of convening and holding the meeting (session) of the issuer's supreme management body**

Name of the supreme governance authority of the issuer: *General Meeting of Shareholders of IDGC of Centre, PJSC*

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 on the Company's web-site on the Internet at [www.mrsk-1.ru](http://www.mrsk-1.ru) not later than 30 (thirty) days prior to the date of its holding.*

*Voting ballots on items on the agenda shall be sent by registered mail at the address specified in the list of persons entitled to participate in the General Meeting of Shareholders or handed out against signature to each person specified in the list of persons entitled to participate in the General Meeting of Shareholders within 20 (twenty) days before the date of holding General Meeting of Shareholders.*

*The notice of General Meeting of shareholders by absentee ballot is published on the Company's web-site on the Internet at [www.mrsk-1.ru](http://www.mrsk-1.ru) not later than 30 (thirty) days before the deadline for accepting ballots by the Company.*

*Voting ballots on items on the agenda shall be sent by registered mail at the address specified in the list of persons entitled to participate in the General Meeting of Shareholders or handed out against signature to each person specified in the list of persons entitled to participate in the General Meeting of Shareholders within 20 (twenty) days before the deadline for accepting ballots by the Company.*

*If the proposed agenda of the Extraordinary General Meeting of Shareholders includes the election of members of the Board of Directors, then the notice on holding the Extraordinary General Meeting of Shareholders shall be sent not later than 70 (Seventy) days prior to the date of its holding.*

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 Audit Commission 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 on the date of presentation of the request.*

*The request to convene the Extraordinary General Meeting of Shareholders shall contain items to be introduced to the agenda of the meeting.*

*Persons (a person) requesting the convocation of the Extraordinary General Meeting of Shareholders may submit a draft resolution of the Extraordinary General Meeting of Shareholders and proposal of the form in which such Extraordinary General Meeting shall be held. Should the request of convocation of the Extraordinary General Meeting of Shareholders contain a proposal of nominations, such proposal is subject to the respective provisions of Article 13 of these Articles of Association of the Company.*

*Should the request of convocation of the Extraordinary General Meeting of Shareholders be made by the shareholder (shareholders) it shall contain the name of the shareholder (names of the shareholders) requesting to convene such Extraordinary General Meeting of Shareholders, number and category (type) of the Company's shares held by them.*

*The request to convene the Extraordinary General Meeting of Shareholders shall be signed by the person (persons) requesting to convene such Extraordinary General Meeting of Shareholders of the Company.*

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 shall be held not earlier than two months and no later than six months after the end of the fiscal year.*

*Convocation of the extraordinary General meeting of shareholders on demand of the Audit Commission 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 50 (Fifty) days from the moment of representation of the request 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 of the Company. If 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 95 (Ninety five) days from the moment of representation of the request on holding the extraordinary General meeting of shareholders of the Company.*

Persons who are entitled 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 Audit Commission of the Company, whose number cannot exceed the number of members of the correspondent body within 60 (sixty) days after the end of fiscal 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 the name of shareholders (a shareholder) who introduced them, number and class (type) of shares held by them and should be signed by the shareholders (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 identifying a person (series and (or) number of document, date and place of its issue, authority that issued this document) of every nominated candidate, name of the body which he is nominated to be elected to.*

*The Board of Directors of the Company shall consider the proposals and decide on their inclusion in the agenda of the General Meeting of Shareholders or to refuse to include in the agenda not later than 5 (five) days after the end of the period specified in para. 13.1. of Article 13 of the Company's Articles of Association.*

*The Board of Directors of the Company may refuse to include proposed by the shareholder (shareholders) items into the agenda of the General Meeting of Shareholders, as well as to include nominees in the list of candidates for election to the corresponding body of the Company on the grounds provided by the Federal Law "On Joint-Stock Companies" and other legal acts of the Russian Federation.*

*The reasoned decision of the Board of Directors of the Company to refuse to include the item into the agenda of the General Meeting of Shareholders or a nominee into the list of candidates for election to the corresponding body of the Company is sent to the shareholder (shareholders), who proposed the item or candidate, not later than 3 (three) days from the date of its adoption.*

*The Board of Directors of the Company is not entitled to make changes to the wording of items proposed for inclusion in the agenda of the General Meeting of Shareholders, and (if any) in the wording of decisions on such items.*

*In addition to the items proposed for inclusion in the agenda of the General Meeting of Shareholders, and in the absence of such proposals, absence or insufficient number of candidates proposed by shareholders to form a corresponding body, the Board of Directors of the Company is entitled to include in the agenda of*

*the General Meeting of Shareholders items or candidates in the list of nominees at its discretion.*

*An Extraordinary General Meeting of Shareholders shall be held by the resolution of the Company's Board of Directors at its own initiative, the request of the Audit Commission of the Company, the Auditor of the Company and the Shareholder (Shareholders) holding at least 10 (ten) percent of voting shares of the Company as of the date of request.*

*An Extraordinary General Meeting of Shareholders shall be convened at the request of the Audit Commission, the Auditor or the Shareholders (Shareholder) of the Company holding at least 10 (ten) percent of the voting shares of the Company by the Board of Directors of the Company.*

*If 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:*

*Shareholders (a shareholder) of the Company being jointly the holders of not less than 2 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 sent to the Company not later than 30 (Thirty) days prior to the date of holding the extraordinary General meeting of shareholders. The Board of Directors of the Company shall consider the proposals and decide on their inclusion in the agenda of the Extraordinary General Meeting of Shareholders or to refuse to include into the agenda not later than 5 (Five) days after the end of the period specified in paragraph 2 of subparagraph 14.9.2. of the Company's Articles of Association.*

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 premises of the executive office 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:

*At holding the meeting in person:*

*Minutes of the General Meeting of Shareholders shall be made not later than 3 (three) working days after the closing of the General Meeting of Shareholders in two copies. Both copies are signed by the Chairperson of the General Meeting of Shareholders and the Secretary of the General Meeting of shareholders (the Corporate Secretary).*

*Minutes of the General Meeting of Shareholders are posted on the official website of the Company on the Internet at [www.mrsk-1.ru](http://www.mrsk-1.ru) no later than 3 (three) days from the date of their making.*

*Resolutions adopted by the General Shareholders Meeting and the voting results may be announced at the General Meeting of Shareholders at which the voting took place, and shall be also communicated to the persons included in the list of persons entitled to attend the General Meeting of Shareholders, in the form of the Voting Report in the manner prescribed for the notice of the General Meeting of Shareholders not later than four working days after the closing date of the General Meeting of Shareholders.*

*If on the record date of the list of persons entitled to attend the General Meeting of Shareholders in the register of shareholders of the Company the person is a nominee shareholder, the Voting Report shall be sent in electronic form (in the form of an electronic document signed by electronic signature) to the nominal holder of shares. The nominee shareholder shall inform his depositors about the Voting Report obtained by him in accordance with this clause of the Articles of Association, in the manner and within the time period established by regulations of the Russian Federation or a contract with the depositor.*

*At holding the meeting with voting by correspondence:*

*Minutes of the voting results shall be made and signed by the Registrar of the Company not later than 3 (three) working days after the date of receiving ballots in two copies.*

*Minutes of the General Meeting of Shareholders shall be made not later than 3 (three) working days after the completion of receiving ballots in two copies. Both copies are signed by the Chairperson of the General Meeting of Shareholders and the Secretary of the General Meeting of shareholders (the Corporate Secretary).*

*Minutes of the General Meeting of Shareholders are posted on the official website of the Company on the*

*Internet at [www.mrsk-1.ru](http://www.mrsk-1.ru) no later than 3 (three) days from the date of their making.*

*Resolutions adopted by the General Shareholders Meeting and the voting results may be announced at the General Meeting of Shareholders at which the voting took place, and shall be also communicated to the persons included in the list of persons entitled to attend the General Meeting of Shareholders, in the form of the Voting Report in the manner prescribed for the notice of the General Meeting of Shareholders not later than four working days after the completion of receiving ballots at holding the General Meeting of Shareholders with voting by correspondence.*

*If on the record date of the list of persons entitled to attend the General Meeting of Shareholders in the register of shareholders of the Company the person is a nominee shareholder, the Voting Report shall be sent in electronic form (in the form of an electronic document signed by electronic signature) to the nominal holder of shares. The nominee shareholder shall inform his depositors about the Voting Report obtained by him in accordance with this clause of the Articles of Association, in the manner and within the time period established by regulations of the Russian Federation or a contract with the depositor.*

#### **8.1.4. Data on commercial organizations, in which the issuer owns at least 5 percent of the authorized capital 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 on the date of completion of the last reporting quarter

**1. Full company name: Joint-Stock Company "Sanatorium "Energetik"**

Abbreviated company name: **JSC "Sanatorium "Energetik"**

Location: **392515, Russia, Tambov region, Tambov district, Novaya Lyada workers' settlement, Sanatornaya Str., 1**

TIN: **6820019240**

PSRN: **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%**

**2. Full company name: Open Joint-Stock Company "Energy Service Company"**

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

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

TIN: **4824053495**

PSRN: **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 the entity in the authorized capital of the issuer, %: **0**

Stake of ordinary shares of the issuer belonging to the entity: **0%**

#### **8.1.5. Data on material transactions completed by the issuer**

*There were no stated transactions for this period*

#### **8.1.6. Data on credit ratings of the issuer**

In the case the issuer and/or securities of the issuer are assigned with credit rating (ratings) for each of the known for the issuer credit ratings for the last completed fiscal year, as well as for the period from the beginning of the year, before the end of the quarter the following is indicated

Entity of rating assignment: **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 a credit rating assignment method or the Internet page, on which information on the credit rating assignment method is placed (published) in free access: **[www.standardandpoors.ru](http://www.standardandpoors.ru)**

Value of the credit rating as of the date of completion of the reporting quarter:

**BB-/B/ruAA- outlook "Positive"**

*The assigned credit rating expresses the view of S&P on the ability and readiness of the company in a timely manner and in full to perform its financial obligations. The credit rating is an independent and reliable assessment of the creditworthiness of the issuer, based on which market participants can make well-grounded financial decisions.*

*IDGC of Centre, PJSC is rated at «BB-» on the international scale. This means that in the short term, the borrower is less exposed to credit risk (compared to borrowers with lower rating categories). However, in the long-term changes in business and economic conditions may adversely affect the borrower's ability to fulfill its financial obligations. The outlook "Positive" of the rating of the Company reflects the possibility of raising its rating in case of upgrading the ratings of the Russian Federation.*

Entity of rating assignment: *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, 123007*

Brief description of a credit rating assignment method or the Internet page, on which information on the credit rating assignment method is placed (published) in free access:

*<http://ra-national.ru/?page=rating-enterprises-individual-methodology>*

The value of the credit rating as of the date of completion of the reporting quarter: *AA (very high solvency, the second 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
19.04.2013	"AA" - very high solvency, the 2nd level

*The rating "AA" reflects the high ability of the issuer in a timely manner and fully to perform its financial commitments relative to other Russian companies.*

## **8.2. Data on each category (type) of shares of the issuer**

Category of shares: *ordinary*

Par value of each share (RUB): *0.1*

Amount of the shares which are in circulation (amount of shares which are not repaid or cancelled): *42 217 941 468*

The number of additional shares that may be placed or are in the process of placement (number of additional shares, whose state registration has been performed, but for which no state registration of the report on the additional issue or no notice was provided about the results of the additional issue in the case if, according to the Federal law "On securities market", the state registration of the report on the results of the additional issue is not performed): *0*

Amount of the declared shares: *258 532*

Number of shares at the issuer's disposal (on the 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 performance of liabilities under options of the issuer: *0*

Issue of shares of this class (type):

Date of the state registration	Registration number of the issue
24.03.2005	1-01-10214-A

Rights granted by shares to their holders:

*Pursuant to 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 who are owners of the ordinary registered 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 his or her 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 declared by the Company;
- 5) with his or her preferential right to acquire additional shares and equity 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 appeal against decisions of the management bodies, entailing civil consequences in the cases and in the manner provided for by the legislation of the Russian Federation;
- 8) to claim damages caused to the Company;
- 9) to challenge transactions of the Company on the grounds provided by the legislation of the Russian Federation and require the application of the consequences of their invalidity, as well as the application of consequences of invalidity of void transactions of the Company;
- 10) to conclude among themselves and with the Company's creditors and other third parties agreements on the implementation of corporate rights (Shareholders' Agreement);
- 11) to exercise other rights stipulated in the legislation of the Russian Federation and the Articles of Association».

Supplementary information on shares specified by the issuer at its discretion: *no*

### **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**

Type of the security: *exchange-traded bonds/commercial papers*

Form of the security: *documentary payable to bearer*

Series: *BO-01*

*unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 4 000 000 (Four million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 1092nd (One thousand ninety-second) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering*

Identification number of the issue: *4B02-01-10214-A*

Date of identification number assignment: *13.07.2012*

Authority that assigned the identification number: *Trading organiser - CJSC "MICEX"*

Additional securities issues were made: *No*

Number of the issue of securities: *4 000 000*

Nominal value of each security of the issue, RUB: *1 000*

Amount of securities issue at par value: *4 000 000 000*

Period (date) of the securities issue repayment: *14.10.2015*

Basis for redemption of issued securities: *Expiration of circulation of the exchange-traded bonds in accordance with the Decision on securities issue and the Prospectus on securities, approved by the Board of Directors May 31, 2012 (Minutes # 13/12 dated June 4, 2012).*

#### **8.3.2. Data on the issues the securities of which are not repaid**

Type of the security: *exchange-traded bonds/commercial papers*

Form of the security: *documentary payable to bearer*

Series: *BO-02*

Other identification features of the securities: *unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six*



***hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering***

Issue of securities is not subject to state registration: ***No***

Identification number of the issue: ***4B02-02-10214-A***

Date of identification number assignment: ***25.06.2013***

Authority that assigned the identification number: ***CJSC «MICEX»***

Number of the issue of securities: ***5 000 000***

Amount of securities issue at par value: ***5 000 000 000***

Nominal value: ***1 000***

In accordance with the legislation of the Russian Federation the par value of this type of security is not provided: ***No***

Status of the equity securities of the issue: ***in circulation***

State registration of the report on the issue has not been performed: ***No***

Date of submission of the notification of the issue of securities results: ***08.06.2015***

Number of interest (coupon) periods for which payment of income (coupons, interest) on the securities issue is made: ***6***

Period (date) of the securities issue repayment: ***the 3640 (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds of the issue***

Specified exactly: ***No***

Website, at which the text of the Decision to issue securities and Prospectus was published: ***www.mrsk-1.ru/ru/information/bonds/; www.e-disclosure.ru/portal/company.aspx?id=7985.***

Additional securities issues were made: ***No***

***There are no defaults on the securities issue***

Type of the security: ***exchange-traded bonds/commercial papers***

Form of the security: ***documentary payable to bearer***

Series: ***BO-03***

Other identification features of the securities: ***unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering***

Issue of securities is not subject to state registration: ***No***

Identification number of the issue: ***4B02-03-10214-A***

Date of identification number assignment: ***25.06.2013***

Authority that assigned the identification number: ***CJSC «MICEX»***

Number of the issue of securities: ***5 000 000***

Amount of securities issue at par value: ***5 000 000 000***

Nominal value: ***1 000***

In accordance with the legislation of the Russian Federation the par value of this type of security is not provided: ***No***

Status of the equity securities of the issue: ***in circulation***

State registration of the report on the issue has not been performed: ***No***

Date of submission of the notification of the issue of securities results: ***24.11.2015***

Number of interest (coupon) periods for which payment of income (coupons, interest) on the securities issue is made: ***10***

Period (date) of the securities issue repayment: ***the 3640 (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds of the issue***

Specified exactly: ***No***

Website, at which the text of the Decision to issue securities and Prospectus was published: ***www.mrsk-1.ru/ru/information/bonds/; www.e-disclosure.ru/portal/company.aspx?id=7985.***

Additional securities issues were made: ***No***

***There are no defaults on the securities issue***

Type of the security: *exchange-traded bonds/commercial papers*

Form of the security: *documentary payable to bearer*

Series: **BO-04**

Other identification features of the securities: *unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering*

Issue of securities is not subject to state registration: *No*

Identification number of the issue: **4B02-04-10214-A**

Date of identification number assignment: **25.06.2013**

Authority that assigned the identification number: **CJSC «MICEX»**

Number of the issue of securities: **5 000 000**

Amount of securities issue at par value: **5 000 000 000**

Nominal value: **1 000**

In accordance with the legislation of the Russian Federation the par value of this type of security is not provided: *No*

Status of the equity securities of the issue: *in circulation*

State registration of the report on the issue has not been performed: *No*

Date of submission of the notification of the issue of securities results: **27.11.2015**

Number of interest (coupon) periods for which payment of income (coupons, interest) on the securities issue is made: **14**

Period (date) of the securities issue repayment: *the 3640 (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds of the issue*

Specified exactly: *No*

Website, at which the text of the Decision to issue securities and Prospectus was published: **[www.mrsk-1.ru/ru/information/bonds/](http://www.mrsk-1.ru/ru/information/bonds/); [www.e-disclosure.ru/portal/company.aspx?id=7985](http://www.e-disclosure.ru/portal/company.aspx?id=7985).**

Additional securities issues were made: *No*

***There are no defaults on the securities issue***

Type of the security: *exchange-traded bonds/commercial papers*

Form of the security: *documentary payable to bearer*

Series: **BO-05**

Other identification features of the securities: *unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering*

Issue of securities is not subject to state registration: *No*

Identification number of the issue: **4B02-05-10214-A**

Date of identification number assignment: **25.06.2013**

Authority that assigned the identification number: **CJSC «MICEX»**

Number of the issue of securities: **5 000 000**

Amount of securities issue at par value: **5 000 000 000**

Nominal value: **1 000**

In accordance with the legislation of the Russian Federation the par value of this type of security is not provided: *No*

Status of the equity securities of the issue: *in circulation*

State registration of the report on the issue has not been performed: *No*

Date of submission of the notification of the issue of securities results: **30.08.2016**

Number of interest (coupon) periods for which payment of income (coupons, interest) on the securities issue is

made: **20**

Period (date) of the securities issue repayment: ***the 3640 (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds of the issue***

Specified exactly: **No**

Website, at which the text of the Decision to issue securities and Prospectus was published:  
***www.mrsk-1.ru/ru/information/bonds/; www.e-disclosure.ru/portal/company.aspx?id=7985.***

Additional securities issues were made: **No**

***There are no defaults on the securities issue***

Type of the security: ***exchange-traded bonds/commercial papers***

Form of the security: ***documentary payable to bearer***

Series: ***BO-06***

Other identification features of the securities: ***unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering***

Issue of securities is not subject to state registration: **No**

Identification number of the issue: ***4B02-06-10214-A***

Date of identification number assignment: ***25.06.2013***

Authority that assigned the identification number: ***CJSC «MICEX»***

Number of the issue of securities: ***5 000 000***

Amount of securities issue at par value: ***5 000 000 000***

Nominal value: ***1 000***

In accordance with the legislation of the Russian Federation the par value of this type of security is not provided: **No**

Status of the equity securities of the issue: ***the placement has not started***

State registration of the report on the issue has not been performed: **No**

Number of interest (coupon) periods for which payment of income (coupons, interest) on the securities issue is made: **20**

Period (date) of the securities issue repayment: ***the 3640 (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds of the issue***

Specified exactly: **No**

Website, at which the text of the Decision to issue securities and Prospectus was published:  
***www.mrsk-1.ru/ru/information/bonds/; www.e-disclosure.ru/portal/company.aspx?id=7985***

Additional securities issues were made: **No**

***There are no defaults on the securities issue***

Type of the security: ***exchange-traded bonds/commercial papers***

Form of the security: ***documentary payable to bearer***

Series: ***001P (series of the Program of exchange-traded bonds. Information on the series of a separate issue of the Exchange-traded bonds will be indicated in the Issuing Conditions)***

Other identification features of the securities: ***unconvertible documentary interest-bearing exchange-traded bonds payable to bearer with the mandatory centralized custody of total nominal value of all issues of bonds placed under the program of exchange-traded bonds, up to 40 000 000 000 (Forty billion) Russian rubles inclusive with a maturity date that occurs no later than 10 920 (Ten thousand nine hundred and twentieth) day from the date of commencement of placement of an issue of bonds under the program of exchange-traded bonds to be placed by public offering***

Issue of securities is not subject to state registration: **No**

Identification number of the issue: ***4-10214-A-001P-02E (identification number of the Program of exchange-traded bonds)***

Date of identification number assignment: ***21.12.2016***

Authority that assigned the identification number: ***PJSC Moscow Exchange***

Number of the issue of securities, pcs: *quantity of the Exchange-traded bonds of an issue, placed under the Program of exchange-traded bonds, will be specified in the Issuing Conditions*

Amount of securities issue at par value, RUB: *40 000 000 000*

Nominal value, RUB: *nominal value of each Exchange-traded bond will be specified in the relevant Issuing Conditions*

In accordance with the legislation of the Russian Federation the par value of this type of security is not provided: *No*

Status of the equity securities of the issue: *the placement has not started*

State registration of the report on the issue has not been performed: *No*

Number of interest (coupon) periods for which payment of income (coupons, interest) on the securities issue is made: *number of coupon periods of the Exchange-traded bonds to be specified in the Issuing Conditions*

Period (date) of the securities issue repayment: *10 920 (Ten thousand nine hundred and twentieth) day from the date of commencement of placement of an issue of the Exchange-traded bonds under the Program of exchange-traded bonds*

Specified exactly: *No*

Website, at which the text of the Decision to issue securities and Prospectus was published: *www.mrsk-1.ru/ru/information/bonds/; www.e-disclosure.ru/portal/company.aspx?id=7985*

Additional securities issues were made: *No*

*There are no defaults on the securities issue*

#### **8.4. Data on the person (persons), who provided security on collateralized bonds of the issuer, as well on the terms and conditions of the security to perform obligations on the collateralized bonds of the issuer**

*The issuer did not register a prospectus of secured bonds, the admission to trading on the stock market of exchange-traded bonds with provision was not performed*

##### **8.4.1. Additional data on mortgage covering under mortgage-secured bonds**

*The issuer did not place mortgage-backed bonds, liabilities on which have not been fulfilled yet*

##### **8.4.2. Additional data on security with cash claims under the issuer's secured-bonds with cash claims**

*The issuer did not place secured-bonds with cash claims, liabilities on which have not been fulfilled yet*

#### **8.5. Data on the organizations which perform record keeping of the rights to the issuer's equity securities**

Data on the registrar

Full trade name: *the joint stock company VTB Registrar*

Abbreviated trade name: *VTB Registrar*

Location: *Moscow; Registered Office: bld. 10, 23, Pravdy str., Moscow, 127015*

TIN: *5610083568*

Primary State Registration Number (OGRN): *1045605469744*

Data on the license for realization of the securities owners register keeping

Number: *045-13970-000001*

Date of issue: *21.02.2008*

Date of expiry: *Unlimited*

Authority which issued the license: *FFMS of Russia*

Date from which the registrar keeps the register of holders of the issuer's securities: *20.01.2017*

*Documentary securities of the issuer with mandatory centralized custody are in circulation*

Depositories

Full trade name: *Non-bank credit organization Closed Joint Stock Company "National Settlement Depository"*

Abbreviated trade name: **NRD**

Location: **Spartakovskaya 12, Moscow, 105066**

TIN: **7702165310**

Primary State Registration Number (OGRN): **1027739132563**

Data on the license to operate the depository in the securities market

Number: **045-12042-000100**

Date of issue: **19.02.2009**

Date of expiry: **Unlimited**

Name of body which issued the license: **FFMS of Russia**

**Postal address of the registrar: 127137, Moscow, p/o box 54**

**Phone/Fax: (495) 787-44-83**

**E-mail of the registrar: info@vtbreg.ru**

## **8.6. 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**

*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;*
- *Federal Law of the Russian Federation of 9.07.1999 N 160-FZ "On foreign investments into the Russian Federation";*
- *Federal Law of 7.08.2001 N 115-FZ "On countermeasures to legalization (laundering of proceeds) of the 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 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 was ratified by 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 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" (Agreement was ratified by 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" (Convention was ratified by 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" (Agreement was ratified by 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" (Agreement was ratified by 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" (Agreement was ratified by Federal Law of the Russian Federation of 26.04.2005 N40-FZ);*

- *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 (Agreement was ratified by Federal Law N 27-FZ dated March 04, 2008);*
- *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 (Agreement was ratified by Federal Law N 256-FZ dated December 22, 2008);*
- *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 (Agreement was ratified by Federal Law N 81-FZ dated June 23, 2003);*
- *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 (Agreement was ratified by Federal Law N 156-FZ dated December 06, 2003);*
- *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 (Agreement was ratified by Federal Law N 79-FZ dated June 23, 2003);*
- *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 (Letter of Ministry of Taxation of the Russian Federation N RD-6-23/320 dated March 19, 2003);*
- *Agreement 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 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" (Convention was ratified by Federal law of the Russian Federation of 8.10.2000 N 126-FZ);*
- *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 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" (Agreement was ratified by 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" (Agreement was ratified by Federal Law of 17.07.1999 N 167-FZ).*

## **8.7. Data on declared (accrued) and (or) paid dividends per shares of the issuer, as well as on income from the issuer's bonds**

### **8.7.1. Data on the declared and paid dividends per shares of the issuer**

Information for the last five completed reporting years or for each completed reporting year if the issuer operates less than five years, and for the period from the beginning of the current year to the end of the reporting quarter

Indicator	Value for the relevant reporting period - 2011, full year
Class of shares, for preference shares – type	ordinary
The issuer's management body that made the decision to declare dividends, the date of such decision, the date and number of the minutes of the meeting (session) of the issuer's management body at which the decision was made	AGM 15.06.2012, Minutes dated 20.06.2012 № 01/12
Dividends declared per share, RUB	0,01
Dividends declared on all shares of the given class (type), thous. RUB	422 179

Record date of the list of persons entitled to receive dividends	07.05.2012
Reporting period (year, quarter) for which (according to the results of which) dividends declared are (were) paid	2011, full year
Term (date) of payment of dividends declared	within 60 days from the date of decision-making on their payment
Form of payment of declared dividends (cash, other property)	in the monetary form by transfer of the funds from the issuer's account to the bank account (postal address) contained in the system to maintain the register of shareholders of the issuer
Source of payment of declared dividends (net profit for the reporting year, undistributed net profit of previous years, a special fund)	net profit for the reporting year
Share of dividends declared to net income of the reporting year, %	8,11
Total amount of dividends paid out on shares of the given class (type), RUB	418 057 172,40
Share of paid dividends in the total amount of declared dividends under shares of the given class (type), %	99,02
If declared dividends not paid or not paid by the issuer in full – reasons for non-payment of declared dividends	some shareholders lack details of registered persons in the questionnaires for transfer of the dividends (or they are wrong)
Other data on declared and (or) paid dividends, specified at the issuer's discretion	no

Indicator	Value for the relevant reporting period - 2012, full year
Class of shares, for preference shares – type	ordinary
The issuer's management body that made the decision to declare dividends, the date of such decision, the date and number of the minutes of the meeting (session) of the issuer's management body at which the decision was made	AGM 14.06.2013, Minutes dated 17.06.2013 № 01/13
Dividends declared per share, RUB	0,02044
Dividends declared on all shares of the given class (type), thous. RUB	862 935
Record date of the list of persons entitled to receive dividends	06.05.2013
Reporting period (year, quarter) for which (according to the results of which) dividends declared are (were) paid	2012, full year
Term (date) of payment of dividends declared	within 60 days from the date of decision-making on their payment
Form of payment of declared dividends (cash, other property)	in the monetary form by transfer of the funds from the issuer's account to the bank account (postal address) contained in the system to maintain the register of shareholders of the issuer
Source of payment of declared dividends (net profit for the reporting year, undistributed net profit of previous years, a special fund)	net profit for the reporting year
Share of dividends declared to net income of the reporting year, %	25
Total amount of dividends paid out on shares of the given class (type), RUB	855 147 421,11
Share of paid dividends in the total amount of declared dividends under shares of the given class (type), %	99,10
If declared dividends not paid or not paid by the issuer in full – reasons for non-payment of declared dividends	some shareholders lack details of registered persons in the questionnaires for transfer of the dividends (or they are wrong)

Other data on declared and (or) paid dividends, specified at the issuer's discretion	no
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Indicator	Value for the relevant reporting period - 2013, full year
Class of shares, for preference shares – type	ordinary
The issuer's management body that made the decision to declare dividends, the date of such decision, the date and number of the minutes of the meeting (session) of the issuer's management body at which the decision was made	AGM 26.06.2014, Minutes dated 30.09.2014 № 01/14
Dividends declared per share, RUB	0,0018
Dividends declared on all shares of the given class (type), thous. RUB	75 992
Record date of the list of persons entitled to receive dividends	14.07.2014
Reporting period (year, quarter) for which (according to the results of which) dividends declared are (were) paid	2013, full year
Term (date) of payment of dividends declared	For nominal holders and beneficial owners being professional securities market participants - not later than 10 working days from the record date of persons entitled to receive dividends. For other shareholders registered in the register - 25 working days from the record date of the list of persons entitled to receive dividends
Form of payment of declared dividends (cash, other property)	in the monetary form by transfer of the funds from the issuer's account to the bank account (postal address) contained in the system to maintain the register of shareholders of the issuer
Source of payment of declared dividends (net profit for the reporting year, undistributed net profit of previous years, a special fund)	net profit for the reporting year
Share of dividends declared to net income of the reporting year, %	25,94
Total amount of dividends paid out on shares of the given class (type), RUB	75 253 696,02
Share of paid dividends in the total amount of declared dividends under shares of the given class (type), %	99,03
If declared dividends not paid or not paid by the issuer in full – reasons for non-payment of declared dividends	some shareholders lack details of registered persons in the questionnaires for transfer of the dividends (or they are wrong)
Other data on declared and (or) paid dividends, specified at the issuer's discretion	no

Indicator	Value for the relevant reporting period - 2014, full year
Class of shares, for preference shares – type	ordinary
The issuer's management body that made the decision to declare dividends, the date of such decision, the date and number of the minutes of the meeting (session) of the issuer's management body at which the decision was made	AGM 25.06.2015, Minutes dated 26.06.2015 № 01/15
Dividends declared per share, RUB	0,0197
Dividends declared on all shares of the given class (type), thous. RUB	831 693
Record date of the list of persons entitled to receive dividends	07.07.2015
Reporting period (year, quarter) for which (according to the results	2014, full year



of which) dividends declared are (were) paid	
Term (date) of payment of dividends declared	For nominal holders and beneficial owners being professional securities market participants - not later than 10 working days from the record date of persons entitled to receive dividends. For other shareholders registered in the register - 25 working days from the record date of the list of persons entitled to receive dividends
Form of payment of declared dividends (cash, other property)	in the monetary form by transfer of the funds from the issuer's account to the bank account (postal address) contained in the system to maintain the register of shareholders of the issuer
Source of payment of declared dividends (net profit for the reporting year, undistributed net profit of previous years, a special fund)	net profit for the reporting year
Share of dividends declared to net income of the reporting year, %	25,01
Total amount of dividends paid out on shares of the given class (type), RUB	823 904 992,70
Share of paid dividends in the total amount of declared dividends under shares of the given class (type), %	99,06
If declared dividends not paid or not paid by the issuer in full – reasons for non-payment of declared dividends	some shareholders lack details of registered persons in the questionnaires for transfer of the dividends (or they are wrong)
Other data on declared and (or) paid dividends, specified at the issuer's discretion	no

Indicator	Value for the relevant reporting period - 2015, full year
Class of shares, for preference shares – type	ordinary
The issuer's management body that made the decision to declare dividends, the date of such decision, the date and number of the minutes of the meeting (session) of the issuer's management body at which the decision was made	AGM 08.06.2016, Minutes dated 09.06.2016 № 01/16
Dividends declared per share, RUB	0,0108
Dividends declared on all shares of the given class (type), thous. RUB	455 954
Record date of the list of persons entitled to receive dividends	27.06.2016
Reporting period (year, quarter) for which (according to the results of which) dividends declared are (were) paid	2015, full year
Term (date) of payment of dividends declared	For nominal holders and beneficial owners being professional securities market participants - not later than 10 working days from the record date of persons entitled to receive dividends. For other shareholders registered in the register - 25 working days from the record date of the list of persons entitled to receive dividends
Form of payment of declared dividends (cash, other property)	in the monetary form by transfer of the funds from the issuer's account to the bank account (postal address) contained in the system to maintain the register of shareholders of the issuer
Source of payment of declared dividends (net profit for the reporting year, undistributed net profit of previous years, a special fund)	net profit for the reporting year

Share of dividends declared to net income of the reporting year, %	50,16
Total amount of dividends paid out on shares of the given class (type), RUB	448 639 874,32
Share of paid dividends in the total amount of declared dividends under shares of the given class (type), %	98,40
If declared dividends not paid or not paid by the issuer in full – reasons for non-payment of declared dividends	some shareholders lack details of registered persons in the questionnaires for transfer of the dividends (or they are wrong)
Other data on declared and (or) paid dividends, specified at the issuer's discretion	no

*The Company approved and observes the Regulation on the Dividend Policy (Minutes of the Board of Directors dated 21.04.2016 #12/16). The Company's dividend policy is based on strict observance of the interests of shareholders, provided by the current legislation of the Russian Federation, the Articles of Association and internal documents of the Company, the balance of interests of the Company and its shareholders.*

*The information about the dividend history of the issuer for the period 2005-2015 is also posted on the website of the Company at: [http://www.mrsk-1.ru/ru/investors/dividend/dividend\\_history/](http://www.mrsk-1.ru/ru/investors/dividend/dividend_history/).*

### **8.7.2. Data on the declared and paid yield on the bonds of the issuer**

It specifies information on each bond issue, for which for the last 5 completed fiscal years, and if the issuer has been operating for less than 5 years - for each completed fiscal year, and for the period from the date of the beginning of the year to the end of the reporting quarter, the income was paid.

Type of the security: *exchange-traded bonds/commercial papers*

Form of the security: *documentary payable to bearer*

Series: *BO-01*

*unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 4 000 000 (Four million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 1092nd (One thousand ninety-second) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering*

Identification number of the issue: *4B02-01-10214-A*

Date of identification number assignment: *13.07.2012*

Authority that performed state registration of the issue: *Trading organiser - CJSC "MICEX"*

Number of the issue of securities: *4 000 000*

Nominal value of each bond of the issue, RUB: *1 000*

Amount of the issue at par value: *4 000 000 000*

Main information about the bond income of the issue:

*Type of income paid on bonds: first coupon.*

*Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 44,63.*

*Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 178 520 000.*

*Deadline (date) set to pay the income on the bonds of the issue: 17.04.2013.*

*Form of income payment on bonds of the issue: monetary funds.*

*Total amount of income paid for all bonds of the issue, RUB: 178 520 000.*

*Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.*

*Type of income paid on bonds: second coupon.*

*Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 44,63.*

*Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 178 520 000.*

*Deadline (date) set to pay the income on the bonds of the issue: 16.10.2013.*

*Form of income payment on bonds of the issue: monetary funds.*

*Total amount of income paid for all bonds of the issue, RUB: 178 520 000.*

*Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds,*

**%: 100.**

**Type of income paid on bonds: third coupon.**

**Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 44,63.**

**Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 178 520 000.**

**Deadline (date) set to pay the income on the bonds of the issue: 16.04.2014.**

**Form of income payment on bonds of the issue: monetary funds.**

**Total amount of income paid for all bonds of the issue, RUB: 178 520 000.**

**Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.**

**Type of income paid on bonds: fourth coupon.**

**Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 44,63.**

**Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 178 520 000.**

**Deadline (date) set to pay the income on the bonds of the issue: 15.10.2014.**

**Form of income payment on bonds of the issue: monetary funds.**

**Total amount of income paid for all bonds of the issue, RUB: 178 520 000.**

**Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.**

**Type of income paid on bonds: fifth coupon.**

**Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 44,63.**

**Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 178 520 000.**

**Deadline (date) set to pay the income on the bonds of the issue: 15.04.2015.**

**Form of income payment on bonds of the issue: monetary funds.**

**Total amount of income paid for all bonds of the issue, RUB: 178 520 000.**

**Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.**

**Type of income paid on bonds: sixth coupon.**

**Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 44,63.**

**Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 178 520 000.**

**Deadline (date) set to pay the income on the bonds of the issue: 14.10.2015.**

**Form of income payment on bonds of the issue: monetary funds.**

**Total amount of income paid for all bonds of the issue, RUB: 178 520 000.**

**Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.**

Type of the security: *exchange-traded bonds/commercial papers*

Form of the security: *documentary payable to bearer*

Series: **BO-02**

*unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering*

Identification number of the issue: **4B02-02-10214-A**

Date of identification number assignment: **25.06.2013**

Authority that performed state registration of the issue: **Trading organiser - CJSC "MICEX"**

Number of the issue of securities: **5 000 000**

Nominal value of each bond of the issue, RUB: **1 000**

Amount of the issue at par value: **5 000 000 000**

Main information about the bond income of the issue:

**Type of income paid on bonds: first coupon.**

**Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 61,93.**

**Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 309 650 000.**

**Deadline (date) set to pay the income on the bonds of the issue: 04.12.2015.**

**Form of income payment on bonds of the issue: monetary funds.**

**Total amount of income paid for all bonds of the issue, RUB: 309 650 000.**

**Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.**

**Type of income paid on bonds: second coupon.**

**Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 61,93.**

**Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 309 650 000.**

**Deadline (date) set to pay the income on the bonds of the issue: 03.06.2016.**

**Form of income payment on bonds of the issue: monetary funds.**

**Total amount of income paid for all bonds of the issue, RUB: 309 650 000.**

**Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.**

**Type of income paid on bonds: third coupon.**

**Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 61,93.**

**Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 309 650 000.**

**Deadline (date) set to pay the income on the bonds of the issue: 02.12.2016.**

**Form of income payment on bonds of the issue: monetary funds.**

**Total amount of income paid for all bonds of the issue, RUB: 309 650 000.**

**Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.**

Type of the security: **exchange-traded bonds/commercial papers**

Form of the security: **documentary payable to bearer**

Series: **BO-03**

**unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering**

Identification number of the issue: **4B02-03-10214-A**

Date of identification number assignment: **25.06.2013**

Authority that performed state registration of the issue: **Trading organiser - CJSC "MICEX"**

Number of the issue of securities: **5 000 000**

Nominal value of each bond of the issue, RUB: **1 000**

Amount of the issue at par value: **5 000 000 000**

Main information about the bond income of the issue:

**Type of income paid on bonds: first coupon.**

**Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 58,84.**

**Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 294 200 000.**

**Deadline (date) set to pay the income on the bonds of the issue: 24.05.2016.**

**Form of income payment on bonds of the issue: monetary funds.**

**Total amount of income paid for all bonds of the issue, RUB: 294 200 000.**

**Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.**

*Type of income paid on bonds: second coupon.*

*Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 58,84.*

*Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 294 200 000.*

*Deadline (date) set to pay the income on the bonds of the issue: 22.11.2016.*

*Form of income payment on bonds of the issue: monetary funds.*

*Total amount of income paid for all bonds of the issue, RUB: 294 200 000.*

*Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.*

Type of the security: *exchange-traded bonds/commercial papers*

Form of the security: *documentary payable to bearer*

Series: **BO-04**

*unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering*

Identification number of the issue: **4B02-04-10214-A**

Date of identification number assignment: **25.06.2013**

Authority that performed state registration of the issue: *Trading organiser - CJSC "MICEX"*

Number of the issue of securities: **5 000 000**

Nominal value of each bond of the issue, RUB: **1 000**

Amount of the issue at par value: **5 000 000 000**

Main information about the bond income of the issue:

*Type of income paid on bonds: first coupon.*

*Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 57,74.*

*Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 288 700 000.*

*Deadline (date) set to pay the income on the bonds of the issue: 24.05.2016.*

*Form of income payment on bonds of the issue: monetary funds.*

*Total amount of income paid for all bonds of the issue, RUB: 288 700 000.*

*Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.*

*Type of income paid on bonds: second coupon.*

*Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 57,74.*

*Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 288 700 000.*

*Deadline (date) set to pay the income on the bonds of the issue: 22.11.2016.*

*Form of income payment on bonds of the issue: monetary funds.*

*Total amount of income paid for all bonds of the issue, RUB: 288 700 000.*

*Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.*

Type of the security: *exchange-traded bonds/commercial papers*

Form of the security: *documentary payable to bearer*

Series: **BO-05**

*unconvertible documentary interest-bearing commercial papers payable to bearer with mandatory centralized custody in the amount of 5 000 000 (Five million) pieces, par value of 1 000 (One thousand) rubles each, maturing in the 3640th (Three thousand six hundred and fortieth) day from the date of placing exchange-traded bonds, with the possibility of early redemption at the request of the owners and at the discretion of the Issuer, placed by public offering*

Identification number of the issue: **4B02-05-10214-A**

Date of identification number assignment: **25.06.2013**

Authority that performed state registration of the issue: *Trading organiser - PJSC Moscow Exchange*

Number of the issue of securities: *5 000 000*

Nominal value of each bond of the issue, RUB: *1 000*

Amount of the issue at par value: *5 000 000 000*

Main information about the bond income of the issue:

*Type of income paid on bonds: first coupon.*

*Amount of income to be paid on the bonds in monetary funds per one bond of the issue, RUB: 46,47.*

*Amount of income to be paid on the bonds in monetary funds in the aggregate for all bonds of the issue, RUB: 232 350 000.*

*Deadline (date) set to pay the income on the bonds of the issue: 24.02.2017.*

*Form of income payment on bonds of the issue: monetary funds.*

*Total amount of income paid for all bonds of the issue, RUB: 232 350 000.*

*Share of income paid out on the bonds of the issue in the total amount of income to be paid on the bonds, %: 100.*

## **8.8. Other data**

### **8.8.1. The information on activity of the Company's governance and control bodies**

*The issuer discloses decisions taken by the governance and control bodies of IDGC of Centre, PJSC on the corporate website at:*

*- Minutes of general meetings of shareholders:*

*[https://www.mrsk-1.ru/investors/management/controls/stockholders/solution/08062016/;](https://www.mrsk-1.ru/investors/management/controls/stockholders/solution/08062016/)*

*- Minutes of meetings of the Board of Directors:*

*[https://www.mrsk-1.ru/about/management/controls/directors/decisions/2017/;](https://www.mrsk-1.ru/about/management/controls/directors/decisions/2017/)*

*- Minutes of meetings of Committees of the Board of Directors:*

*[https://www.mrsk-1.ru/about/management/controls/committee/;](https://www.mrsk-1.ru/about/management/controls/committee/)*

*- Minutes of meetings of the Audit Commission:*

*[https://www.mrsk-1.ru/about/management/supervisors/decisions/decisions-inspection/2016/.](https://www.mrsk-1.ru/about/management/supervisors/decisions/decisions-inspection/2016/)*

### **8.8.2. Data on the structure of the Committees under the Board of Directors of the Company**

*IDGC of Centre, PJSC set up 5 Committees in operation under the Company's Board of Directors. The information on the structure of the Committees under the Board of Directors of IDGC of Centre, PJSC is placed on the website of the Company at: [https://www.mrsk-1.ru/about/management/controls/committee/.](https://www.mrsk-1.ru/about/management/controls/committee/)*

### **8.8.3. Corporate governance rating**

*The issuer has the National Corporate Governance Rating at the level NRCG 7+ "Developed Practice of Corporate Governance" assigned in December 2016 by the Russian Institute of Directors. This rating level means that the issuer has low risks 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 history of the issuer's given rating dates back to 2007. More details about the rating of corporate governance are placed on the Company's website at: [https://www.mrsk-1.ru/about/management/raiting/.](https://www.mrsk-1.ru/about/management/raiting/)*

### **8.8.4. Statistical information on shareholders of the Company, structure of the share capital**

*The statistical information on the shareholders and structure of the share capital of IDGC of Centre, PJSC is placed on the Company's website at: [http://www.mrsk-1.ru/investors/capital/.](http://www.mrsk-1.ru/investors/capital/)*

### **8.8.5. The Company's registrar**

*For the convenience of shareholders and their representatives in the service area of IDGC of Centre, PJSC and in large regions of the country the work of the registrar's branches was organized. Necessary consultations are also provided by managers on interaction with shareholders in the Company's divisions. The contact details of the registrar's branches and divisions of IDGC of Centre, PJSC, performing some functions of the registrar, are placed on the issuer's website at:*

*[http://www.mrsk-1.ru/ru/investors/registrar/.](http://www.mrsk-1.ru/ru/investors/registrar/)*

### **8.8.6. Additional information about the issuer's subsidiaries**

*According to the ruling of the Arbitration Court of the Lipetsk region dated 20.08.2014 on case # A36-291/2014 in relation to OJSC "Energy Service Company" (398001, Lipetsk, 50 years NLMK Str., 33,*

*TIN 4824053495, PSRN 1114823000852), the issuer owns 100% of the share capital of the company, the company is under bankruptcy management, a bankruptcy supervisor was approved.*

**8.9. Data on underlying securities and the issuer of the underlying securities, the property right to which is certified by Russian depository receipts**

*The issuer is not an issuer of underlying securities, the property right to which is certified by the Russian depository receipts*

**Appendix #1 to this quarterly report. Annual accounting (financial) statements of the issuer for 2016**

**Appendix #2 to this quarterly report. Interim accounting (financial) statements of the issuer for 3 months 2017**

**Appendix #3 to this quarterly report. IFRS consolidated financial statements for 2016**

**Appendix #4 to this quarterly report. Information on fixed assets encumbrance of the issuer**