

Questions received from the Company's shareholders at the AGM 25.06.2015

- 1. What are the prospects of dividend payments by the Company in the future due to the economic situation in the country?** from L.A. Sevalneva (a representative of shareholder E.T. Kresteleva)

Answer: In accordance with Order from the Federal Property Management Agency December 29, 2014 N 524 the Company is recommended to consider a priority to ensure the payment of dividends of at least 25% of the consolidated net profit of the Group calculated in accordance with International Financial Reporting Standards. The Company's management will take all possible efforts to maintain break-even operation.

- 2. Last year was a test for our country - we had sanctions imposed against us, the ruble got reduced. How did the company cope with the impact of external negative factors?** from O.V. Davydenko

Answer: 2014 was not easy for the Company in accordance with Federal Law of 06.11.2013 № 308-FZ "On Electric Power Industry" from 01.01.2014 the "last mile" contract was terminated, with the exception of the branches of Belgorodenergo, Kurskenergo, Lipetskenergo and Tambovenergo; growth rate for electricity transmission decreased and became substantially lower than the rate of inflation in accordance with the scenario of social and economic development of the Russian Federation approved by the Russian Government; indebtedness to the Company for electricity transmission services substantially increased due to the transfer of functions of a supplier of last resort to winners of tenders held by the Ministry of Energy of Russia. At the end of 2014 there was a liquidity crisis and a sharp rise in inflation.

Despite the impact of adverse external factors, the Company managed to make a profit at the end of 2014 in the amount of 3.3 billion rubles, which is 11 times the level of 2013.

3. Does the Company take actions to improve operating performance? from A.Y. Martyanov

Answer: In the framework of implementation of the Strategy of development of the electric grid complex of the Russian Federation (approved by Resolution of the Russian Federation Government on April 3, 2013 № 511-p) in 2014 the Company implemented measures to optimize operating costs, approved the Program of Performance Management of IDGC of Centre. This program has been operating successfully for several years.

The Strategy established reduction in operating costs by 15 percent by 2017 with inflation on the level of 2012 per unit of electrical equipment in service. At the end of 2014 a reduction in operating expenses, adjusted for inflation on the level of 2012 per unit of electrical equipment in service at 8.8% was achieved, the savings in monetary terms amounted to 1.46 billion rubles. At the end of 2015 it is expected to reduce operating expenses by 11.3%.

4. Tell me please, what increase in electricity tariffs is expected for the population for 2015-2016? from O.A. Orlova (a representative of shareholder N.I. Utochkin)

Answer: The official forecast, published by the Ministry of Economic Development of the Russian Federation May 28, 2015, provides for the indexation of tariffs for electricity for the population in July 2015 by 8.5% and in July 2016 for another 8.5%.

5. Are you planning a further reduction of the period of grid connection for privileged categories of consumers? from S.A. Anardovich

Answer: In 2014, IDGC of Centre reduced the average time of execution of grid connection contracts of applicants for a maximum capacity of up to 150 kW by 45 days to 149 days, by optimizing corporate procedures. Also in 2014, at the initiative of IDGC of Centre the local laws governing urban planning were amended, in terms of simplification of the procedures for obtaining permits for construction of power grid facilities. As a result, in the Yaroslavl and Kostroma regions the requirements to obtain permission to construct power grid facilities of voltage class below 20 kV

were abolished. In 2015, similar laws were adopted in the Belgorod, Bryansk, Voronezh and Tambov regions.

In the current year, the Company will continue to optimize the grid connection procedure in order to further reduce the time of execution of grid connection contracts.

6. How is the Company fighting with a decrease in payment discipline in the regions of its service area? from G.Y. Ochkova (a representative of shareholder I.M. Polyakov)

Answer: On the territory of the RF subjects the regional commissions to monitor the situation with payments for electricity and its transmission services were created together with the Authorities, with the participation of representatives of IDGC of Centre, executive authorities, the tax service, law enforcement agencies, consumers and suppliers of last resort. The creation of the commissions allowed in a timely and efficient manner to take decisions aimed at preventing violations of payment discipline for the services of electric power transmission.

With regard to non-paying customers IDGC of Centre takes actions to limit electricity consumption.

Claims-related work is performed with regard to consumers, suppliers of last resort (power retail companies) in arrears for services on electric power transmission.

As of 01.05.2015 the debt for electricity transmission services is 19.1 billion rubles, including overdue in the amount of 13.6 billion rubles. IDGC of Centre recovers the debt in the amount of 3.5 billion rubles, also from bankruptcy debtors – 7.1 billion rubles.

7. What is the position of the Company in respect of the consolidation of Municipal Unitary Enterprise "Voronezh Gorelektroset"? from T.N. Palagina (a representative of shareholder I.B. Mukhina)

Answer: IDGC of Centre is interested in reducing the number of local grid companies in the regions where the Company operates, including in the Voronezh region. MUE "Voronezh Gorelektroset" is the largest company in the region after

IDGC of Centre, with operations in electric power transmission. The Company is considering the acquisition of assets of the MUE. Currently, negotiations are underway for a deal. However, there are some problems with funding sources. In any case, a decision to participate in an auction will be made by the Board of Directors of the Company.