

“Interregional Distribution Grid Company of South”, Joint Stock Company
TIN 6164266561

QUARTERLY REPORT

«Interregional Distribution Grid Company of South»,
Joint-Stock Company

Issuer's code: 34956-E

FOR QUARTER II, 2008

Location: 449 Bolshaya Sadovaya, Rostov-on-Don city, Russian Federation 344002

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

General Director
of IDGC of South, JSC
14 August 2008

signature

A.I. Gavrilov

Chief Accountant
Of IDGC of South
14 August 2008

signature

G.G. Savin

seal

Contact person: Taatyana Alekseevna Golovko, Principle Specialaist of the Department for the corporate governance and reforming of IDGC of South
Phone: (863) 238-50-30, fax: (863) 238-51-57
e-mail: golovko@mrsk-yuga.ru

Internet website used by the issuer for the information disclosure: www.mrsk-yuga.ru

This is to certify reliability and completeness of the information containing in the present quarterly report, except for the information concerning the competence of the auditor.

«OTKRYTIE Broker House», Joint-Stock Company

Licenses of the professional participant of the securities market:

for realization of broker activity **177-06097-100000** as of 28 June 2002, without restriction of validity for realization

of dealer activity **177-06100-010000** as of 28 June 2002, without restriction of validity

General Director

«OTKRYTIE Broker House», JSC» _____ E.V.Bogdanova

Date «____» August, 2008

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Introduction

The present 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 the present quarterly report.

The bases of occurrence in IDGC of South, JSC of the duty to carry out disclosing Information in the form of the quarterly report stipulated by item 5.1 of the Regulations about disclosing Information by issuers of the issue securities approved by Order of FFMS of Russia as of 10.10.2006 No. 06-117/pz-n:

Concerning securities of IDGC of South, JSC registration of the prospectus was carried out.

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

Other information which the emitter considers necessary to specify in introduction:

a) The full company name of the emitter: in Russian - Открытое акционерное общество «Межрегиональная распределительная сетевая компания Юга».

In English - «Interregional Distribution Grid Company of South», Joint Stock Company.

The shortened company name of the emitter: in Russian -ОАО «МРСК Юга». In

English - IDGC of South, JSC.

b) The location of the emitter: Location: 49 Bolshaya Sadovaya, Rostov-on-Don city, Russian Federation 344002

c) Contact phones of the emitter, e-mail address:

phone: (863) 238-58-95, fax (863) 238-51-57

E-mail address: office@mrsk-yuga.ru, neprokina@mrsk-yuga.ru.

d) The Internet website containing the full text of the quarterly report of the emitter: www.mrsk-yuga.ru.

e) The main data on the securities of the emitter which are in circulation:

Type: shares

Category: ordinary

Form of securities: registered uncertificated

Amount of the placed securities: 49, 811, 096, 064 pieces

Par value: RUR 0.1

f) «Interregional Distribution Grid Company of South», Joint Stock Company (Further on called the Company) was founded under the decision of the sole founder - RAO «UES of Russia», JSC

(order of the Management Board of RAO «UES of Russia» as of 22.06.2007 No.192p) according to the Civil Code of the Russian Federation, Federal Law «On joint-stock companies»,

Other normative legal acts of the Russian Federation.

On the basis of the decision of the extraordinary general meeting of shareholders of the Company, the function of which up to 31.03.2008 are carried out by the Management Board of RAO «UES of Russia» (Minutes as of 25 December 2007 No. 1795pr/6), the Company is reorganized in the form of merging with it of the following distribution grid companies - Astrakhanenergo, JSC, Volgogradenergo, JSC, Rostovenergo, JSC, Kalmenergo, JSC. According to:

The transfer act approved by extraordinary general meeting of shareholders of Astrakhanenergo, JSC as of 18 January 2008, (Report as of 21.01.2008),

The transfer act approved by the extraordinary general meeting of shareholders of Volgogradenergo, JSC as of 18 January 2008 (Minutes 1/08 as from 28.01.2008),

The transfer act approved by the extraordinary general meeting of shareholders of Rostovenergo as of 18 January 2008 (Minutes w/n as of 21.01.2008),

The transfer act approved by extraordinary general meeting of shareholders of Kalmenergo, JSC as of 18 January 2008 (Minutes 3 as of 21.01.2008).

From the moment of making an entry in the Uniform state register of legal entities about the termination of activity of Astrakhanenergo, JSC, Volgogradenergo, JSC, Rostovenergo, JSC Kalmenergo, JSC namely since 31.03.2008, the Company is the assignee of each of the specified companies on all their rights and duties.

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Concerning Kubanenergo, JSC the Company carries out functions of the sole executive body of (Contract for transfer of powers of the sole executive body of Kubanenergo, JSC as of 14.09.2007 No. 407/30-1143/26).
g) At disclosing the information in the form of the quarterly report, the Company is not limited in disclosing the information on essential events in the life of the Company for the accounting period, but also gives analytical opinions/comments concerning the given events, giving to any interested person full representation about the point of view of the Company on the specified events and actions. The board of directors of IDGC of South, JSC (Minutes No. 2/2007 as of 03.09.2007) approved the Regulations about the information policy of IDGC of South, JSC which provides disclosing The additional information in the quarterly report of the Company. The full text of the Regulations about the information policy of IDGC of South, JSC is available at the corporate website if the Company at: <http://www.mrskyuga.ru/management/documents/index.shtml>.

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

1.2. Persons forming a part of the governance bodies of the issuer

Governance bodies of the emitter are:

1. The supreme body of management - General meeting of shareholders
2. Board of directors
3. Sole executive body - General Director
4. Collegial Executive Body - Board

Structure of the Board of Directors of the emitter:

1. Rappoport Andrey Natanovich - Chairman of Board of Directors, year of birth 1963
2. Vasilev Sergey Vyacheslavovich, 1975
3. Ryapin Igor Yurevich, year of birth 1979
4. Gavrilov Alexander Ilyich, year of birth 1973
5. Buyanov-Uzdalsky Andrey yurievich, year of birth 1958
6. Ilienkov Vladimir Vasilievich, year of birth 1950
7. Diakov Fyodor Aleksandrovich, year of birth 1958
8. Okley Pavel Ivanovuch, year of birth 1970
9. Kravchenko Vyacheslav Mikhajlovich, year of birth 1967
10. Nikulov Alexander Evgenievich, year of birth 1967
11. Abakumov Aleksey Maikhailovich, year of birth 1972

Sole executive body - General Director

Gavrilov Alexander Ilyich, year of birth 1973

Structure of the Board of the emitter:

1. Gavrilov Alexander Ilyich - chairman of the Board, year of birth 1973
2. Belonogov Mikhail Ivanovich, year of birth 1960
3. Brizhan Vitaly Vasilievich, year of birth 1974
4. Lunev Igor Anatolievich, year of birth 1969
5. Kostetsky Vyacheslav Yurievich, year of birth 1974
6. Kopanev Vladimir Nikolaevich, year of birth 1954
7. Savin Grigory Grigorievich, year of birth 1952
8. Pestov Dmitry Vladimirovich, year of birth 1967
9. Skorikov Sergey Vladimirovich, year of birth 1976
10. Stolyarov Mikhail Nikolaevich, year of birth 1953
11. Churyumov Valery Andreevich, year of birth 1956
12. Sultanov Georgy Ahmedovich, year of birth 1954
13. Bibin Evgeniy Alekseevich, year of birth 1964

1.2 Data on bank accounts of the emitter

1.2.1.

Full company name of the Bank

«Alpha-bank», JSC - «Rostov» branch

Shortened name of the bank:

«Rostov» branch of «ALPHA-BANK», JSC

“Interregional Distribution Grid Company of South”, Joint Stock Company
TIN 6164266561
Location: Rostov-on-Don
TIN/RRC of the bank 7728168971/775001001
No. and type of the account: 40 702 810 100 180 001 123 (settlement)
RCBIC: 046015207
Correspondent account: 30 101 810 500 000 000 207

1.2.2.

Full company name of the Bank
Southwest bank of SB of the Russian Federation in Rostov-ON-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC of the bank 7707083893/616502002
No. and type of the account: 40 702 810 952 000 000 006 (settlement)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.3.

Full company name of the Bank
Southwest bank SB of the Russian Federation in Rostov-on-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC of the bank 7707083893/616502002
No. and type of the account: 40 702 810 552 000 000 008 (settlement)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.4.

Full company name of the Bank
Southwest bank SB of the Russian Federation in Rostov-on-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC bank 7707083893/616502002
No. and type of the account: 40 702 810 252 000 000 007 (settlement)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.5.

Full company name of the Bank
Southwest bank SB of the Russian Federation in Rostov-on-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC of the bank 7707083893/616502002
No. and type of the account: 40 702 810 852 000 000 009 (settlement)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.6.

Full company name of the Bank
Southwest bank SB of the Russian Federation in Rostov-on-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC bank 7707083893/616502002
No. and type of the account: 40 702 810 252 000 000 010 (settlement)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.7.

Full company name of the Bank

“Interregional Distribution Grid Company of South”, Joint Stock Company
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Southwest bank SB of the Russian Federation in Rostov-on-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC of the bank 7707083893/616502002
No. and type of the account: 40 702 810 552 000 000 011 (settlement)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.8.

Full company name of the Bank
Southwest bank SB of the Russian Federation in Rostov-on-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC of the bank 7707083893/616502002
No. and type of the account: 40 702 810 852 000 000 012 (settlement)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.9.

Full company name of the Bank
Southwest bank SB of the Russian Federation in Rostov-on-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC of the bank 7707083893/616502002
No. and type of the account: 40 702 978 952 000 000 003 (foreign currency)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.10.

Full company name of the Bank
Southwest bank SB of the Russian Federation in Rostov-on-Don
Shortened name of the bank:
Southwest bank SB of the Russian Federation in Rostov-on-Don
Location: Rostov-on-Don
TIN/RRC of the bank 7707083893/616502002
No. and type of the account: 40 702 978 252 001 000 003 (transit)
RCBIC: 046015602
Correspondent account: 30101810600000000602

1.2.11

Full company name of the Bank
«Rostov» branch of «Alpha-bank», JSC
Shortened name of the bank:
«Rostov» branch of «Alpha-bank», JSC
Location: Rostov-on-Don
TIN/RRC of the bank 7728168971/231002001
No. and type of the account: 40 702 810 200 180 001 146 (settlement)
RCBIC: 046015207
Correspondent account: 30101810300000000570

1.3.Data on the auditor of the issuer

Full company name	Fineart-Audit Limited Liability Company
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“Interregional Distribution Grid Company of South”, Joint Stock Company
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Shortened company name	Fiineart-Audit Ltd.
Location of the auditor organization	60 Udaltsova Street, Moscow 119607
Telephone and fax numbers	(495) 431-99-70, (499) 726-91-12, (499) 726-91-13 (495) 431-99-70 (fax), (499)726-91-12(fax)
e-mail	office@fineart-audit.ru
Number, date of issue and validity of the license for carrying out audit activity	License for carrying out auditor activity No. E 006407, issued by Order of the RF-Ministry of Finance as of 07.09.2004 No.250, Term of validity: 5 years
Body which issued the license	Ministry of Finance of the Russian Federation
Fiscal year which was the subject of the auditor's independent check of financial statements and financial (accounting) reports of the issuer	The year 2007

Fiineart-Audit Ltd. is a member of the Moscow Auditors Chamber, certificate No. 1531 as of 15.11.2006.
Fiineart-Audit Ltd. is independent from the issuer.

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

- **Presence of stakes of participations of auditors (officials of auditors) in the authorized capital of the issuer:** auditors have no stakes in the authorized capital of the issuer;
- **Granting borrowed funds to auditors (officials of auditors) of the issuer:** the issuer did not provide borrowed funds to auditors (officials of auditors);
- **Presence of close business mutual relations (participation in promotion of products (services) of the issuer, participation in joint enterprise activity, etc.), and kinship:** the issuer has no close business mutual relations and kinship with auditors;
- **Data on the officials of the issuer who are simultaneously officials of auditors (who are auditors):** officials of the issuer are not simultaneously officials of auditors.

The measures undertaken by the issuer and auditors for decrease of the specified factors:

The issuer and the auditor shall act within the limits of the current legislation, in particular according to Federal Law as of 7 August 2001 No. 119-FZ «On Auditor Activity» (as amended of 14 December 2001 No.164-FZ, as of 30 December 2001 No. 196-FZ) according Article 12 of which the audit may not be performed by:

- 1) the auditors who are founders (participants) of the audited persons, their heads, bookkeepers and other persons bearing the responsibility for the organization and conducting of book keeping and drawing up of the financial (accounting) reports;
- 2) the auditors being near of kin (parents, spouses, brothers, sisters, children, as well as brothers, sisters, parents and children of spouses) with founders (participants) of the audited persons, their officials, bookkeepers and other persons bearing the responsibility for the organization and conducting of book keeping and drawing up of the financial (accounting) reports);
- 3) the auditor organizations, the heads and other officials of which are founders (participants) of the audited persons, their officials, bookkeepers and other persons bearing the responsibility for the organization and conducting of book keeping and drawing up of the financial (accounting) reports;
- 4) the auditor organizations, the heads and other officials of which are near of kin (parents, spouses, brothers, sisters, children, as well as brothers, sisters, parents and children of spouses) with founders (participants) of the audited persons, their officials, bookkeepers and other persons bearing the responsibility for the organization and conducting of book keeping and drawing up of the financial (accounting) reports;
- 5) the auditor organizations in relation to the audited persons which are their founders (participants) in relation to the audited persons for whom these auditor organizations are founders (participants), in relation to the affiliated organizations, branches and representative offices of the specified audited persons, and also in relation to the organizations having common founders (participants) with this auditor organization;
- 6) the auditor organizations and individual auditors, which rendered services on restoration and conducting book keeping within three years prior to carrying out of the auditor check, and also on drawing up of the financial (accounting) reports to physical persons and legal entities in relation to these persons.

The main measure undertaken by the issuer for decrease of dependence of the issuer and the auditor from each other is a process of thorough examination of the candidate of the auditor for its independence of the issuer. The auditor is completely independent of the governance body of the issuer according to the requirements of Article 12 of

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the Federal Law «On Auditor Activity»; the amount of remuneration of the auditor was not attached to the results of the check held.

The procedure of selection of the auditor of the issuer:

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

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

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

- not to be in the process of liquidation;
- absence of the decision on abeyance of activity adopted in accordance with the procedure stipulated by the Code of the Russian Federation on Administrative Offences, at the date of consideration of the Application Form for participation in the Competition;
- not to have debts under the accrued taxes, tax collections and other obligatory payments to the budgets of any level or the state unappropriated funds as of the last calendar year, the amount of which exceeds twenty five percent of the balance sheet asset of the participant according to the accounting reports as of the last completed accounting period;
- not to fall under terms (in relation to the Company and affiliated and dependent entities of RAO UES of Russia) enlisted in item 1 of Article 12 of the Federal Law «On the auditor activity».

- 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:

The federal law «On joint-stock companies» does not determine term and procedure of nomination of candidates of the auditor for its inclusion in the list for voting on approval of the auditor of the Company. In this connection, the candidate of the auditor for its adoption at the annual general meeting of shareholders is defined by the Board of Directors of the Company within the limits of solution of issues on preparation and carrying out of general meeting of shareholders.

The auditor of the emitter carries out check of financial and economic activity of the emitter in conformity with requirements of the legislation of the Russian Federation on the basis of the contract on rendering auditor services concluded with it.

The information on the works held by the auditor within the limits of special auditor tasks: there were no works held by the auditor within the limits of special auditor tasks.

The order of definition of amount of commission of the auditor, and also the information on presence of deferred and back payments for services rendered by the auditor:

The order of payment and the amount of monetary compensation to the auditor organizations and individual auditors for carrying out audit (including the obligatory one) and rendering respective services are defined by contracts of rendering auditor services and cannot be put in

Dependence from performance of any requirements of audited persons about contents of opinions which can be made as a result of audit.

The amount of payment of services of the auditor of the emitter approved by general meeting of shareholders of the emitter for obligatory annual check and acknowledgement of the annual financial reports of the emitter is defined by the Board of Directors of the emitter.

The actual amount of commission paid by the emitter to the auditor following the results of each fiscal year for which the auditor held independent check of book keeping and financial (*accounting*) statements of the emitter:

For the period of activity from 01.01.2008 to 30.06.2008, the emitter paid the amount of compensation to Fineart Ltd. under contract No. A-77/2007 as of 24.12.2007 in the amount of 654, 000 (six hundred fifty four thousand rubles and 00 kopecks), including the VAT of 99, 762.71 (ninety nine thousand seven hundred and sixty-two rubles and 71 kopecks), including:

For carrying out auditor check of the financial(accounting)reporting of the emitter for 2007 for the purpose of expression in the established form of opinion on its reliability and conformity of its order of conducting book keeping with the legislation of the Russian Federation - 354, 000 (three hundred and fifty four thousand rubles and 00 kopecks), including the VAT (18 %) of 54, 000 (fifty-four thousand rubles and 00 kopecks);

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For acknowledgement of the financial(accounting)reporting indicators of the issuer for 9 months of 2007 containing in the prospectus for securities of the issuer - 150, 000 (one hundred and fifty thousand rubles and 00 kopecks), including the VAT (18 %) of 22, 881.36 (twenty two thousand eight hundred and eighty-one rubles and 36 kopecks);

For acknowledgement of the financial(accounting)reporting indicators of the issuer for the first quarter of 2008, containing in the prospectus for securities of the issuer - 150, 000 (one hundred and fifty thousand rubles and 00 kopecks), including the VAT of (18 %) 22, 881.36 (twenty-two thousand eight hundred and eighty-one rubles and 36 kopecks).

For 2008, the amount of commission and procedure of payments for carrying out auditor check are defined according to the concluded contract for carrying out auditor check No. A-25/2008 as of 9.07.2008 with Fineart-Audit, Ltd.

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

1.4. Data on the appraiser of the issuer

In the 2nd quarter 2008, the issuer did not involve appraisers for:

-Definition of market cost of placed securities and outstanding placed securities (obligations under which are not executed);

-Definition of market cost of the fixed assets or real estate of the issuer concerning which the issuer carried out the reassessment of cost reflected in other sections of the quarterly report;

-Definition of market cost of the property which is a subject of mortgage under placed bonds of the issuer with mortgaging security or the placed bonds of the issuer with mortgaging security, the obligations under which are not executed;

-Rendering of other services connected with realization of issue of securities the information about which is underlined in the quarterly report.

The issuer did not involve the appraiser, being a joint-stock investment fund.

The information disclosed by the Issuer according to the Regulations about the information policy of IDGC of South: compensation to the appraiser for rendering of the services listed in given item of the report, for 2007 and on results 1,2 quarters 2008 was not paid.

1.5. Data on advisers of the issuer.

Data on the financial adviser for the securities market rendering the corresponding services to the issuer on the basis of the contract, and also other persons rendering of the consulting services to the issuer connected with realization of issue of securities, and who signed the quarterly report:

Below are the details concerning the financial adviser who signed the quarterly report of the issuer:

Full company name	«OTKRYTIE Broker House», Joint-Stock Company
Shortened company name	«OTKRYTIE Broker House», JSC
Location of the auditor organization	19, bld. 10, Protopopovsky Lane, Moscow 129010
Telephone and fax numbers	telephone: (495) 232-03-00 fax: (495) 956-47-00
e-mail	http://www.bdopen.ru/
Number, date of issue and validity of the license for carrying out audit activity	License for performance of broker activity No. 177-06097-100000 Date of issue: 28 June 2002 Validity term: without restriction of validity
Body which issued the license	Federal Commission for the Securities Market
Fiscal year which was the subject of the auditor's independent check of financial statements and financial (accounting) reports of the issuer	Services of the financial adviser in the securities market; Services connected with inclusion of securities of the Issuer in the quotation list «I» of the Russian stock exchanges of «MICEX Stock Exchange», JSC and/or «RTS», JSC and also presence of the issuer's securities in quotation list «I»

There are no other advisers, data for on whom may have effect on decision-making on purchase of securities of the issuer.

1.6. Data on other persons who signed the quarterly report:

Surname	Savin
Name	Grigory
Patronymic	Grigorievich
Year of birth	1952
Occupation	Chief Accountant
Telephone number	(861) 219-63-58
e-mail address	savingg@kuben.elektra.ru savingg@mrsk-yuga.ru
Location (place of work)	49 Bolshaya Sadovaya street, Rostov-on-Don city, IDGC of South

There are no other persons who signed the prospectus for securities and were not specified in the previous items of the present section.

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

2.1. Indicators of financial and economic activities of the issuer

The table gives the indicators describing the financial and economic position of the issuer as of 30 June 2008.

Indicator	30.06.2008
Net assets cost, thousand rubles	21,066,167
Relation of the amount of involved funds to the capital and reserves, %	44
Relation of the amount of short-term liabilities to the capital and reserves, %	19.45
Cover of payments for debt service, %	114.28
Level of deferred debt, times	6.97
Turnover rate of the debt receivable, times.	0.94
Share of the dividends in the profit, %	0
Productivity of labour, rubles/people	30,166.90
Depreciation to the amount of proceeds, %	0.103

For calculation of these indicators, the method recommended by the Regulations for disclosing the information by issuers of issue securities approved by Order of the Federal financial markets service of 10.10.2006 No.06-117/pz-n “On approval of the regulations for the information disclosure by the equity securities issuers” was used.

Net asset index is used for estimation of stability of the issuer's financial position, degree of its financial reliability. Thus, net assets show how much assets of the organization exceed its liabilities (both the short-term and long-term) that allows to estimate the level of solvency of the enterprise. Net assets can be identified with amount of own capital as they reflect the level of security of the invested means by the organization's assets.

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The analysis of solvency and financial position of the emitter on the basis of economic analysis of behaviour of the given indicators:

The analysis of the financial reporting of the emitter for the 2nd quarter of 2008 shows that amount of cost of net assets increased in comparison with the last period.

The relation of the amount of the involved means to the capital and reserves characterizes the share of the involved extra means and shows a degree of their use in a total amount of means invested into the enterprise. In comparison with the previous accounting period, the given indicator a little increased that is the result of growth of the share of extra means. The involved means of the emitter are mainly borrowed with long-term liabilities. The emitter also involved long-term credits.

The indicator «Relation of the amount of short-term liabilities to the capital and reserves» shows the share of short-term liabilities in the share of borrowed means of the emitter, and tends to decrease in comparison with the last accounting period.

The indicator of “Cover of payments for debt service” characterizes amount rubles of own sources corresponding to a ruble of the liabilities which are subject to repayment in the accounting period. Thus, the emitter can repay the current debt from net profit. The given indicator in the 2nd quarter of 2008 essentially increased in comparison with the previous accounting period.

The level of the delayed debts shows a share of accounts payable which were not repaid in due time, in a total amount of liabilities of the emitter. In the 2nd quarter of 2008, the level of the delayed debt decreased almost 2 (two) times in comparison with the 1st quarter of 2008.

The “Turnover rate of the debt receivable” characterizes quantity of times of repayment of debt receivable, its transformation into money resources for the accounting period. In the 2nd quarter of 2008, this indicator grew.

Productivity of labour shows that for the 2nd quarter of 2008, the amount of proceeds is 30,166.90 rubles per one employee that is essentially larger in comparison with the 1st quarter of 2008.

2.2. Market capitalization of the issuer.

In general, market capitalization of the issuer is total market value of all placed shares of the issuer defined by stock exchange quotations. From the moment of creation up to the end of the issuer’s last period under report, the issuer’s shares were not included in the organized markets. Taking into account the above said, it is impossible to determine the market capitalization of the issuer under the method defined in the Regulations about disclosing of the information by issuers of issue securities approved by Order of FFMS of Russia on 10.10.2006 No.06-117/pz-n.

With a view of this item, the market capitalization of the issuer is defined as value of net assets of the issuer at the date of the end of each fiscal year and at the date of the end of the last completed accounting period. Calculation of the cost of net assets of the issuer is made using the method defined in the Procedure of estimation of the cost of net assets of the joint-stock companies approved by Order of the Ministry of Finance of Russia and Federal Commission for Securities Market of Russia on 29 January 2003 No. 10n/03-6/pz.

Period	Market capitalization of the issuer, thousand rubles
Q 2, 2008	21,066,167

2.3. Liabilities of the issuer

2.3.1. Accounts payable

The total amount of accounts payable, including credits, on 30 June 2008 is 8, 890, 398 thousand rubles, including debts over one year - 4, 954, 731 thousand rubles. Delayed debts on 30 June 2008 is 643, 025 thousand rubles.

The structure of the accounts payable as of 30.06.2008

thousand rubles

Name of the accounts payable	Maturity	
	Up to one year	Over one year
Accounts payable to suppliers and contractors	1,378,195	109,868
<i>Including the deferred one</i>	257,186	X
Accounts payable to the organization personnel	143,340	0
<i>Including the deferred one</i>	0	X
Accounts payable to the budget of state and non-budgetary funds	254,364	0
<i>Including the deferred one</i>	0	X
Credits	1,060,758	4,844,863
<i>Including the deferred one</i>	0	X
Loans, total	0	0
<i>Including the deferred one</i>	0	X
Including the bonded loans	0	0

Including the deferred bonded loans	0	X
Other accounts payable	1,099,010	
<i>Including the deferred one</i>	385,839	X
Total	3,935,667	4,954,731
<i>Including the deferred one</i>	643,025	X

The issuer does not have creditors of at least 10 % of the total amount of accounts payable.

2.3.2. Credit history of the emitter

The emitter obtained liabilities under the credit contracts acting as of the end of the accounting period as a result of merging on 31.03.2008 of the distributive network companies: Rostovenrgo, Astrakhanenergo, Volgogradenergo, Kalmenergo and concluded new credit contracts in the 2nd quarter of the year 2008 for the total amount of **RUR 2, 154, 000 thousand**.

Data on the concluded credit contracts are presented in the table:

Bank name	No. of the credit contract	Date of completion of the credit line	Date of termination of the credit line term	Amount of actual debt
VKA Bank, JSC in Astrakhan	451	25.10.2006	25.10.2009	127,790,000
Gazprombank (JSC in Volgograd	514-LKYu/2007	29.06.2007	25.12.2008	90,000,000
Gazprombank (JSC in Volgograd	515-LKYu/2007	29.06.2007	25.12.2008	90,000,000
Astrakhan division of SB of Russia No.8625	125	25.05.2007	25.05.2010	<u>150,000,000</u>
Alpha-Bank	2557	10.08.2006	10.08.2008	<u>120,000,000</u>
VKA Bank, JSC in Astrakhan	343	26.11.2007	26.11.2010	<u>50,000,000</u>
Center-Invest	71371/58553/08	20.12.2007	18.12.2008	<u>400,000,000</u>
Gazprombank (JSC in Volgograd	835-LKYu/2007	10.12.2007	10.06.2009	400,000,000
Alpha-Bank	2861	27.07.2007	27.01.2009	<u>910,000,000</u>
Astrakhan division of SB of Russia No.8625	13	08.02.2008	08.02.2011	<u>100,000,000</u>
Astrakhan division of SB of Russia No.8625	43	20.03.2008	19.03.2011	<u>50,000,000</u>
Krasnodar division of Alpha-Bank, JSC	82666	29.01.2008	29.07.2009	80,000,000
Alpha-Bank	3006	18.04.2008	16.10.2009	500,000,000
ORGRESBANK	KL-361/08/61296/08	28.03.2008	28.09.2009	500,000,000
Gazprombank (JSC) in Volgograd	1008-021-LKYu	25.03.2008	25.03.2010	500,000,000
Gazprombank (JSC) branch in Astrakhan	1308-005-KL	25.03.2008	23.03.2012	150,000,000
ORGRESBANK	KL-4/08-RND	28.05.2008	28.05.2010	500,000,000
Alpha-Bank	3022	11.06.2008	11.06.2010	770,000,000
Gazprombank (JSC) in Volgograd	516-LKYu/2007	29.06.2007	28.06.2011	100,000,000
Gazprombank (JSC) in Volgograd	517-LKYu/2007	29.06.2007	28.06.2011	100,000,000
Gazprombank (JSC) in Volgograd	828-LKYu/2007	21.11.2007	31.12.2012	200,000,000
Gazprombank (JSC) in Volgograd	827-OV/2007*	21.11.2007	21.05.2009	0
Gazprombank (JSC) in Volgograd	513-OV/2007*	29.06.2007	27.06.2008	0

in Volgograd				
TOTAL				5,887,790,000

2.3.3. Liabilities of the emitter from the security provided to the third parties.

For the period from the date of establishment of the Company (28.06.2007) up to the date termination of the accounting quarter, the emitter had no liabilities on granting security to the third parties, including in the form of mortgage or guarantee which are at least 5 percent of the total balance sheet assets.

The amount of liabilities of the emitter from the maintenance given to the third parties on the date of the end of the 2nd quarter of 2008 was 155, 069 thousand rubles that makes less than 5 percent of the total balance sheet assets.

2.3.4. Other liabilities of the emitter.

There were no other agreements of the Company including short-term transactions which were not reflected in its accounting balance which can be reflected significantly in the financial position of the emitter, its liquidities, sources of financing and conditions of their use, results of activity and charges.

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

In accounting quarter, the emitter did not carry out placement of issue securities.

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

2.5.1. Industry risks

Considering positive behavior of volumes of power consumption which developed during 1999-2008, we can assume increase in demand for transmission and distribution of the electric power through grids controlled by IDGC of South's distribution network companies. Deterioration of the situation in the sector connected with decrease of consumer demand is not expected by the emitter.

The most essential influence on activity of the emitter is rendered by the changes connected with the reform of electric power sector. After end of reorganization of RAO «UES of Russia» on 01.07.2008, regulatory functions should be distributed between bodies of the government, infrastructural and commercial organizations. There is a risk of deterioration of the situation in the sector connected with decrease in management efficiency by electric power industry after distribution of the regulatory functions.

The risks connected with possible change of the prices for raw material, services used by the emitter in its activities (separately in the internal and external markets), and their influence on activity of the emitter:

IDGC of South, JSC is an infrastructural organization of the wholesale market; It does not participate in generation and consumption of electric energy (except for own needs), and has no essential dependence on use of any raw material and materials typical of processing sectors of the economy.

Transportation of the electric power by the networks which are not referred the Uniform National (all-Russian) Power Grid (UNPG) below 220 kV is in the number of the main kinds of activity of the emitter.

Realization of the specified kinds of activity is interfaced with necessity of purchases of material resources and use of services of the foreign organizations for carrying out repairs, maintenance service and construction of own electric networks. The probability of increase in the prices is connected mainly with inflationary processes. The material increase in the prices for material resources and services of the outside organizations will demand updating the planned charges and amending the plans on realization of investment programs.

With a view of minimization of the specified risks, the Company carries out purchases of material resources and selection of service providers by means of carrying out of the competitive and regulated purchases of raw material, materials, industrial and other services.

The main income of the emitter is receipt of means from payment for services on transmission of electric energy and technical connection.

Activity of grid companies is related to the exclusive sector of electric power industry regulated by the state according to Federal Law as of 14 April 1995 No. 41-FZ "On state regulation of tariffs for electric and thermal energy in the Russian Federation" and other regulatory normative legal acts.

Tariffs for services on transmission of electric energy and electric networks of the regional network companies and technical connection are established by regulatory bodies of the government of entities of the Russian Federation.

Now tariff regulation is made by the mixed method (the method of direct calculation and the index method) which does not allow grid companies to involve the investment into development. RAO UES of Russia has acted as the initiator of implementation in the distribution grid companies of the tariff regulation system based on principles

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of fair market profitableness of the involved capital (RAB) in combination with economic stimulus for large-scale attraction of private investments.

Attraction of additional (extra) sources of financing of construction of the grid infrastructure should contribute to reduction of expenses for construction of such objects at establishment of the amount of payment for technological connection to electric grids up to the level affordable for consumers.

It should be noted that activity of the enterprises of exclusive sphere is always interfaced with an essential risk level of incorrect state tariff regulation. Tariffs established now for services on transmission of electric energy of IDGC of South, JSC as a whole correspond to economically proved level, however, it is impossible to guarantee absence of the risks connected with an opportunity of freezing or directive decrease of tariffs, or adoption of tariffs which are not adequate to expenses of the emitter that can negatively be reflected in results of activity of the emitter.

For minimization of the specified risks, the emitter carries out permanent work with regional tariff bodies for adoption of the grounded level of tariffs and implementation of new, progressive methods of tariff policy. However, the sphere of influence of the emitter on decision-making by federal and regional enforcement authorities is limited, and the emitter cannot guarantee that the actions directed to overcoming the arisen negative changes can lead to improvement of the situation.

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

The emitter can have the risks connected with increase of the prices for componentry, equipment and other material resources which will be used by the emitter. 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 purchases of works and services, optimization of expenses for repair-operational needs and capital construction, etc.);
- Carrying out the well-grounded financial policy.

In opinion of the emitter, influence of the given risks on activity of the emitter and execution of obligations under securities (provided they are minimized by the Emitter) is insignificant.

Considering that the emitter does not carry out and does not plan to carry out activity in the foreign market, accordingly the risks connected with possible change of the prices for componentry and services used by the emitter in the activity in the foreign market cannot influence activity of the emitter and/or execution of obligations under securities.

2.5.2. Country and regional risks

Country risks

Now the positive tendency of increase of the international ratings of the Russian Federation is observed. According to the classification of Fitch, Moody's and Standard and Poor's international rating agencies, Russia received an investment rating according to which the economic and political situation in Russia is estimated as harmless in the short-term prospect. The forecast for all ratings remains on the «stable» level. The favorable factors contributing to increase in the ratings of Russia, in opinion of agencies, are the economic growth observed in Russia within last several years, caused improvement of the majority of key performance indicators, including proficiency of the account of current operations, and also growth of gold and exchange currency reserves of Russia and reduction of external short-term obligations.

On the other hand, the economy of Russia is not protected from market recessions and delay of economic development in other countries of the world. Financial problems or aggravated perception of risks of investment in the countries with a developing economy can lower the volume of foreign investments into Russia and render negative influence on the Russian economy. Besides, as Russia makes and exports great volumes of natural gas and oil, the Russian economy is especially vulnerable to changes of the world prices for natural gas and oil, and falling of the price for natural gas and oil can slow down or shake development of the Russian economy. These events can limit access of the issuer to the capital and render adverse influence on purchasing capacity of consumers of the issuer products. The issuer assumes to carry out all the actions directed to decrease of influence of such events on the activity: pursue the weighed policy in the field of the borrowed funds attraction.

Part of the state policy held now is the reform of electric power industry. Probability of change of internal political line and change of principles and priorities in issues of regulation of electric power industry can negatively be reflected in plans on attraction of strategic investments into the further development of the sector and essentially slow down or suspend the further market transformations in the sector.

The economic system of Russia is in the stage of establishment and constant reforming, therefore it is insufficiently steady against the crisis phenomena of the world scale. Experts of the World Economic Forum together with financial institutions of the USA and Europe published the report called “Global Risks 2008”. In

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opinion of experts, the year 2008 becomes a turning point and one of the most dangerous for the global economy lately. Among the main threats to well-being and stability - credit crisis, and also a rise in prices for oil and foodstuff.

Russia, the majority of export of which is still the raw material (oil, gas, products of non-ferrous metallurgy and ferrous metallurgy, etc.), depends on the international conjuncture in the raw markets. The power sector now, after the next record of the prices for oil crossed a 100-dollar barrier, which is in the center of attention. The prices in view of inflation yet have not reached the level of the beginning of the 80-es, but directly move to it. Now the essential bases for scale falling the prices for power resources preservation of the tendency on growth is not revealed, but, on the one hand, positively influences parameters of balance of the budget and trading balance of Russia, on the other hand, provokes the inflationary processes connected with a rise in prices for power resources inside the country.

In view of the above said, the share of this risk in the system of risks of the enterprise, in opinion of the emitter, is insignificant.

Regional risks:

The emitter carries out its activity in politically stable regions where the risk of occurrence of military conflicts and states of emergency practically does not exist. However, there is a risk of acts of terrorism, for minimization of which all measures for good safety are carried out at the enterprise.

Social conditions on the territory of activity of the Company is characterized as quiet; absence of the expressed interethnic conflicts, religious extremism allows to carry out economic activities with the minimal sociopolitical risks.

The Company carries out its activity on the territory which is not related to the territories with the raised danger of acts of nature. Influences of acts of nature have local character.

Prospective actions of the emitter in case of negative influence of change of the situation in the country (countries) and the area on its activity:

The majority of the given risks cannot be controlled by the emitter because of their scale. In case of destabilization of the political and economic situation in Russia or in a separate region which can negatively affect activity of the emitter, the latter will accept a number of measures on anti-recessionary management for the purpose of the maximal decrease in negative influence of the situation on the emitter, including reduction of production costs and other charges, reduction of investment plans.

The risks connected with possible military conflicts, state of emergency and strikes in the country and region, in which the emitter is registered as a tax bearer and/or carries out its primary activities:

The probability of military conflicts and introduction of state of emergency in the country and in regions of presence of the emitter is insignificant. In case of occurrence of possible military conflicts, the emitter runs risks of decommissioning of its main assets.

The risks connected with geographical features of the country and the region in which the emitter is registered as a tax bearer and/or carries out its main activities, including the raised danger of acts of nature, the possible termination of the transport communication in connection with remoteness and/or inaccessibility, etc.

Weather climatic conditions on the territory of the service zone of IDGC of South, JSC are rather various. Electric networks are laid in various and non-comparable geographical zones - from steppe areas up to mountain and wood districts, seaside regions with high humidity, regular tornados and strong wind loadings, high threat of icing.

There is a probability of extreme situations caused by hurricanes, storm rains with squally winds and hailstones, storm high waters and flooding which can result in material damage to the population, objects of housing and communal services and social sphere was interrupted by automobile and railway communication, thermal and electric power supply of consumers. With a view of indemnification of damage from influence of the force majeure connected including with the spontaneous phenomena, the distribution network companies contracts of insurance of property are concluded.

For minimization of the risks connected with danger of acts of nature and negative influence of natural and climatic conditions (especially in the autumn and winter period), the network companies carry out preparatory measures, emergency stocks of material resources were created, work on preparation for abnormal condition-regenerative brigades is held. The enterprises of the regions carried out special anti-recessionary programs providing joint actions of powermen, authorities, Ministry of Emergency Measures, Ministry of Defence, Rostekhnadzor created special operational staffs. In close interaction with the above-named organizations, specialized trainings on working out actions at application of routine temporary switching-off are carried out which are developed and coordinated with heads of administrations of municipal establishments.

Besides, for the prevention and liquidation of extreme situations and consequences of acts of nature, the means were allocated from federal and local budgets, Reserve fund of the Government of the Russian Federation, federal and regional emergency repairs and saving services are involved.

The risks connected with raised danger of acts of nature are regarded by the emitter as minimal.

2.5.3. Financial risks.

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Susceptibility of the emitter to the risks connected with change of interest rates, exchange rate of foreign currencies, in connection with activity of the emitter or in connection with the hedging which is carried out by the emitter with a view of decrease of adverse consequences of influence of the above-stated risks:

On 30 June 2008 extra means were involved by the emitter; in the further attraction of extra means and in this connection, the emitter is subject to the risks connected with change of interest rates. However, the emitter, on the basis of the constantly held analysis of own financial position, dynamics of floating interest rates, considers that such risk is not essential for it. For reduction of negative influence of short-term fluctuations of interest rates on the activity of the emitter, attraction of long-term credits, and also decrease in a share of short-term credits and loans in circulating assets is supposed.

Hedging as a tool of management of financial risks is not used in activity of the emitter.

Susceptibility of the financial condition of the emitter (its liquidity, sources of financing, results of activity, etc.) to change of the rate of exchange:

The emitter realizes services on transfer of electric energy in the national market of the Russian Federation with realization of calculations in rubles (currency of the Russian Federation).

The emitter does not plan to carry out activity in the foreign market.

In this connection, the emitter is not subject to risks of change of exchange rates of foreign currencies.

Assumed actions of the emitter in case of negative influence of change of the foreign currencies and interest rates on the emitter’s activities:

All obligations of the emitter are expressed in currency of the Russian Federation - rubles. Therefore susceptibility of the emitter to risk of change of exchange rate of foreign currencies is estimated by the emitter as insignificant.

In case of negative influence of change of the rate of exchange, the emitter plans to hold analysis of risks and to make a corresponding decision in each concrete case.

Influence of inflation:

The rate of inflation directly depends on a political and economic situation in the country. The condition of the Russian economy is characterized by high rates of inflation. In the table below, data about annual indexes of inflation for the period since 1998 to June 2008 are cited:

Period	Inflation observed within this period
June 2008	7
2007	11.9
2006	9.00
2005	10.9
2004	11.7
2003	12
2002	15.1
2001	18.6
2000	20.1
1999	36.5
1998	84.4

After the crisis of 1998, the rate of inflation was constantly decreasing till 2007. In 2007 it rose 2.9 % as the rate of inflation directly depends on the political and economic situation in the country. The rate of inflation of March 2008 was high enough.

Negative influence of inflation on financial and economic activity of the emitter can be connected with the following risks:

- The risk connected with losses in real cost of debt receivable at an essential deferment or delay of payment;
- Risk of increase in interest receivable;
- Risk of increase in the cost price of goods, products, works, services due to increase in the price for energy carriers, transmission charges, wages, etc.;
- Risk of reduction of real cost of means under the investment program.

In case of increase in rates of inflation, the real cost of interest payments decreases per obligations in national currency that is the favorable factor for the emitter.

Critical, in opinion of the emitter, value of inflation:

Scheduled rates of decrease of the inflation established by the Government of Russia as a whole are fulfilled and this tendency is preserved. In view of this, there is a restriction on increase of tariffs within the limits of no more than 7-10 % a year, and, considering a level of potential profitableness of activity, in opinion of the emitter, value of inflation at which the emitter will have difficulties is at least 20 % per annum.

Prospective actions of the emitter on reduction of the risk caused by inflation:

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If the value of inflation exceeds the specified critical values, the emitter plans to increase a share of short-term financial instruments in the assets, to hold actions on reduction of internal costs and maximization of growth of tariffs within the limits of normative restrictions.

Parameters of the financial reporting of the emitter, which are the most subject to change as a result of influence of the specified financial risks:

N	Risks	Probability of occurrence	Description of their changes in the reporting
1	Growth of interest rates	Low	Increase of operational charges in the profit and loss statement
2	Growth of the euro exchange rate in relation to ruble and US dollar	Medium	The reporting does not change as the whole amount of incomes and charges of the issuer is nominated in rubles and is not attached to the rate of exchange, and also as the issuer does not hold investments in the foreign financial assets and does not involve foreign loans
3	Decrease in the US dollar exchange rate in relation to ruble and euro	Medium	

According to the above table, the main parameter which is the most subject to change and connected with financial risks is the profit of the issuer. With growth of the interest rates, payments per interests for using credits of commercial banks (operational charges) also increase and, accordingly, the profit of the issuer decreases. Besides, the profit decreases at increase in the production cost of services on transfer of electric energy and fixing tariffs on the legislative level.

Risks influencing the specified parameters of the financial reporting of the emitter and the probability of their occurrence:

Substantial growth of interest rates and, as a consequence, growth of expenses for servicing debts of the emitter. The probability of their occurrence is estimated as low.

2.5.4. Legal risks

The legal risks connected with activity of the issuer:

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

Change of requirements to licensing of primary activity of the emitter can lead to increase in the period of preparation of the documents necessary for renewal of the license in accordance with legal succession, and also the necessities of conformity of the emitter to the requirements made. However as a whole, it is necessary to consider the given risk as insignificant, except for those cases when for prolongation of the license or for realization of the activity which is subject to licensing, the requirements will be made, which cannot be met by the emitter, or conformity with which will be connected with excessive expenses.

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

For the emitter (as well as for all joint-stock companies which carry out activities on the territory of the Russian Federation), there is a risk of change of the legislation (federal laws and sublegislative statutory acts) regulating joint-stock and corporate mutual relations.

The emitter is subject to risks of the appeal by shareholders of IDGC of South, JSC and Kubanenergo, JSC concerning which the emitter carries out functions of the sole executive body, of large transactions and interested-party transactions (at fulfilment of such transactions without appropriate preliminary approval by board of directors or general meeting of shareholders, and also approved with infringement of the established order).

For minimization of the given risks at realization of contractual work, IDGC of South, JSC and Kubanenergo, JSC which is a part of its configuration, without fail carry out the preliminary legal analysis of concluded transactions for presence of the bases of carrying out of the preliminary corporate procedures stipulated by the current legislation and/or the charter. In case of need, the corresponding transactions are placed for consideration to the competent management bodies of IDGC of South, JSC and Kubanenergo, JSC.

The risks connected with mutual relations with shareholders of IDGC of South and Kubanenergo include, in particular: the risks connected with accounting of the rights to DGC shares; risk of «corporate blackmailing» by shareholders; risk of realization by unfriendly shareholders of the actions directed to failure of general meetings of

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shareholders of the issuer in the future.

For minimization of the risks, keeping the register of shareholders of IDGC of South and Kubanenergo are performed by the professional registrar who has a significant operational experience in the Russian share market. (Actually from the moment of its revival in the beginning of nineties) and traditionally occupying the top lines of ratings of registrars (including under «reliability» criterion). Besides, IDGC of South carries out a complex of the measures directed to information Interaction with shareholders (disclosing of the information in accordance stipulated by normative legal acts, and also carrying out of meetings of the management of the emitter with the shareholders, the main goal of which is explanation of relevant issues of the current activity).

The risks connected with change of the currency legislation

The risks connected with change of the currency legislation actually will not affect activity of the emitter as the emitter does not plan to carry out the activity outside the Russian Federation.

The risks connected with change of the tax laws

Like any other entity of economic activities, the issuer is the participant of tax relations. Now tax legal relationship in the Russian Federation is regulated by the Tax Code of the Russian Federation, a number of the federal laws accepted according to the Tax Code of the Russian Federation, laws of entities of the Russian Federation, and also normative legal acts of institutions of local government. The system of lawfully established taxes and tax collections includes, in particular, the value added tax, the profit tax, the property tax, the uniform social tax and other obligatory payments. The corresponding statutory acts quite often contain indistinct formulations, or operate with the terms which do not having specific legal definition. Besides, the Ministry of Finance of the Russian Federation and Federal Tax Service of the Russian Federation, authorized to give official explanations of the tax laws, frequently give explanations and comments contradicting both the norms of the tax laws, and judiciary practice developed on the certain categories. Fiscal bodies thus are guided by such legal acts and explanations of the specified state bodies which are directed exclusively to updating budgets of different levels, thus, quite often, roughly breaking the rights and legitimate interests of the tax bearer. Preparation and granting of the tax reporting together with other elements of the system of regulation of tax legal relations are in the competence, first of all, of the tax bodies having the right to make additional tax charges and tax collections charges, to charge the sums of fines, to impose significant penalties. Thereof, tax risks in Russia essentially exceed the similar risks typical of the countries with more developed market economy and system of the tax laws.

The management of the issuer thinks that the issuer in full observes the tax laws concerning its activity that, nevertheless, does not eliminate potential risks of its bringing to the tax responsibility in case of changes in the state fiscal policy concerning separate taxes and tax collections, and also change (not in favour of the tax bearer) of judiciary practice on separate categories of tax affairs.

Now the Government of the Russian Federation pursues a policy of decrease in tax charging with regard to the Russian tax bearers. In this connection, modification in the tax laws regarding increase in tax rates and/or changes of the order and terms of calculation and payment of taxes, in the near future is not expected.

In connection with the stated, the given risk is estimated as insignificant.

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

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

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

The risks connected with change of requirements on licensing of primary activity of the emitter or licensing of rights to use objects, the availability of which is limited (including natural resources).

Changes of requirements on licensing primary activity of the emitter or licensing of rights to use objects, the availability of which is limited are not expected.

In case of change of requirements on licensing activity of the emitter or licensing of rights to use objects, the availability of which is limited, the emitter will take necessary measures for reception of corresponding licenses and sanctions.

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

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

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

2.5.5. The risks connected with activity of the issuer

In connection with reorganization of the emitter in the form of merging of Rostovenergo, JSC, Astrakhanenergo, JSC, Kalmenergo, JSC, Volgogradenergo, JSC with the emitter in accordance with the procedural succession replaced the merged companies in the already existing current judicial disputes.

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Thus, the most essential risk is the probability of obtaining by the emitter of negative consequences of litigations which were not supervised by the emitter till the moment of merging of the corresponding companies.

According to the Governmental order of the Russian Federation from 20.03.2006r. No.151, the assignees created as a result of reorganization of RAO UES of Russia, its affiliated and dependent joint-stock companies of power and electrification, and also other subjects of natural monopoly in the electric power industry in the form of merging, spin-off or division, are enabled to carry out the kinds of activity which are subject to licensing according to the Federal Law «On

Licensing of Separate Kinds of Activity», on the basis of the licenses issued earlier to reorganized legal entities in accordance with the procedure and on the terms established by the specified Federal Law, but no more than 6 months from the date of the state registration of newly established legal entities. The given decision also determined dates and notification procedure of the Licensing bodies about reorganization. At observance of the specified requirements, the corresponding licenses will be renewed in the term established by the legislation. Thus, the risks connected with renewal of the license are estimated as insignificant.

The risks connected with the possible responsibility of the emitter under the debts of the third parties, including affiliated companies of the emitter.

At the moment the emitter does not bear the responsibility under debts of the third parties.

The risks connected with the possible responsibility of the emitter under debts of the third parties are estimated by the management of the emitter as insignificant.

The responsibility under debts of DGC, the powers of the sole executive body of which were transferred to IDGC of South, JSC can occur only on the bases of and in accordance with the procedure stipulated by the current legislation of the Russian Federation, namely Article 71 of the Federal Law as of 26 December 1995 No.208-FZ «On joint-stock companies». Thus an obligatory condition of bringing of IDGC of South, JSC to the responsibility will be presence of fault in its actions (inactivity). Probability of occurrence of the specified risks is low.

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

In connection with absence in the outside organizations of the alternative grid equipment and skilled personnel (for its maintenance and repairs), this risk is considered as insignificant.

2.5.6. Bank risks

The issuer is not a credit organization.

III. Detailed information on the issuer

3.1. History of creation and development of the emitter

3.1.1. Data about the company name of the emitter

The full company name of the emitter:

«Interregional Distribution Grid Company of South», Joint Stock Company.

The shortened company name of the emitter: IDGC of South, JSC.

If the full or shortened company name of the emitter (the name for the noncommercial organization) is similar to the name of another legal entity, the name of this legal entity and the explanation necessary for avoidance of confusion of the specified names are provided: similarity of the full and shortened company names of the Emitter with the full and shortened company names of other legal entities is not revealed.

Data on registration of the company name of the emitter as a trade mark or a service mark: registration of the company name of the Emitter as a trade mark or a service mark was not carried out.

Data on changes in the company name and the form of incorporation of the emitter during the term of existence of the emitter: the full and shortened company names, and also the form of incorporation of the Emitter during the time of existence of the Emitter were not changed.

3.1.2. Data on the state registration of the emitter:

Primary state registration number of the legal entity: **1076164009096**

Date of making a record in the Uniform state register of legal entities: **on 28 June 2007**

The agency which carried out state registration: Inspection of the Federal Taxation Service of the Russian Federation in Leninsky district of Rostov-on-Don city

3.1.3. Data on creation and development of the emitter.

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IDGC of South, JSC was founded on the basis of the decision of the unique founder of RAO «UES of Russia» (order of RAO UES of Russia No.192r as of 22.06.2007) and was registered on 28 June 2007 in the tax authority in the place of its location - the Inspection of the FTS in Leninsky district of Rostov-on-Don city.

Creation of the emitter was an integral part of the Concept of «5 + 5» Strategy of RAO «UES of Russia» (approved by the Decision of the Board of Directors of RAO «UES of Russia», minutes No.168 as of 23.04.2004) which provides interregional integration of newly created enterprises after division of the power companies by kinds of business.

According to the decision of Board of Directors of RAO UES of Russia as of 27 April 2007 (Minutes No. 250), the configuration of IDGC of South included the following distribution grid companies (DGC):

Kubanenergo, JSC which attends to electric grid of the Krasnodar Territory and the Republic of Adygea;

Rostovenergo, JSC which attends to the electric grid of the Rostov area;

Volgogradenergo, JSC which attends to electric grid of the Volgograd area;

Astrakhanenergo, which attends to electric grid of the Astrakhan area;

Kalmenergo, JSC which attends to electric grid of the Republic of Kalmykia.

According to IDGC configuration approved by the decision of the Board of Directors of RAO UES of Russia as of 27 April 2007 (Minutes No.250), IDGC of South, JSC undertook the responsibility for management of the following distribution grid companies: Astrakhanenergo, JSC, Volgogradenergo, JSC, Kubanenergo, JSC, Rostovenergo, JSC, Kalmenergo, JSC.

In 2007, as an effective mechanism of transfer of management by the distribution grid companies, IDGC of South, JSC undertook the function of the sole executive body of the distribution grid companies.

Data on transfer of authority of the sole executive body of the merged distribution grid companies to IDGC of South, JSC

DGC name	Data on the contract, date of actual transfer of authority
Astrakhanenergo, JSC	Contract on transfer of authority of the sole executive body of Astrakhanenergo, JSC No. 09-20-456 as of 4 October 2007 Acceptance report as of 5 October 2007
Rostovenergo, JSC	Contract on transfer of authority of the sole executive body of Rostovenergo, JSC No.55427/07 as of 30.09.2007 Acceptance report as of 30 September 2007
Volgogradenergo, JSC	Contract on transfer of authority of the sole executive body of Volgogradenergo, JSC No. 985 as of 05.10.2007 Acceptance report as of 05.10.2007
Kubanenergo, JSC	Contract on transfer of authority of the sole executive body of Kubanenergo, JSC as of 14.09.2007 No. 407/30-1143/26 Acceptance report as of 14 September 2007
Kalmenergo, JSC	Contract on transfer of authority of the sole executive body of Kalmenergo, JSC No. F-04-216 as of 29.09.2007 Acceptance report as of 30.09.2007

On 25 December 2007, the Board of RAO UES of Russia exercising functions of the extraordinary general shareholders meeting of IDGC of South, JSC (Minutes No. 795pr/6) took the following decision: on reorganization of IDGC of South, JSC in the form of merging of Astrakhanenergo, JSC, Volgogradenergo, JSC, Kubanenergo, JSC, Rostovenergo, JSC, Kalmenergo, JSC with IDGC of South, JSC; on adoption of the Contract for merging of Astrakhanenergo, JSC, Volgogradenergo, JSC, Kubanenergo, JSC, Rostovenergo, JSC, Kalmenergo, JSC with

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IDGC of South, JSC; on increase in the authorized capital of IDGC of South, JSC by placement of additional ordinary registered shares in the quantity of 80,789,200,000 pieces at the par value of 10 kopecks each for the total par value amount of 8,078,920,000 rubles; type of placement is converting into the shares of the merged companies; On 18.01.2008 the general shareholders meetings of Astrakhanenergo, JSC, Volgogradenergo, JSC, Rostovenergo, JSC, Kalmenergo, JSC made the decision on reorganization of DGC in the form of merging with IDGC of South, JSC; on adoption of the Contract for merging, and also on adoption of transfer certificates on the basis of which IDGC of South, JSC undertook all the rights and duties of merged DGC.

On 31.03.2008, the entities were made in the Uniform state register of legal entities on termination of activities of the following companies: Astrakhanenergo, JSC, Volgogradenergo, JSC, Rostovenergo, JSC, Kalmenergo, JSC. Since 31.03.2008, IDGC of South, JSC functions as the united operational company, the structure of which included the following distribution grid companies - Astrakhanenergo, JSC, Volgogradenergo, JSC, Rostovenergo, JSC, Kalmenergo, JSC.

As for Kubanenergo, JSC as of the latest accounting date, the Company exercises functions of the sole executive body (Contract for transfer of authority of the sole executive body of Kubanenergo, JSC as of 14.09.2007 No.407/30-1143/26).

The primary kind of activity of IDGC of South, JSC as a united operational company is rendering services on transmission and distribution of the electric power; the term of activity of the company is unlimited.

The Mission of the emitter is improvement of quality of life of the population living on the territories attended by distribution grid complex, the responsibility for functioning of which is assigned to the emitter by steady long-term maintenance of demand for electric energy on the basis of reliable, safe and harmless power supply with the minimal loadings on natural resources.

Recognizing its responsibility, the management of the company defines the purpose in the field of construction of an effective management system as achievement of the level of rendered services on transportation of the electric power meeting the requirements of consumers and providing reception of stable profit directed to meeting demands of shareholders and the personnel of the Company at maintenance of health protection and safety, to expansion of manufacture by maintenance of environmental safety.

The main strategic aim of the emitter is further development of the grid complex, formation of the united operational company providing reliable power supply of consumers, growth of market capitalization of the company, increase of its investment appeal.

For this purpose, the main strategic directions in activity of the emitter were determined:

- Increase of reliability and quality of functioning of the distribution grid complex;
- Increase of the value of the Company business;
- Realization of client-focus approach in activity of the united operational company;
- Maintenance of efficiency of the organization of the technological business processes according to the best world experience.
- Formation of the united integrated hi-tech management system of the united operational company;
- Formation of a complex personnel management system of the operational company.

Strategy of the emitter constructed in accordance with the following principles:

- Increase of efficiency of primary activity;
- Observance of interests of all shareholders of IDGC of South, JSC;
- Improvement of corporate governance, increase of transparency of financial and economic activities;
- Creation of as much as possible comfortable conditions for consumers;
- Constant increase of the social responsibility of the company.

In the second quarter of 2008, the emitter continued to work out development, implementation and certification of the safety and quality management integrated system (further on called MIS) in conformity with requirements of international standards ISO 9001:2000 (quality management system), ISO 14001:2004 (environmental management system), OHSAS 18001:1999 (professional safety and health protection management system).

3.1.4. Contact information.

Location of the emitter: 49 Bolshaya Sadovaya street, Rostov-on-Don city, Russian Federation, 344002.

Phone: **(863) 238-58-95**

Fax: **(863) 238-51-57**

E-mail address: neprokina@mrsk-yuga.ru

The Internet website containing the information on the emitter's securities both issued or being issued: www.mrsk-yuga.ru

Special division of the emitter for the issuer's shareholders relations:

Location: 49 Bolshaya Sadovaya street, Rostov-on-Don city, Russian Federation, 344002

Phone: **(863) 238-50-30**

Fax: **(863) 238-50-30**

E-mail: golovko@mrsk-yuga.ru

The Internet website: www.mrsk-yuga.ru

3.1.5. Identification number of the tax bearer.

3.1.6. Branches and representative offices of the issuer.

No.	Name of the branch (representative office)	Date of opening of the branch (representative office)	Location of the branch (representative office)	Full name of the director of the branch (representative office)	Period of validity of the power of attorney issued to the director of the branch (representative office)
1	Branch of IDGC of South-Volgogradenergo	31.03.2008	15 Lenina avenue, Volgograd, 400066	Bibin Evgeny Alekseevich	31.12.2008
2	Branch of IDGC of South - Rostovenergo	31.03.2008	49 Bolshaya Sadovaya street, Rostov-on-Don city	Skorikov Sergey Vladimirovich	31.12.2007
3	Branch of IDGC of South – Astrakhanenergo	31.03.2008	32 Krasnaya Naberezhnaya street, Astrakhan 414000	Stolyarov Mikhail Nikolaevich	31.12.2008
4	Branch of IDGC of South – Kalmenergo	31.03.2008	Northern industrial zone, Elista, Republic of Kalmykia,	Churyumov Valery Andreevich	31.12.2008
5	Branch of IDGC of South – Kubanenergo	Has not yet come into effect	2 Stavropolskaya street, Krasnodar 350033	Pestov Dmitry Vladimirovich	31.12.2008

3.2. Main economic activities of the issuer

3.2.1. Sector attribute of the issuer.

Codes of the main sector directions of activity of the issuer according to ARCEA (All-Russia Classification of Economic Activities):

40.10.2 transmission of the electric power

40.10.3 distribution of the electric power

40.10.5 activity on maintenance of working capacity of electric grids

74.14 consultation on the issues of commercial activity and management

74.15.2 activity on management *of holding companies*

64.20.11 activity in the field of telecommunication

3.2.2. Main economic activities of the issuer.

The issuer carries out its activity with a view of 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 region, realization of effective operation and centralized technological

managements of grid objects, 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 realization of scientific and technical policy and implementation of new progressive kinds of equipment and technologies.

According to item 3.2. of Article 3 of the Charter of IDGC of South, JSC the core kinds of activity of the Company which have priority value for the whole period of its existence are, including:

- Rendering services on transmission of electric energy;

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- Rendering services on technological connection of power receiving devices (power installation) of legal entities and physical persons to electric grids;
- Activity on operation of electric networks;
- Rendering services on realization of authority of the sole executive body of managing entities;

The structure of proceeds by kinds of activities of the emitter is presented in the table:

		RUR thousand
Name of the indicator	as of 30 June 2008	
Type of economic activity: *		
“consultation on the issues of commercial activity and management (74.14 under ARCEA)		
Amount of proceeds (profit) from this kind of economic activity, thousand rubles	63,467	
Share of amount of proceeds (profit) from this kind of activity in the total volume of proceeds (profit), %	1.7	
Type of economic activity: “Transmission of the electric power” (40.10.2 under ARCEA)		
Amount of proceeds (profit) from this kind of economic activity, thousand rubles	3,381,493	
Share of amount of proceeds (profit) from this kind of activity in the total volume of proceeds (profit), %	91.3	
Type of economic activity: “Activities on maintenance of operation of electric grids” (40.10.5 under ARCEA)		
Amount of proceeds (profit) from this kind of economic activity, thousand rubles	257,136	
Share of amount of proceeds (profit) from this kind of activity in the total volume of proceeds (profit), %	7	
Volume of receipts, total, thousand rubles:	3,702,096	

Since 31 March 2008, IDGC of South, JSC started to carry out its activity as a united operational company, the structure of which included the following distribution grid companies:

Astrakhanenergo, JSC, Volgogradenergo, JSC, Rostovenergo, JSC, Kalmenergo, JSC. As for Kubanenergo, JSC, the Company exercises functions of the sole executive body.

The proceeds of the emitter for the 1st quarter of 2008 were 611,699 thousand rubles; the proceeds for the 2nd quarter were 3,702,096 thousand rubles. Significant growth of proceeds is explained by the reorganizational factor.

Branches of the emitter - the merged distribution grid companies - increased the total proceeds of the emitter due to proceeds from rendering grid services in the quarter under report. Accordingly, the share of proceeds from other kinds of activity decreased.

The greatest percent of proceeds is observed in Rostovenergo branch: its share in total amount of proceeds was 50 %. The second by volume of proceeds is Volgogradenergo branch: its share in total amount of proceeds equaled 37 %. The share of Astrakhanenergo branch was 10 %; the share of Kalmenergo branch was equal to 2 %.

The emitter carries out its core economic activities exclusively on the territory of the Russian Federation. The main economic activities of the emitter are not subject to seasonal fluctuations.

The cost price of all kinds of activity of the Company in the period under report was 3,366,658.8 thousand rubles.

The structure of the cost price is presented in the table:

indicator	As of 30.06.2008	As of 30.06.2008
	Thousand rubles	%
1	2	3
Raw and other material	188, 510.3	5.6
Purchased components, semi-manufactured articles		
Works and services of industrial character which were performed by outside organizations	1, 218, 271.2	36.2
Fuel	7, 448.5	0.2

Energy	398, 236.6	11.8
Charges for labour payment	757, 114	22.5
Interest per credits		
Rent payment	34, 550.6	1.0
Deductions for social needs	141, 425	4.2
Depreciation of fixed assets	444, 749.4	13.2
Taxes included in the production cost of the products	14, 335.9	0.4
Other charges:	297, 697.9	8.8
-depreciation under the non-material assets, %	-	-
-remuneration for rationalization proposals	-	-
-obligatory insurance payments	40, 757.9	-
-representative charges	2, 774.7	-
-other charges	118, 481.8	-
		-
Total: charges for manufacture and sale of products (works, services) (production cost)	3, 366, 658.8	100
For reference: proceeds from sale of products (works, services)	3, 702, 096	109.96

Regulations and other statutory acts the accounting reporting and calculations are made under, which are reflected in the present item of the prospectus for securities:

The accounting reporting of the issuer is prepared according to the current laws of the Russian Federation in the field of book keeping:

- Federal Law of the Russian Federation «On book keeping» of 21.11.1996 N 129-FZ;
- Federal Law of the Russian Federation «On joint-stock companies» of 26.12.1995 N 208-FZ
- Civil Code of the Russian Federation, Part I of 30.11.1994 N 51-FZ;
- Civil Code of the Russian Federation, Part II of 26.01.1996 N 14-FZ;
- Regulations on conducting book keeping and accounting reporting in the Russian Federation approved by order of the Ministry of Finance of the Russian Federation of 29.07.1998 No.34-n;
- Plan of bills 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 1/98 «Accounting policy of the organization» (order of the Ministry of Finance of the Russian Federation as of 9 December 1998 N 60n);
- RAS 2/94 «Account of contracts (contracts) on capital construction»; (order of the Ministry of Finance of the Russian Federation of 20 December 1994 No. 167);
- RAS 3/2000 «Account of assets and liabilities, the cost of which is expressed in the foreign currency» (order of the Ministry of Finance of the Russian Federation of 10 January 2000 N 2n);
- 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 «Account of financial and industrial stocks» (order of the Ministry of Finance of the Russian Federation of 9 June 2001 N 44n);
- RAS 6/01 «Account of the fixed assets (order of the Ministry of Finance of the Russian Federation of 30 March 2001 N 26n as amended by Orders of the Ministry of Finance of the Russian Federation of 18.05.2002 N 45n, of 12.12.2005 N 147n, of 18.09.2006 N 116n, of 27.11.2006 N 156n);
- 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 8/98 «Conditional facts of economic activities» (order of the Ministry of Finance of the Russian Federation of 25 November 1998 N 57n);
- RAS 9/99 «Incomes of the organization» (order of the Ministry of Finance of the Russian Federation of 6 May 1999 N 32n as amended by orders of the Ministry of Finance of the Russian Federation of 30.12.1999 N 107n, of 30.03.2001 N 27n, of 18.09.2006 N 116n, of 27.11.2006 N 156n);
- RAS 10/99 «Charges of the organization» (order of the Ministry of Finance of the Russian Federation of 6

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May 1999 N 33n as amended by orders of the Ministry of Finance of the Russian Federation of 30.12.1999 N 107n, of 30.03.2001 N 27n, of 18.09.2006 N 116n, of 27.11.2006 N 156n);

RAS 11/2000 «Information about affiliated persons» (order of the Ministry of Finance of the Russian Federation as of 13 January 2000 N 5n as amended by order of the Ministry of Finance of the Russian Federation of 30.03.2001 N 27n);

RAS 12/2000 «Information on segments» (order of the Ministry of Finance of the Russian Federation of 27 January 2000 N 11n as amended by order of the Ministry of Finance of the Russian Federation of 18.09.2006 N 115n);

RAS 13/2000 «Account of the state assistance» (order of the Ministry of Finance of the Russian Federation of 16 October 2000 N 92n as amended by order of the Ministry of Finance of the Russian Federation of 18.09.2006 N 115n);

RAS 14/2000 «Account of immaterial assets» (order of the Ministry of Finance of the Russian Federation of 16 October 2000 N 91n as amended by Orders of the Ministry of Finance of the Russian Federation of 18.09.2006 N 115n, of 27.11.2006 N 155n);

RAS 15/01 «Account of loans and credits and expenses on their service» (order of the Ministry of Finance of the Russian Federation as of 2 August 2001 N 60n as amended by Orders of the Ministry of Finance of the Russian Federation of 18.09.2006 N 115n, of 27.11.2006 N 155n);

RAS 16/02 «Information on terminated activity» (order of the Ministry of Finance of the Russian Federation of 2 July 2002 N 66n as amended by order of the Ministry of Finance of the Russian Federation of 18.09.2006 N 116n);

RAS 17/2002 «Account of charges on scientific research, developmental and technological works» (order of the Ministry of Finance of the Russian Federation of 19 November 2002 N 115n as amended by order of the Ministry of Finance of the Russian Federation of 18.09.2006 N 116n);

RAS 18/02 «Account of calculations under the profit tax» (order of the Ministry of Finance of the Russian Federation of 19 November 2002 N 114n);

RAS 19/02 «Account of financial investments» (order of the Ministry of Finance of the Russian Federation of 10 December 2002 N 126n as amended by Orders of the Ministry of Finance of the Russian Federation of 18.09.2006 N 116n, of 27.11.2006 N 156n);

RAS 20/03 «Information on participations in joint activity» (order of the Ministry of Finance of the Russian Federation of 24 November 2003 N 105n as amended by order of the Ministry of Finance of the Russian Federation of 18.09.2006 N 116n),

And also according to the Accounting Policy of IDGC of Centre, JSC, approved by the order of the issuer №262 of 26.12.2006.

The information disclosed by the emitter according to the Regulations for the information policy of IDGC of South, JSC:

Data on transmission of electric energy for **the 2nd quarter of 2008:**

Name	Supply to the network	Productive supply	Total losses		Proceeds
	thousand kilowatt/hour		thousand kilowatt/hour	thousand kilowatt/hour	
Astrakhanenergo	793.33	690.62	102.72	12.95	401.87
Volgogradenergo	3, 857.85	3, 712.55	145.3	3.77	1, 316.68
Kalmenergo	98.7	85.35	13.35	13.53	72.06
Rostovenergo	3, 147.45	2, 933.1	214.4	6.81	1, 628.93
TOTAL in IDGC of South	7, 897.33	7, 421.60	475.73	6.02	3, 419.54

Information: supply to the grid is the volume of the electric energy supplied to the electric grid of the Grid Company from other grids or from manufacturers of electric energy; productive supply is the volume of the electric energy consumed by the power receiving devices of the Consumer connected to this grid, and also transmitted to other grid organizations; losses of the electric power is the difference between supply to the grid and productive supply of the electric power.

Following the results of activity of IDGC of South, JSC for the 2nd quarter 2008, at supply to the grid of 7,897.33 million kilowatt/hour, the productive supply was 7,421.60 million kilowatt/hour. Actual losses for the 2nd quarter

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were 6.02 % or 475.73 million kilowatt/hour in recalculation to supply to the grid. Thus, the proceeds from realization of services on transmission for the 2nd quarter of 2008 were 3,419.54 million rubles.
Amount of the transmitted electric energy through the electric grids for the 2nd quarter of 2008:

No.	Indicator	Unit of measurement	Target for the 2 nd quarter of 2008	Actual performance for the 2 nd quarter of 2008	Deviation, %
1	Supply to the grid	Million kilowatt/hour	7, 825.45	7, 897.33	0.92
2	Productive supply, including	Million kilowatt/hour	7, 270.54	7, 421.60	2.1
	HV (high voltage)	Million kilowatt/hour	1, 481.95	1, 507.15	1.7
	MV1 (middle voltage)	Million kilowatt/hour	610.52	589.01	-3.5
	MV2	Million kilowatt/hour	4, 157.0	4, 355.94	4.8
	LV (low voltage)	Million kilowatt/hour	1, 021.09	969.5	-5.05
3	losses	Million kilowatt/hour	554.9	475.73	-14.3
	The same expressed in %	%	7.09	6.02	-15.1

Within the 2nd quarter of 2008, the growth of volumes of transmission of the electric power in the branches forming part of IDGC of South connected with increase in power consumption is observed in Industrial consumers and in growth of installed power per household subscribers. As a whole in the 2nd quarter of 2008, in comparison with planned targets, there was a growth of productive supply by 151.1 million kWh, or 2.1 %. In comparison with the 2nd quarter of 2007, the growth of volumes of transmission through the networks was 70.9 million kWh or 1.0 %.

Data on technological connection of consumers to electric grids:

In its activity on technological connection, the emitter is guided by requirements of the current legislation of the Russian Federation, statutory acts of federal and regional enforcement authorities, orders and instructions of UES FGC of Russia, JSC.

For the 2nd quarter of 2008, **2,315** applications were accepted for technological connection to electric grids of branches of IDGC of South, JSC: Astrakhanenergo, Volgogradenergo, Kalmenergo and Rostovenergo for the total capacity of **305, 403.96** kw. Amount of contracts concluded for technological connection is **2,373 pieces** for the total capacity of **185,762.8** kw.

Amount of connections is 975 of the total capacity of **20, 399.2** kw.

	Applications received, pieces	For the total capacity, kW	Contracts concluded, pieces	For the total capacity, kW	Connections executed, pieces	For the total capacity, kW
Astrakhanenergo	441	27, 514.73	371	25,776.53	264	6,347.50

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Volgogradenergo	921	198, 731.93	829	98,483.48	313	11,242.9
Kalmenergo	34	18, 682	34	18,682	11	51.68
Rostovenergo	891	60, 157.73	747	51,450.73	377	2,732.05
IDGC OF SOUTH, JSC	2, 315	305, 403.96	2,373	185,762.8	975	20,399.2

The amount of the concluded contracts for technological connection in the 2nd quarter of 2008 for realization of services on technological connection for the 2nd quarter of 2008 equaled RUR 605 million 840 thousand 440. The information on the average amount of payment for technological connection is given in the table. The average amount of actual payment for technological connection is calculated without taking into account devolving contracts, advance payments of consumers and temporarily unpaid works for technological connection and contracts which are under consideration. According to accounting data following the results of 2007, actual cost of technological connection to grids of IDGC of South, JSC was:

Categories of consumers	Voltage	«Rostovenergo» branch	«Astrakhanenergo» branch	«Volgogradenergo» branch	«Kalmenergo» branch
	kV	RUR/kW	RUR/kW	RUR/kW	RUR/kW
under 15 kW (physical persons)/ for 1 connection	0.38	550	550	550	550
Under 30 kW	Under 10 kV	11,837.63 -20,192.16	335	8990	149.18
From 30 to 100 kW	Under 10 kV	11,837.63 -20,192.16	57	7276	149.18
From 100 to 750 kW	6-10 kV	9,162.97 -15,629.82	14	4891	149.18
Over 750 kW	6-10 kV	9,162.97 -15,629.82	3	4327	149.18
Normative act		Order of the Regional Tariffs Service as of 26.01.2007 No. 2/7	Order of the Regional Tariffs Service as of 27.06.07 No. 46 as amended as of 19.12.2007	Order of the Administration for Tariffs Regulation as of 2.03.2006 No. 7/1	Order of the Regional Committee of the Regional Tariffs Service as of 08.04.08 No. 16-p/e

Installed capacities and assets description (data on substations and overhead lines) as of **30.06.2008**

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Indicator	Unit of measurement	Total	Astrakhanenergo	Volgogradenergo	Kalmenergo	Rostovenergo
Amount and capacity of substations of 35-220 kV, total	pieces	1,213	134,0	396,0	117,0	566
	MVA	17,936	2,058.4	6,432.9	1,108.5	8,336
including 220 kV substation	MVA	514	0.0	126.0	388.0	0
110 kV substation	pcs	633	89	260.0	46.0	238
	MVA	14,194	1,712.5	5,517.2	511.0	6,453
35 kV substation	pcs	576	45	134.0	69.0	328
	MVA	3,228	345.9	789.7	209.5	1,883.3
Length of OL, total	km	156,835	19,951	45,782.6	18,758.2	72,343
Length of OL 35-220 kV	km	27,523	3,041	8,893.6	4,221.0	11,367
including OL 220 kV	km	538	152	141.0	245.2	0
OL 110 kV	km	15,499	2,280	5,988.6	1,984.3	5,246
OL 35 kV	km	11,486	609	2,764.0	1,991.5	6,121
Length of OL 0.38-10 kV	km	129,312	16,910	36,889.0	14,537.2	60,976
including OL 10 kV	km	72,751	9,712	21,255.8	11,825.1	29,958
OL 6 kV	km	3,879	1,101	926.3	0.0	1,852
OL 0.38 kV	km	52,682	6,097	14,706.9	2,712.1	29,166
Length of CL, total	km	1,630	762	357.7	0.6	509.5
including CL 110-35 kV	km	77	0	0.0	0.0	77.1
CL 10-0.38 kV	km	1,553	762	357.7	0.6	432.4
Amount and capacity of transformer substations 6.10/0.38 kV	pcs	30,812	3,580	10,417.0	3,067.0	13,748
	MVA	4,791	730.35	1,792.9	309.1	1,958.5

Quarterly forecasting of industrial results and comments

Realization of repairs and operational programs of branches of IDGC of South, JSC will be carried out according to the approved plans and action plans for the 3rd quarter.

According to business plan for the third quarter of 2008, the repairs activity includes the following expenses:

Branches of IDGC of South, JSC	TOTAL amount of own property, thousand rubles	Including overhaul repairs, thousand rubles	Including the routine repairs, thousand rubles
Astrakhanenergo	21,706	14,493	7,213
Volgogradenergo	69,094	62,415	6,679
Kalmenergo	13,459	9,473	3,986
Rostovenergo	127,243	108,472	18,771
Total in IDGC of South, JSC	231,502	194,853	36,649

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

The name and location of suppliers of the emitter which provide at least 10 percent of all deliveries of materials and goods (raw material), and their share in the total amount of deliveries for the last completed fiscal year, and also for the last quarter under report: there were no suppliers of the emitter which provided at least 10 percent of all deliveries of materials and goods (raw material) within the 2nd quarter of 2008.

The information on change of the prices for the main materials and goods (raw material) or on absence of such change for the last completed fiscal year, and also for the last accounting quarter:

The emitter does not hold purchases of materials and goods (raw material), there are no data on change of the prices for the main raw material and other materials.

Share of the import in deliveries of the emitter for the last completed fiscal year, and also for the last accounting quarter: none.

Forecasts of the emitter concerning availability of the specified sources in the future and concerning possible alternative sources: necessity of deliveries of import for the future was not considered by the emitter. The issuer did not consider necessity of attraction of alternative sources.

3.2.4. Commodity markets of products (works, services) of the emitter.

The main kind of activity of the emitter is rendering services on transmission of electric energy and rendering services on technological connection of power receiving devices (power installations) of legal entities and physical persons to electric grids. IDGC of South, JSC unites the distribution grid complexes of 6 constituent entities of the Russian Federation: Republic of Kalmykia, Krasnodar Territory, Republic of Adygea, Astrakhan, Volgograd, and Rostov.

IDGC of South, JSC carries out its primary activities in conditions of the natural monopoly regulated by the state regarding establishment of tariffs for rendering of services on transmission and services on technological connection of consumers to electric grids. In view of the growing demand for the electric power in regions of the Company's service zone, the Company pays much attention to development, reconstruction and increase in transmission capacity of grid facilities figuring on the future increase in sales and services amount.

In 2008, the uniform («common stock») method of tariff establishment for services on transmission of the electric power is in effect on the territories of all constituent entities of the Russian Federation. The feature of the «common stock» method is the fact the absolute for all consumers (of power sales companies and guaranteeing suppliers) of one voltage class, transmission of the electric power will be carried out under the uniform tariff irrespective of the fact whether they are connected to the grid of this or that organization.

The model of «common stock» tariff in branches of IDGC of South, JSC approved by regulatory bodies for 2008

No.	DGC	“stock” model	“stock” description
1	«Astrakhanenergo»	« Stock from the top»	The holder of the “stock” is JSC Astrakhanenergo. JSC Astrakhanenergo collects all network NGP (necessary gross profit) from all region EGC (electric grid companies) and pays for transit in TGC (territorial grid companies) networks.
2	«Volgogradenergo»	«Mixed-type stock»	“Two stocks”. There are 2 holders of the “stock” in the region: JSC Volgogradenergosbyt and JSC Volgogradenergo. JSC Volgogradenergo receives network proceeds from consumers under direct contracts under common stock tariffs and settles accounts with JSC Volgogradenergosbyt under individual tariffs. Volgogradenergo settles accounts with TGC, through the networks of which transmission of the electric power to consumers by independent EGC. JSC Volgogradenergosbyt collects other common stock proceeds and settles accounts with other TGC and JSC Volgogradenergo under the individual tariffs.

3	«Kalmenergo»	“Stock from the bottom»	JSC Kalmenergo forms the proceeds under the common stock tariffs for useful supply of consumers of JSC Kalmenergosbyt connected to networks of JSC Kalmenergo and under the individual tariffs for supply from the network of JSC Kalmenergo to the networks of TGC
4	«Rostovenergo»	«Stock from the top»	Two “stocks”. There are 2 large network companies - holders of the common stock in the region: JSC Rostovenergo and JSC Donenergo. JSC Rostovenergo collects the part of the network common stock from all EGC and from JSC Donenergo and gives a part of network proceeds to its subordinate GO under individual tariffs. JSC Donenergo collects the part of the network common stock from Donenergosbyt Ltd., JSC Energosbyt of Rostovenergo under the c common stock tariffs and gives a part of proceeds to JSC Rostovenergo and subordinate TGC under individual tariffs.

Following the reporting data for the 2nd quarter of 2008, IDGC of South, JSC has 31 consumers of services on transmission of the electric power. They include: «Astrakhanenergo» - 4, «Volgogradenergo» -16, «Kalmenergo» - 1, «Rostovenergo» - 10. The primary consumers of services are:

1. Power sales companies - entities of the wholesale and retail markets who carry out their activities on sale of the electric power to the end users connected to the electric grids of the Company's branches and grids of other grid organizations (JSC «Astrakhan Power Sales Company», JSC «Volgogradenergoby», JSC «Kalmenergosbyt», JSC «EnergosbytRostovenergo», JSC «Nizhnovatomenergoby», «Rusenergoby», etc.);
2. A number of independent regional manufacturers of the electric power (block-stations) (JSC «NZSP» (generator), JSC «Wholesale electric company», JSC «Kaustik», JSC «Lukoil-Nizhnevolzhskneft», JSC «Volgogradtransgaz»);
3. Entities of the retail market (JSC «Donenrgo»).

Consumers of the Company’s services on technological connection to the grids of branches are any legal entities and physical persons who are interested in technological connection to the grids of the Company’s branches and who applied for delivery of specifications on technological connection.

Possible factors which can negatively affect the volume and quality of services rendered by the emitter on technological connection of power receiving devices (power installations) are both the general changes in legislative acts and absence of development plans in the regions.

In order to decrease these factors, the emitter takes active part in work upon modification of the existing legislation and organizes work on the territory of the emitter with administrations of the regions of the Russian Federation concerning development of development plans.

3.2.5. Data on the emitter's licenses.

In conformity with Article 18 of Federal Law No.128 «On licensing separate kinds of activities» at reorganization of the entities of natural monopolies carrying out licensed kinds of activity in the form of merging, division or spin-off, the Government of the Russian Federation is entitled to take a decision which provides that:

Assignees of the reorganized legal entities are entitled to carry out the kinds of activity which are subject to licensing according to the present Federal Law, on the basis of the licenses which were earlier issued to reorganized legal entities, but no more than six months from the date of the state registration of newly created legal entities. The governmental order of the Russian Federation No. 151 as of 20.03.2006 «On licensing activity of assignees of joint-stock companies of power and electrification and other entities of natural monopoly in the electric power industry», It was established that the assignees created as a result of reorganization of the Russian Open Joint-Stock Company Of Power And Electrification «UES of Russia», its subsidiaries and dependent joint-stock companies of power and electrification, and also other entities of natural monopoly in electric power industry in the form of merging, division or spin-off, are entitled to carry out the kinds of activity which are subject to licensing according to the Federal Law «On licensing separate kinds of activity», on the basis of the licenses issued earlier to reorganized legal entities in accordance with the procedure and on the terms established by the specified Federal law, but no more than 6 months from the date of the state registration of newly created legal entities. The specified reorganized entities not later than 30 days from the date of decision-making on reorganization are obliged to notify (in writing) on this decision the licensing bodies with indication of assignees of licensed kinds of activity.

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In execution of the specified normative provisions, IDGC of South, JSC sent notices to the licensing authorities on legal continuity of IDGC of South, JSC in relation to the licenses which had been issued earlier to the merged distribution grid companies: JSC «Rostovenergo», JSC «Volgogradenergo», JSC «Astrakhanenergo», and JSC «Kalmenergo»:

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The list of notifications about the licensable type of activity assignee directed to IDGC of South, JSC

No.	Notification		Licensing body	DGC license agreements			Kind of activity
	Date	No.		DGC	No	Period of validity	
1	14.03.2008	MRU-102/52	Interregional territorial administration of Russian Federal Service for Ecological, Technical and Atomic Supervision of South Federal District	Rostovenergo, JSC	51-EV-000535(JKS)	11.11.2003 - 11.11.2008	The exploitation of the explosion-dangerous manufacturing entities
2	14.03.2008	MRU-102/57					
3	14.03.2008	MRU-102/55	Nizhnevolzhsk Interregional Administration for Environmental and Engineering Supervision of Kalmyk Republic	Kalmenergo, JSC	45-EV-008953	21.04.2004 - 01.04.2008	The exploitation of the explosion-dangerous manufacturing entities
4	14.03.2008	MRU-102/54	Nizhnevolzhsk Interregional Administration for Environmental and Engineering Supervision of Russian Federal Service for Ecological, Technical and Atomic Supervision	Volglgradenergo, JSC	00-EV-003077 (KSK)	09.07.2004 - 09.07.2009	The exploitation of the explosion-dangerous manufacturing entities
					00-EK-003076	09.07.2004 - 09.07.2009	The exploitation of chemical manufacturing entities
					34M03/000 5/L	14.04.2003 - 14.04.2008	The implementation of the activity directed to dangerous wastes handling
5	14.03.2008	MRU-102/53	Interregional territorial administration of Russian Federal Service for Ecological, Technical and Atomic Supervision of Astrakhansk region	Astrakhanenergo, JSC	20800	26.05.2005 - 26.05.2010	The implementation of the activity directed to dangerous wastes handling



14.03.2008	MRU-102/58	Subsurface resources management of South Federal District	Rostovenergo, JSC	01444 VE	till 31.12.2009	Activity of underground potable water procurement for domestic drinking supply of water the industrial facility of the well
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7	14.03.2008	MRU-102/61			01758 VE	till 30.09.2012	
					01792 VE	till 31.10.2012	
					01791 VE	till 31.10.2012	
					01504 VE	till 31.12.2010	
					00361 VE	till 31.12.2015	
					01443 VE	till 31.12.2009	
					01445 VE	till 31.12.2009	
					01441 VE	till 31.12.2009	
					01442 VE	till 31.12.2009	
					01759 VE	till 30.09.2012	
					01761 VE	till 30.09.2012	
					01760 VE	till 30.09.2012	
					1504	till 31.12.2010	

	14.03.2008	MRU-102/65	Ministry of the Russian Federation for Civil Defense, Emergency Management and Natural Disasters Response	Volgogradenergo, JSC	2/13953	15.07.2005 - 15.07.2010	Works on arrangement, maintenance and service of the supporting means of buildings and constructions fire safety
8	14.03.2008	MRU-102/63	Don Basin Water Administration	Rostovenergo, JSC	00180	till 01.07.2008	The use of 0,007 sq. km. Of the defined area of water for recreation, support and exploitation of hydraulic engineering structures
9	20.03.2008	70-12/15	Federal Security Service of Russia	Volgogradenergo, JSC	205-LZ	Till 19.08.2008	The implementation of works connected with information classified as state secret
10	10.04.2008	763-27/ 92/2455	Administration of Licensing in the sphere of communication of the Federal Service for Supervision in the Sphere of Mass Media and Social Heritage Protection	Rostovenergo, JSC	27261	23.10.2003 - 23.10.2008	The provision of communication channels for rent
11	10.04.2008	763-27/ 91/2454		Rostovenergo, JSC	52053	20.08.2007 - 20.08.2009	The service of the local telephony with the exception of local telephony service with the use of telephones and the means of mass connection
12	13.02.2008	70-13/44	Federal agency for supervision in the sphere of mass communications and national heritage preservation	Volgogradenergo, JSC	43346	16.08.2006 - 16.08.2011	The service of the local telephony with the exception of local telephony service with the use of telephones and the means of mass connection
13	13.02.2008	70-13/44		Volgogradenergo, JSC	52443	31.08.2007 - 31.08.2012	Communication services on the provision of the channels of connection

IDGC of South, JSC in conformity with article 18 of the Federal law #128 on «Licensing of separate kinds of activity». By the Russian Federation government's decree #151 dated 3/20/2006 on «Licensing activity of assignees of joint-stock companies of power and electrification and other subjects of natural monopoly in power industry» and the carried out procedures, possesses the right of implementation of the following kinds of activity, subjected to licensing on the basis of earlier given licenses by reorganized (in the form of joining) DGC:

	Licensing body	DGC license agreements	License number	Period of validity	Kind of activity
1	Federal Agency for construction and Housing Utilities	Astrakhanenergo, JSC	№GS-3-34-02-27-0-301500331 3-006763-1	08.08.2005 - 08.08.2010	The construction of buildings of the 1st and the 2 nd levels of responsibility in accordance with the state standards
		Astrakhanenergo, JSC	№GS-3-34-02-26-0-301500331 3-007111-1	07.11.2005 - 07.11.2010	The design of buildings of the 1st and the 2 nd levels of responsibility in accordance with the state standards
		Volgogradenergo, JSC	№GS-1-77-01-27-0-343400028 8-023875-2	10.10.2005 - 10.10.2010	The construction of buildings of the 1st and the 2 nd levels of responsibility in accordance with the state standards
2	Federal Security Service of Russia	Rostovenergo, JSC	№1052	17.08.2007 - 17.08.2012	The implementation of works connected with information classified as state secret
		Astrakhanenergo, JSC	№ 191	03.02.2006 - 03.02.2011	The implementation of works connected with information classified as state secret
		Astrakhanenergo, JSC	№ 232	09.02.2007- 09.02.2012	The implementation of works connected with information classified as state secret
		Kalmenergo, JSC	№ 63	13.02.2004 - 13.02.2009	The implementation of works connected with information classified as state secret

Licenses got by IDGC of South in the 2nd quarter of 2008

1	Volgograd region main branch of RF Ministry of Natural Resources and environmental protection management	IDGC of South, JSC	VLG№ 01549 VE	26.05.2008-30.06.2011	User license of mineral recourses
2	Volgograd region main branch of RF Ministry of Natural	IDGC of South, JSC	VLG №01548 VE	26.05.2008-30.12.2008	User license of mineral

	Resources and environmental protection management		VLG №01540 VE	16.05.2008- 31.12.2010	recourses
3	Territorial administration for surface recourses management	IDGC of South, JSC	VLG №01550 VE	26.05.2008- 31.12.2010	User license of mineral recourses
			VLG №01547 VE	26.05.2008- 31.12.2010	

3.2.6. Joint activity of the emitter

During the reorganization of the emitter in the form of affiliation to its Regional grid companies, according to the transfer certificate dated 3/31/2008 the emitter received long-term financial investments in the joint activity from “Kalmenergo”, JSC.

As of 6/30/2008 long-term financial investments into the joint activity accounted for 44 381 thousand rubles, including:

According to contract #28 dated 9/15/1993 with RAO UES of Russia (construction and operation of Elistinskaya combined cycle electric generating plant) - 38 430 thousand rubles;

According to contract #29 dated 9/15/1993 with Irganskaya hydroelectric power station (construction and operation of Kalmykia wind power station WPS) - 5 951 thousand rubles.

The purpose of financial investments:

- the construction of generating capacities - experimental Elistinskaya combined cycle electric generating plant with the voltage of 320 MW and experimental Kalmykia wind power plant of 22 MW;
- The supplying of the Kalmykia Republic with own power facilities;
- Use of non-conventional renewed energy sources;
- Electric power production and profit gain from its realization.

Current financial results:

The construction of Elistinskaya combined cycle electric generating plant and Kalmykia wind power plant have not been completed, in this connection, the profit from the realization of joint activity for the accounting period was not received by the emitter.

3.3. Plans for the future activity of the emitter.

IDGC of South, JSC was registered as the legal person and has been carrying out economic activities since June 28, 2007.

The company was created with the aim of realization of the next stage of RAO UES reorganization process. During the process, the generation of interregional grid companies is carried out. As a result of the reorganization dated 3/31/2008 IDGC of South, JSC includes the following grid companies (by means of joining): Rostovenergo, JSC, Volgogradenergo, JSC, Astrakhanenergo, JSC, and Kalmenergo, JSC.

Plans for the future IDGC of South, JSC activity were defined by goals and issues of the grid complex of the Russian Federation reorganization.

In 2006 there began the generation of the development strategy of the distribution grid complex of the Russian Federation till 2015. Its main goal is attracting large-scale investments to the distribution grid complex, due to the impossibility of feeding the investment needs of regional grid companies in the framework of the current controlling system.

The goals of DGC reform concerning the security of energy supply:

- By 2015 to lower the deterioration of the network to the level of the developed countries: 50 % (at present 70 %);
- By 2015 to create a reserve of electric powers in the volume advancing the economy development for 3-5 years;
- By 2010 to implement the economic responsibility of DGC for the fulfillment of guaranteed reliability and service quality standards

The goals of DGC reform concerning efficiency:

- By 2015 to bring the parameters of DGC operational efficiency to developed countries' DGC level with the help of economic incentives;
- By 2010 to bring DGC to stable profitability at the level of the RF companies with the comparable market risks.

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The goals of DGC reform concerning the long-term investment appeal:

- Till 2015 to involve \$2,8 billions to reach the goals of efficiency and power safety;
- By 2015 to bring the market value of the funds for DGC to the level of DGC funds value of the same economic development level countries
- By 2010 to increase DSC capitalization to the level of DSC countries with the same economic development

To reach these aims by 2007-2009 it is suggested to implement a number of changes in the work of the distribution grid complex. First, it is the modeling of market conditions in the distribution grid sector for objective management of 11 same in amounts operational IDGCs. Second, it is the development and introduction of the management system based on international experience (RAB-management). Third, this is the creation of more effective mechanisms of the state control over such parameters of grid companies' work as reliability and quality of service.

The strategy of development of a distributive network complex of Russia will be connected with the general scheme of electric power industry objects accommodation till 2020 by which it is stipulated to create the network infrastructure providing the full-fledged participation of the power companies in the market of electric power and capacity, and also strengthening of the intersystem connections that guarantee the reliability of energy and power exchange between the regions of the Russian Federation.

For each regional grid company that enters the configuration of IDGC of South, the investment programs on substations' construction work, reconstruction and expansion of existing substations with the replacement of power transformers, construction and reconstruction of high-voltage lines are ratified.

According to approved by the Board of Directors of RAO UES of Russia Investment program of the distribution grid companies of RAO UES of Russia Holding Company for 2006-2010, the volume of investments for the distributive grid companies makes up:

The name of IDGC of South, JSC branch	Investments, thousand rubles					
	2006	2007	2008	2009	2010	2006-2010
"Astrakhanenergo"	128, 078	709, 573	339, 213	613, 700	804, 800	2, 595, 364
"Volgogradenergo"	477, 673	977, 273	928, 454	887, 974	829, 438	4, 100, 812
"Rostovenergo"	750, 641	1, 484, 922	2, 805, 678	2, 766, 188	2, 122, 332	9, 929, 761
"Kalmenergo"	39, 033	65, 716	63, 599	63, 599	63, 599	295, 546

The realization of programs should be carried out according to accepted by RAO UES of Russia technical policy, which, in the field of electric networks, is defined by the main strategic development goals of the unified national energy systems, including:

- the creation of greed and technological infrastructure promoting the effective functioning of the competitive electric power market within the Russian Federation and providing integration into the international markets of the electric power.
- the overcoming of fixed assets depreciation of electric networks and electro network equipment due to increase in works scales on their reconstruction and retooling and modernization (modernization of substations, reconstruction of high-voltage lines, modernization and development of information facilities).
- the Development of the centralized technological management of electric networks.
- the Maintenance of conditions for connection to the electric network the wholesale market participants on conditions of non-discrimination access, without decrease in system reliability.
- the bringing of technological level of UNPG to the world standards, the increase of its reliability and controllability by means of use of new high technology and equipment.
- the increase of the efficiency of functioning due to the approved simplification of the main schemes, decrease in costs, specific charges on operation and losses in UNPG networks.
- the creation of the automated substations.
- the full-scale use of UNPG various types of the equipment for jet capacity regulation (linear and controlled shunt

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 reactors of bus type, static thyristor jacks).

- Launching of pilot projects of flexible systems of an electricity transmission of alternating current (FACTS) determined by the order of, RAO UES of Russia #488 dated September 19, 2003 and board decision of FGC UES dated December, 12th, 2004.

According to the approved Strategy of UNPG development by consolidated complex parameters of the technological level of electric networks we should enumerate the following: reliability, maintainability, quality of networks functioning, quality of functioning and satisfaction of demands for services.

The information on industry organization plans of the basic services of the emitter:

The organization of new industry and development of new kinds of production. The Society does not plan to change the primary activity.

The development of electro network facilities of the Society is carried out according to the approved scheme of perspective development of electric networks and technical conditions' requirements at the organization of technological connection of consumers to the Company electric networks.

Investment projects' information:

During the realization of IDGC of South, JSC investment program of 2008, the plans of capital investments and input of fixed assets for the current year are presented in the table below:

	2008 plan				Rising plan since the beginning of the year							
	Money spent, thousand rubles	Input			Money spent		Input					
		Thousand rubles	MV A	km	Thousand rubles	%	Thousand rubles	%	MV A	%	km	%
"Astrakhanenergo"	339,213	269,537	47.8	80.3	165,193	48.7	101,533	37.7	65.25	136.5	12.87	16.0
"Volgogradenergo"	928,454	749,614	15.4	185.2	300,161	32.3	219,692	29.3	0.98	6.4	98.1	53.0
"Kalmenergo"	63,599	56,243	27.7	299.6	19,419	30.5	23,348	41.5	12.66	45.7	108.8	36.3
"Rostovenergo"	2,805,678	2,804,463	275.7	520.3	1,077,401	38.4	699,598	24.9	16.92	6.1	293.0	56.3
IDGC of South, JSC	4,136,944	3,879,857	367	1,085	1,562,174	37.7	1,044,171	26.9	96	26.1	512.8	47.2

The information about the plans of technological connection of new energy consumers:

For the near future, the goal of technological connection of IDGC of South is meeting the needs of growing economy of the South of Russia in power facilities, the transition to the uniform scheme of formation and payment application for technological connection and the achievement of agreement on joint interests at the establishment of costs of technological connection of consumers.

The realization of Agreement actions concerning the interaction of the Krasnodar region Administration and JSC RAO UES of Russia, the main source of financing of both is supposed to be the payment for technological connection, will allow creating favorable conditions for development of the resorts of the Krasnodar region and district of Sochi in particular.

More than one third of new capacities will be entered into force in this power district that, certainly, will promote the construction of the objects accompanying the Olympic facilities construction before Olympic Games of 2014. During 2008-2009 the basic work aimed at electric capacity deficiency elimination and creation of Olympic facilities will be carried out.

Besides, the priority directions of technological connection activity will be such projects as creation and development of the gambling zone (on the border of the Krasnodar and the Rostov regions), the development of industrial zones (Azov-city and Krasnosulinskaya zone – the Rostov region, Labinskaya, Armavirskaya, Tuapsinskaya, Novorossiskaya zones – the Krasnodar region) and the liquidation of capacity deficiency in the large

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industrial and residential centers, such as Krasnodar, Rostov-on-Don, Astrakhan, Volgograd, Novorossisk, Taganrog, Tuapse and Bolshoi Sochi).

The development of the industrial complex of the grid company of IDGC of South, JSC provides the implementation of Federal Target Programs (FTP), national and pilot projects, regional programs and planes of territories developments, including FTP «Affordable housing».

The program of technological connection of objects that are under construction in the regions includes the construction of housing project «Leventsovsky» in Rostov-on-Don. Besides, according to the federal target program «Affordable housing» in the Rostov region 9 applications for residential quarters of low-rise buildings in Krasnogornyyatsky small town of Pokrovskoye village, Bagayevskaya station, Novomirsky farm, Peshkovo village, Kugey village, military camp of Egorlytskaya station, B. Martynovka village, Yuzhniy small town were issued.

At present moment, documents are under consideration in the Regional Administration. After projects' coordination the necessary capacities will be defined. In general, the significant part of technological connection activity (commissioning and reconstruction of substations, construction and modernization of cable lines and high voltage lines) is carried out taking into account the prospective development of the territories and the city development plan of housing projects. The objects financed from budgets of various levels, will be included into FTPs after the completion of all necessary actions, first of all, after the makeup of land plots possessors' lists and planning for residential development land use.

At present, the overwhelming majority of objects that should be included in FTPs are passing the agreement stages in the regions and in territorial formations.

In the zone of IDGC of South responsibility the following pilot projects of building material enterprises are coming into force:

- Construction of foamed concrete building industry base, that includes foamed concrete factory, silicate products factory, dry building mixes; (City of Ust-Labinsk, the Krasnodar region);
- Construction of the technological line of cement manufacture (Verkhnebakansky Cement Plant, JSC, Novorossiysk district, the Krasnoar Reion);
- Technical retooling of Large-panel construction plant, the City of Rostov-on-Don.

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

The emitter does not participate in industrial, bank and financial groups, concerns and associations.

The emitter is included into the group of companies, with RAO Unified Energy System of Russia at the head.

The place and functions of the emitter in the group of the companies of RAO Unified Energy System of Russia:

The emitter has been an affiliated society of JSC RAO UES of Russia since its foundation in (28.06.2007) and plays a significant role in the formation of power branch of the Russian Federation regarding the distribution grid complex and is also focused on performance of following functions' fulfillment:

- the implementation of the uniform power policy generated by the Government of the Russian Federation and JSC RAO UES of Russia at the regional level;
- the support of functioning reliability of the power network complex of subordinated regions;
- the implementation of the long-term investment programs in power industry;
- the crisis prevention in the economy of the complex;
- the creation of amenities for consumers and shareholders.

The period of emitter's participation in the group of companies of JSC RAO UES of Russia:

The emitter participates in group of the companies of JSC RAO UES of Russia since the date of the state registration of the emitter as the legal person - 28.06.2007.

3.5. Subsidiaries and dependent economic companies of the issuer.

1. The full company name of the dependent company:

in Russian - Открытое акционерное общество "Астраханьэлектросетьремонт",

in English - Joint -Stock Company “Astrakhanelektrosetremont”.

The reduced company name:

in Russian - ОАО “Астраханьэлектросетьремонт”,

in English - JSC “Astrakhanelektrosetremont”.

The location: the Russian Federation, City of Astrakhan, 204 Kramatorskaya street.

The bases of the dependent company recognition in relation to the emitter:

IDGC of South has the right of prevailing participation in the authorized capital

JSC “Astrakhanelektrosetremont” has an opportunity to define the decisions accepted by

JSC “Astrakhanelektrosetremont”.

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The share amount of the emitter’s participation in the authorized capital of an dependent company: 100%

The share amount of ordinary actions of the dependent company belonging the emitter: 100 %

The share amount of participation of the dependent company in the authorized capital of the emitter: 0%

The share amount of ordinary shares of the emitter belonging an dependent company: 0 %

The basic kinds of activity:

Code OKVED, Russian Classification of Economic Activities: 40.10.5 – the activity on working capacity support of electric networks.

Service and repair (scheduled/emergency, capital/operating repairs) of energy transferring devices, including:

- Basic repair of power transformers of I-VII dimensions;
- Basic repair of air-lines of an electricity transmission with voltage of 35-500 kV;
- Reconstruction, modernization and basic repair of distribution substations, equipment, substations with the voltage of 10-500 kV;
- The implementation of high-voltage tests, measurements, adjusting and startup procedures of substations’ electric equipments, of cable lines of transfers;
- The development of design and estimate documentation;
- Construction works of buildings and objects of I level;
- Reconstruction _____, construction, basic repair of aerial and cable lines of power transmission objects with the voltage of 0,4-10 kV.

The importance of JSC “Astrakhanelektrosetremont” for the activity of IDGC of South, JSC:

JSC “Astrakhanelektrosetremont” provides the good maintenance of electric networks’ equipment of the Society.

The participation of JSC “Astrakhanelektrosetremont” in tenders for the repairment of the main equipment considerably reduces the services cost of outside organizations’ services.

Staff’s skill level and the knowledge of equipment’s technical condition of JSC “Astrakhanelektrosetremont” raises the quality of repair and the duration of inter-repair periods.

The total number of members of the Board of directors of an affiliated and dependent society:

Goncharov Pavel Viktorovich

Year of a birth: 1966

Share in joint-stock capital of the emitter: 0,01 %

Percentage of the belonging to him ordinary shares of the emitter: 0,01 %

Matveeva Svetlana Mikhailovna - the Vice-president of Board of directors

Year of a birth: 1971

Share in joint-stock capital of the emitter: no shares

Percentage of the belonging to him/her ordinary shares of the emitter: no shares

Stolyarov Victor Mikhailovich

Year of a birth: 1977

Share in joint-stock capital of the emitter: no shares

Percentage of the belonging to him/her ordinary shares of the emitter: no shares

Sultanov Georgiy Akhmedovich

Year of a birth: 1954

Share in joint-stock capital of the emitter: no shares

Percentage of the belonging to him/her ordinary shares of the emitter: no shares

Storchay Margarita Aleksandrovna

Year of a birth: 1978

Share in joint-stock capital of the emitter: no shares

Percentage of the belonging to him/her ordinary shares of the emitter: no shares

Personal structure of Collegial Executive Body (the board of directors):
is not stipulated by the Charter of JSC “Astrakhanelektrosetremont”

The person who carries out functions of the sole executive body:

Zheleznov Evgeniy Vasilevich - acting director general

Year of a birth: 1946

Share in joint-stock capital of the emitter: no shares

Percentage of the belonging to him/her ordinary shares of the emitter: no shares

2. The full company name: Joint -Stock Company "Volgogradsetremont"

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The short company name: JSC "Volgogradsetremont"

The location: Russia, City of Volgograd, Granovitaya street, 1a

The bases of the dependent company recognition in relation to the emitter:

IDGC of South has the right of prevailing participation in the authorized capital

JSC "Volgogradsetremont" has an opportunity to define the decisions accepted by JSC "Volgogradsetremont".

The share amount of the emitter's participation in the authorized capital of an dependent company: 100%

The share amount of ordinary actions of the dependent company belonging the emitter: 100 %

The share amount of participation of the dependent company in the authorized capital of the emitter: 0%

The share amount of ordinary shares of the emitter belonging to an dependent company: 0 %

The basic kinds of activity:

- the main repair of high voltage lines of 35-220 kV;
 - the main and mid-level repair of equipment of substations of 35-220 kV;
 - the repair of transformers of 6-220 kV;
 - the main repair of circuit-breakers of all types (air, SF-6, oil) of 6-220 kV;
 - the repair of disconnecting devices, short-circuiters, separators of 6-220 kV;
 - the repair of protective devices (aerial fuses and excess-voltage suppressor);
 - the repair of coupling capacitors;
 - the main repair of storage batteries;
 - the repair and replacement of the measuring equipment of transformer substations (current and potential transformers);
 - the main repair of motor-sets;
 - the repair of earthing devices;
 - the repair of aero-preparatory facilities;
 - the preparation and oil refill during the main and middle-level repairs;
-
- the capital and middle-level repairs of open distribution devices;
 - the repair of the bus arrangement and contact connectors;
 - Installation and dismantling of the bus arrangement, the replacement of insulators in open-type-bus-and-switch arrangements;
 - Installation and dismantling of the portals and basic insulation in open-type-bus-and-switch arrangements;
 - the capital repair of the high voltage lines of 0,4-20 kV (0,38-10 kV);
 - the capital repair of transformer partitioning items and distribution devices of 0,4-20 kV (0,38-10 kV);
 - intermediary activity;
 - the organization and holding of defensive actions concerning mobilization preparation, civil defense, extreme situations and data protection of the the state secret information, in accordance with the laws of the Russian Federation;
 - foreign trade activities, in accordance with the laws of the Russian Federation;
 - other kinds of the activity which are not prohibited by the law of the Russian Federation.

The importance of the company for the activity of the issuer:

The implementation of repair and other works.

The personal structure of the Board of directors of an dependent company

Pronin Valentin Vladimirovich

Year of a birth: 1977

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Sultanov Georgiy Akhmedovich

Year of a birth: 1954

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Vlasenko Anatoliy Petrovich

Year of a birth: 1950

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Smirnov Sergey Ivanovich

Year of a birth: 1954

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

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Serebryakov Konstantin Sergeevich

Year of a birth: 1981

The share amount of participation in the authorized capital of the issuer: no shares

The share amount of ordinary shares of the issuer: no shares

The presence of the executive office of an affiliated and dependent company is not stipulated by the Charter of the Company

The person who carries out functions of the individual executor of an affiliated company:

Vlasenko Anatoliy Petrovich - director general

Year of a birth: 1950.

The share amount of participation in the authorized capital of the issuer: no shares

The share amount of ordinary shares of the issuer: no shares

The powers of an individual executor of an affiliated company in favor of the managing organization or the manager were not delivered

3. The full company name: Joint stock company “Subsidiary country farm (SCF) named by Grechko A.A.”

The short company name: JSC, “SCF named by Grechko A.A.”

The location: 346826, the Rostov region Kuibyshevskiy district, Kuibyshevo village, 21 Teatralnaya street

The bases of the dependent company recognition in relation to the issuer:

IDGC of South has the right of prevailing participation in the authorized capital of JSC “SCF named by Grechko A.A.” and has an opportunity to define the decisions accepted by JSC “SCF named by Grechko A.A.”

The share amount of the issuer’s participation in the authorized capital of an dependent company: 100%

The share amount of ordinary actions of the dependent company belonging the issuer: 100 %

The share amount of participation of the dependent company in the authorized capital of the issuer: 0%

The share amount of ordinary shares of the issuer belonging to an dependent company: 0%

Personal structure of the board of directors (supervisory council) of the proprietary organization:

The board of directors of “SCF named by Grechko A.A.” has the following structure:

Abaimova Olga Petrovna - chairman of the Board of directors,

Year of a birth: 1958

The share amount of participation in the authorized capital of the issuer: no shares

The share amount of ordinary shares of the issuer: no shares

Romek Ekaterina Georgievna

Year of a birth: 1975

The share amount of participation in the authorized capital of the issuer: no shares

The share amount of ordinary shares of the issuer: no shares

Martynova Larisa Aleksandrovna

Year of a birth: 1959

The share amount of participation in the authorized capital of the issuer: no shares

The share amount of ordinary shares of the issuer: no shares

Ivanova Elena Yuryevna

Year of a birth: 1981

The share amount of participation in the authorized capital of the issuer: no shares

The share amount of ordinary shares of the issuer: no shares

Kaplunov Nikolay Alekseevich

Year of a birth: 1959

The share amount of participation in the authorized capital of the issuer: no shares

The share amount of ordinary shares of the issuer: no shares

The personal structure of Collegial Executive Body (the board of directors) of the proprietary organization: is not stipulated by the Charter

The basic kinds of activity: manufacture, processing and sale of agricultural production.

The value for activity of the company: subsidiaries and associates of the company are pertinent not to the profile kind of activity.

It does not have the essential value for financial and economic activity of the issuer

The person that fulfills the functions of the individual executor of the proprietary organization:

Kaplunov Nikolay Alekseevich – Acting director general

Year of a birth: 1959

The share amount of participation in the authorized capital of the issuer: no shares

The share amount of ordinary shares of the issuer: no shares

4. The full company name:

Joint Stock Company “Subsidiary country farm (SCF) Sokolovskoye”

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The short company name: JSC «SCF Sokolovskoye»

The location: 346930, the Rostov region, the City of Novoshakhtinsk, Sokolovo Kundryuchenskiy, 50 Kurskaya street.

The bases of the dependent company recognition in relation to the issuer:

IDGC of South has the right of prevailing participation in the authorized capital of JSC “SCF Sokolovskoye” and has an opportunity to define the decisions accepted by JSC “SCF Sokolovskoye”

The share amount of the issuer’s participation in the authorized capital of an dependent company: 100%

The share amount of ordinary actions of the dependent company belonging the issuer: 100 %

The share amount of participation of the dependent company in the authorized capital of the issuer: 0%

The share amount of ordinary shares of the issuer belonging to an dependent company: 0%

The board of directors of the proprietary organization has the following structure:

Abaimova Olga Petrovna - chairman of the Board of directors,

Year of a birth: 1958

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Romek Ekaterina Georgievna

Year of a birth: 1975

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Serebryakov Konstantin Sergeevich

Year of a birth: 1981

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Martynova Lyudmila Mikhailovna

Year of a birth: 1959

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Galkin Yuriy Aleksandrovich

Year of a birth: 1952

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

The personal structure of Collegial Executive Body (the board of directors) of the proprietary organization: is not stipulated by the Charter

The basic kinds of activity: manufacture, processing and sale of agricultural production.

The value for activity of the company: subsidiaries and associates of the company are pertinent not to the profile kind of activity. It does not have the essential value for financial and economic activity of the emitter.

The person that fulfills the functions of the individual executer of the proprietary organization:

Galkin Yuriy Aleksandrovich – Director general

Year of a birth: 1952

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

5. The full company name: Joint stock company «Recreation centre Energetic»

The short company name: JSC «Recreation centre Energetic»,

The location: 352818 the Krasnodar territory, Tuapsinskiy district, Shlepsi village

The bases of the dependent company recognition in relation to the emitter: IDGC of South has the right of prevailing participation in the authorized capital of JSC «Recreation centre Energetic» and has an opportunity to define the decisions accepted by JSC «Recreation centre Energetic»

The share amount of the emitter’s participation in the authorized capital of an dependent company: 100%

The share amount of ordinary actions of the dependent company belonging the emitter: 100 %

The share amount of participation of the dependent company in the authorized capital of the emitter: 0%

The share amount of ordinary shares of the emitter belonging to an dependent company: 0%

The board of directors of the proprietary organization has the following structure:

Aleksandrov Evgeniy Yurevich

Year of a birth: 1956

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Kirpa Vasiliy Petrovich

Year of a birth: 1953

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The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Laparev Vadim Igorevich

Year of a birth: 1980

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Deryagin Kirill Evgenevich

Year of a birth: 1979

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

Ivanova Elena Yurevna

Year of a birth: 1981

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

The personal structure of Collegial Executive Body (the board of directors) of the proprietary organization:

is not stipulated by the Charter

The basic kinds of activity: resort and spa activity.

The value for activity of the company: subsidiaries and associates of the company are pertinent not to the profile kind of activity. It does not have the essential value for financial and economic activity of the emitter.

The person who fulfills the functions of the individual executer of the proprietary organization:

Kirpa Vasily Petrovich – Director general

Year of a birth: 1953

The share amount of participation in the authorized capital of the emitter: no shares

The share amount of ordinary shares of the emitter: no shares

3.6. Composition, structure and cost of the fixed assets of the issuer, information on plans for the fixed assets purchase, replacement, retirement, as well as on all facts of the issuer's means charging.

3.6.1. Fixed assets

The cost and structure of the fixed assets of the emitter as of 30.06.2008 is presented in the table below.

The name of the group of the fixed assets' items	Initial (recovery) cost, thousand rubles	The amount of the imposed amortization, thousand rubles
Land plots and nature management objects	1, 239	-
Structure	17, 276, 920	267, 205
Cars, equipment, travel facilities	5, 080, 292	165, 000
Other fixed assets	213, 094	14, 243
Total:	22, 571, 545	446, 448

Information about the ways of amortization charges according to the groups of fixed assets' items: the amortization of fixed assets' items is made by linear way, concerning the terms of useful use of these objects. A special factor, stated by the conditions of the contract can be attributed to the basic norm of amortization concerning the depreciable assets that present the subject of the agreement of finance lease (leasing agreement).

The results of the latest reassessment of the fixed assets and long-term leased fixed assets: the information about the reassessment of the fixed assets and about the way it was held was not stated, as far as the reassessment of the fixed assets during the emitter's activity since 28.06.2007 to 30.06.2008 was not held.

The information about the purchase plans, replacement, retirement of the fixed assets, which cost does not make 10 and more percent of the cost of the fixed assets of the emitter, and other fixed assets at discretion of the emitter: such plans are not present.

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The information about all the facts of the issuer’s fixed assets charge:

Fixed assets in lease

No	Short characteristics of the property		Date of lessee contract conclusion	Lessee	Term of the contract	
	name	Total area, sq.m.			original	Presence of automatic prolongation
1	One-room flat, address: 85/5 (flat 69), Eremenko St, Rostov-on-Don	21.3 sq.m.	Contract No 9474/25/07 as of 09.01.2007	G.A.Apanasova	FROM 29.12.2006 to 29.12.2046	no
2	nonresidential premise ,address: 49, Bolshaya Sadovaya St, For installation of an ATM	14.0 sq.m.	Contract No 5754/25/01/281/00 as of 17.09.2004	JSC Centre-Invest Commercial Bank	FROM 03.05.2000 to 31.12.2004	yes
3	nonresidential premises for Placement of JSC Energobalance departments	2,183.32 sq.m.	Contract No 50674/25/07 as of 17.05.2007	JSC Energobalance , Energobalance Centre ltd	FROM 01.01.2007 to 30.11.2007	yes
4	nonresidential premises for Placement of interdistrict departments of JSC Energosbyt Rostovenergo	5,775.64 sq.m.	Contract No 9996/25/07 as of 23.04.2007	JSC Energosbyt Rostovenergo	FROM 18.04.2007 to 01.11.2007	yes
5	nonresidential premises ,address: 48, Semashko St, Rostov-on-Don	2,504.6 sq.m.	Contract No 58251/25/07 as of 26.12.2007	Energiya ltd	FROM 01.11.2007 to 30.09.2007	yes
6	Premises (flat 506), address: 49, Bolshaya Sadovaya, Rostov-on-Don, From 01.04.2008	25.3 sq.m.	Contract No 62009/25/08 AS OF 30.04.2008	JSC UES SO	FROM 04.05.2008 to 31.12.2008	no
8	Parking place (JSC Astrakhanenergo 49, Kr.Naberezhnaya St)	10	Contract No 14-16/22 as of 01.01.06	JSC Astrakhan Power Sales Company	from 01.01.06to 30.12.06	yes
9	Parking place(Pravoberezhny electric station area (ESA))	10	Contract No 14-16/22 as of 01.01.06	JSC Astrakhan Power Sales Company	from 01.01.06to 30.12.06	yes

10	Parking place(Kamyzyasky)	10	Contract No 14-16/22 as of 01.01.06	JSC Astrakhan Power Sales Company	from 01.01.06to 30.12.06	yes
11	Parking place (VolodarskyESA)	10	Contract No 14-16/22 as of 01.01.06	JSC Astrakhan Power Sales Company	from 01.01.06to 30.12.06	yes
12	Parking place(KrasnoyarskyESA)	10	Contract No 14-16/22 as of 01.01.06	JSC Astrakhan Power Sales Company	from 01.01.06to 30.12.06	yes
13	Parking place(Privolzhsky ESA)	10	Contract No 14-16/22 as of 01.01.06	JSC Astrakhan Power Sales Company	from 01.01.06 to 30.12.06	yes
14	Nonresidential premise(Akhtubinsky ESA)	11	Contract No 49-12-72 as of 11.07.08	JSC Astrakhan GSM	from 11.07.08to 09.07.09	no
15	Nonresidential premise (JSC Astrakhanenergo 32, Kr.Naberezhnaya St; 19, Sov.Militsii)	1.5	Contract No 49-12-71 as of 30.06.08	JSC Astrakhan GSM	from 30.06.08to 28.06.09	no
16	Nonresidential premise(JSC Astrakhanenergo, 1, Energetikov St)	12.1	Contract No 49-12-69 as of 30.06.08	JSC Astrakhan GSM	from 30.06.08to 28.06.09	no
17	Place for a container installation And place on the lighting mast for antennae installation (Tsarevskaya substation, 2, Borisa Khmel'nitskogo St)	6	Contract No 49-12-70 as of 30.06.08	JSC Astrakhan GSM	from 30.06.08to 28.06.09	no
18	Nonresidential premise(Ikryaninsky ESA)	6	Contract No 49-12-67 as of 30.04.08	JSC MSS-Povolzhje	from 30.04.08to 28.04.09	no
19	Nonresidential premise(Ikryaninsky ESA)	6	Contract No 49-12-66 as of 29.04.08	JSC MSS-Povolzhje	from 29.04.08to 27.04.09	no

20	Parking place(JSC Astrakhanenergo, ,1, Energetikov highway 1)	6.5	Contract No 49-12-41 as of 22.10.07	JSC MSS-Povolzhje	from 01.11.07to 29.10.08	no
21	Place for container installation and place on the lighting mast for antennae installation (Volodarsky ESA)	8.05	Contract No 49-12-68 as of 31.05.08	JSC MSS-Povolzhje	from 31.05.08to 30.05.09	no
22	Nonresidential premise(Chernoyarsky ESA)	7.5	Contract No 49-12-48 as of 01.12.07	JSC MSS-Povolzhje	from 01.12.07to 29.11.08	no
23	Place for container installation and place on the ferroconcrete support for antenna-feeder equipment (Ikryaninsky ESA)	2.3x3.5	Contract No 49-12-60 as of 26.03.08	JSC MSS-Povolzhje	from 15.04.08to 13.04.09	no
24	Nonresidential premise(Enotaevsky ESA)	3.2	Contract No 49-12-57 as of 27.03.08	JSC VympelKom	from 27.03.08to 25.03.09	no
25	Nonresidential premise(Akhtubinsky ESA)	26.1	Contract No 08-12-39 as of 01.10.07	JSC VympelKom	from 01.10.07to 29.09.08	no
26	Place for container installation and place on the ferroconcrete support for antenna-feeder equipment (Ikryaninsky ESA)	7	Contract No 49-12-68 as of 31.05.08	JSC VympelKom	from 31.05.08to 30.05.09	no
27	Place for installation of antenna feeder equipment. (Oktyabrskaya substation, Trusovsky district)	6	Contract No 08-12-37 as of 01.10.07	JSC VympelKom	01.10.07to 29.09.08	no

28	Nonresidential premise(JSC Astrakhanenergo, 1, Energetikov highway)	6	Contract No 49-12-46 as of 01.12.07	JSC VypelKom	from 01.12.07to 29.11.08	No
29	Nonresidential premise(Akhtubinsky ESA)	10.1	Contract No 49-12-58 as of 12.03.08	JSC Astrakhan Mobile	from 29.04.08 to 27.04.09	no
30	Nonresidential premise(JSC Astrakhanenergo ,1, Energetikov highway)	12.5	Contract No 49-12-59 as of 24.03.08	JSC Astrakhan Mobile	from 30.04.08to 29.04.09	no
31	Nonresidential premise(JSC Astrakhanenergo ,1, Energetikov highway)	229	Contract No 49-12-47 as of 01.01.07	Electrosetremont ltd	from 01.12.07to 29.11.08	no
32	Nonresidential premise(JSC Astrakhanenergo ,1, Energetikov highway)	42	Contract No 49-12-45 as of 01.12.07	Electrosetremont ltd	from 01.12.07to 29.11.08	no
33	Cars of the make: UAZ, GAZ – 3 pieces	no	Contract No 49-12-44 as of 30.11.07	Electrosetremont ltd	from 01.12.07to 30.11.08	no
34	Nonresidential premise(JSC Astrakhanenergo ,1, Energetikov highway)	69.8	Contract No 49-12-53 as of 01.11.07	Electrosetremont ltd	from 01.11.07to 30.10.08	no
35	Nonresidential premise(JSC Astrakhanenergo, 32, Kr.Naberezhnaya)	565.4	Contract No 2 as of 29.12.04	JSC UES System Operator Disptach Management Centre (SO – DMC) of Astrakhansky Region of Dispatch Administration (RDA)	from 01.01.05 to 31.12.08	no

36	Property (dispatcher panel, power supply unit.....)	no	Contract No 1 as of 29.12.04	JSC UES SO DMC – Astrakhansky RDA	from 01.01.05 to 31.12.08	no
37	Industrial base, Administrative building , bulding of RBP-2 (districts: Krasnoyarsky, Volodarsky, Kharabalinsky, Ikryaninsky, Privolzhsky, Kamyzyaksky, Enotvevsky, Chernoyarsky, Astrakhansky)	1,204.5	No 49-12-62 as of 01.04.08	JSC Energobalance-Astrakhan (rooms)	from 01.04.08to 29.12.08	No
38	Property (racks, map, power supply source....)	no	Contract No 49-12-49 as of 01.01.08	JSC Energobalance-Astrakhan (Property)	from 01.03.08to 29.12.08	no
39	UAZ cars - 24 pieces	no	Contract No 49-12-63 as of 01.04.08	JSC Energobalance-Astrakhan (transport)	from 01.01.08to 29.12.08	no
40	Car parking place(JSC Astrakhanenergo ,1, Energetikov highway)	290	Contract No 49-12-50 as of 01.01.08	JSC Energobalance-Astrakhan (parking places)	from 01.01.08to 30.12.08	no
41	Nonresidential premise(dining room) JSC Astrakhanenergo ,1, Energetikov highway	189.1	Contract No 49-12-42 as of 29.10.07	Aleksandra Vladimirovna Mikhailova	from 01.11.07to 30.10.08	no
42	Nonresidential premise(JSC Astrakhanenergo, 32, Krasnaya Naberezhnaya)	10	Contract No 49-12-52 as of 01.01.08	Energouchet Astrakhan ltd	from 01.01.08 to 30.12.08	no
43	Nonresidential premise(18, Ilii Franko St, Akhtubinsk)	11.1	Contract No 08-12-36 as of 25.09.07	Zolotoukhinsk local hospital	from 01.10.07to 29.09.08	no

44	Nonresidential premise(Sovetskoi MIlitsii St, 38, Akhtubinsk)	3.4	Contract (without number)as of 01.04.08	Stroielectroremonta-zhnaladka ltd	from 01.04.08to 31.12.08	no
45	Nonresidential premise(Sovetskoi MIlitsii St, 38, Akhtubinsk)	225	Contract No 49-12-61as of 28.03.08	Astrakhan Power Sales Company ltd	from 01.01.08to 30.12.08	no
46	Nonresidential premise(1, Energetikov highway, Astrakhan)	25.7	Contract No 49-12-55 as of 31.01.08	JSC UES SO DMC – Astrakhansky RDA	from 31.01.08to 30.12.2008	no
47	Nonresidential premise(1, Energetikov highway, Astrakhan)	27.8	Contract No 49-12-74 as of 26.06.08	Real Medical Service ltd	from 26.06.08to 24.06.09	no
48	Nonresidential premise(38, Sovetskoi MIlitsii St, Astrakhan)	7.5	Contract No 49-12-73 as of 26.06.08	Real Medical Service ltd "	from 26.06.08to 24.06.09	no
49	Nonresidential premises,address: 15, Lenina St, Volgograd	28.14 sq.m.	Contract No 141/08 as of 12.05.08	JSC Viktor	FROM 01.05.2008 to 01.04.2009	no
50	Nonresidential premises ,address: 15, Lenina St, Volgograd	6.4 sq.m.	Contract No 1285 as of 17.12.08	Aerport Service agency of air communication, ltd	from 25.11.2007 to 31.10.2008	no
51	Nonresidential premises ,address: 15, Lenina St, Volgograd	732.24 sq.m.	Contract No 1364 as of 22.02.2008	JSC UES SO – Volgogradsky RDA	from 24.11.2007 to 31.10.2008	no
52	Workshop building of Kotelnikovsky ESA base (Pravoberezhny Electric Networks production department), address: 32, Remizova St, Kotelnikovo town, Volgograd Region	20.00 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no
53	Garage building of Kotelnikovsky ESA base (Pravoberezhny Electric Networks production department), address: 32, Remizova St, Kotelnikovo town, Volgograd Region	42 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no

54	Production department (Pravoberezhny Electric Networks production department), address: 4, Energeticheskaya St, Oktyabrsky district, Volgograd Region	92.91 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no
55	Dubovsky ESA , garage (Volgograd Electric Networks production department), address: 109, Shishlyannikova St, Dubovka town, Volgograd Region	124.7 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no
56	Kalachevsky ESA , administrative building No 5898 (Volgograd Electric Networks production department), address: 35, Oktyabrskaya St, Kalach-on-Don, Volgograd Region)	73.7 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no
57	Kalachevsky ESA , garage No 5786 (Volgograd Electric Networks production department), address: 35, Oktyabrskaya St, Kalach-on-Don, Volgograd Region)	109.00 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no
58	Kalachevsky ESA , garage No 5829 (Volgograd Electric Networks production department) address: 35, Oktyabrskaya St, Kalach-on-Don, Volgograd Region)	28.3 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no
59	Production base building of Serafimovichesky (Mikhailovsky Electric Networks PD), address: 50, Bolshevistskaya St, Serafimovich town, Volgograd Region	9.00 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no
60	District Power Substation No 1 of Serafimovichesky ESA , 1 st floor (Mikhailovsky Electric Networks PD) address: 50, Bolshevistskaya St, Serafimovich town, Volgograd Region	50.00 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energosbyt	from 01.11.02007 to 01.10.2008	no

61	Production department of district power substation of Kletsky ESA . 2 nd floor (Mikhailovsky Electric Networks PD) , address: 48, Dymchenko St, Kletskaya village, Volgograd Region	53.00 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energobyt	from 01.11.02007 to 01.10.2008	no
62	Garage (Mikhailovsky Electric Networks PD) , address: 48, Dymchenko St, Kletskaya village, Volgograd Region	30.00 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energobyt	from 01.11.02007 to 01.10.2008	no
63	Garage (Mikhailovsky Electric Networks PD), address: 15, Energetikov St, Kumylzhenskaya village, Volgograd Region	26.30 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energobyt	from 01.11.02007 to 01.10.2008	no
64	Administrative department .No 56010019 (Uryupinsk Electric Networks), address: 139, Lenina St, Uryupinsk)	206.50 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energobyt	from 01.11.02007 to 01.10.2008	no
65	Administrative building No 56010190 (Uryupinsk Electric Networks PD), 40-, Pobedy ST, Nekhaevskaya village, Volgograd Region	31.40 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energobyt	from 01.11.02007 to 01.10.2008	no
66	Repair base, No 56010113 (Uryupinsk Electric Networks PD), 30, Volgogradskaya ST, Uryupinsk town, Volgograd Region	59.60 sq.m.	Contract No 1192 as of 19.12.2007	JSC Volgograd Energobyt	from 01.11.02007 to 01.10.2008	no
67	Nonresidential premises,address: 15, Lenina St, Volgograd	33.2 sq.m.	Contract No 160 as of 15.03.2008	Belanova sole trader	from 15.03.2008 to 14.02.2009	no
68	Dispatch technological building of Surovikinsky ESA No 55010930 (Pravoberezhny Electric Networks production department) , address: 20, Zavodskoi lane, Surovikino town, Volgograd Region	31.90 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no

69	Carriage of Volga PK of Kotelnikovskiy ESA No 55011884 (Pravoberezhny Electric Networks production department), address: 151, Kirova ST, Kotelnikovov St, Volgograd Region	15.00 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
70	Two-store building of of Oktyabrskiy ESA base.No 55000951(Pravoberezhny Electric Networks production department), address: 4, Energeticheskaya St, Oktyabrskiy district, Volgograd Region	22.50 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
71	Administrative building of Gorodishenskiy ESA No 55008473 (Volgograd Electric Networks PD), address: 1-a, Dzerzhinskogo st, Gorodishche town, Volgograd Region	39.58 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
72	Administrative building of Krasnoarmeyskiy ESANo 51005424 (Volgograd Electric Networks PD), address: 1, Khabarovskaya St, Volgograd	30.80 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
73	Administrative building of Dubovskiy ESA No 55001703 (Volgograd Electric Networks PD), address: 12, Parkhomenko St, Dubovka town, Volgograd Region	17.70 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
74	Facility 10 Administrative building A No 53013594 (Levoberezhny Electric Networks PD), address: Highway NO 6, Volzhskiy town, Volgograd Region)	60.00 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
75	Facility 10 Administrative building B No 53013594 (Levoberezhny Electric Networks PD), address: Highway NO 6, Volzhskiy town, Volgograd Region)	68.60 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no

76	Office building No 53013732 (Levoberezhny Electric Networks PD), address: 1A, Entuziastov St, Srednyaa Akhtuba district village, SredneAkhtubinsky district, Volgograd Region	27.70 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
77	Administrative bulding of Bykovsky ESA No 53010105 (Levoberezhny Electric Networks PD), address: Bykovo district village, Bykovsky district, Volgograd Region	27.60 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
78	Administrative bulding of Pallasovsky ESA .No 53013634 (Levoberezhny Electric Networks PD), address: 79, Ushakova St, Pallasovka, Pallasovsky district, Volgograd Region	27.90 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
79	Administrative building of Stavropoltavsky ESA No 53014349 (Levoberezhny Electric Networks PD) , address: Staraya Poltavka village, Staropoltavsky district, Volgograd Region	36.50 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
80	Administrative building of Rudnyansky ESA (room) No 52100211 (Kamyshinsky Electric Networks PD), address: 64a, Krasnaya St, Rudnya village, Volgograd Region	13.50 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
81	KUB-M building (trailer) of Rudnyansky ESA No 52100163 (Kamyshinsky Electric Networks PD), address: Rudnya village, Volgograd Region	18.00 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no

82	Administrative building of Elansky ESA (room)No 52100139 (Kamyshinsky Electric Networks PD), address: 63A, Vokzalnaya St, Elan village , Volgograd Region	45.00 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
83	Administrative building of Kotovsky ESA (rom) No 52100107 (Kamyshinsky Electric Networks PD), address: Kotovksy ESA production base, Kotovo town, Kotovsky district, Volgograd Region	33.30 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
84	Administrative building of Olkhovksy ESA (room) No 52100140 (Kamyshinsky Electric Networks PD), address: 2, Energetikov ST, Olkhovka village, Volgograd Region	50.40 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
85	Administrative building of Kamyshinsky networks (room).No 52100029, address: 39, Sovetskaya St, Kamyshin town, Volgograd Region	47.08 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
86	Production base of Kumylzhensky ESA No 54010100 (Mikhailovsky Electric Networks PD), address: Energetikov St, Kumylzhenskaya village, Volgograd Region	35.20 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
87	Three-store brick building of Automated System of Dispatch and Technological Management production base of Mikhailovsky Electric Networks (rooms) No 54010201 (Mikhailovsky Electric Networks PD), address: 205, Lenina St, Mikhailovka town, Volgograd Region)	87.80 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no

88	Production base of Mikhailovsky ESA No 54010012 (Mikhailovsky Electric Networks PD), address: 58, Torgovaya St, Mikhailovka town, Volgograd Region	40.67 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
89	Production base of Serafimovichesky ESA No 54020214 (Mikhailovsky Electric Networks PD), address: 50, Bolshevikskaya St, Serafimovich town, Volgograd Region	36.54 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
90	Workshops of Mikhailovsky Electric Networks production base (stocks No 2 of the workshop group)No 54014303, address: 205B, Lenina St, Mikhailovka town, Volgograd Region	10.80 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
91	Three-store brick production department of the district electric station of Kletsky ESA base No 54010589 (Mikhailovsky Electric Networks PD), address: 48, Dymchenko St, Kletskaya village, Volgograd Region	34.60 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
92	Administrative building of Uryupinsk Electric Networks subsidiary No 56010019, address: 139, Lenina St, Uryupinsk, Volgograd Region	83.67 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
93	Administrative building of Uryupinsky ESA No 56010056, address:30, Volgogradskaya St, Yryupinsk town, Volgograd Region	34.18 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no

94	Administrative building of Novoanninsky ESA , No 56010050 (Yryupinsky Electric Networks PD), address: Patrisa Lumumby St, Novoanninsky town, Volgograd Regino	49.13 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
95	Administrative building of Novonikolaevsky ESA No 56010071 (Yryupinsky Electric Networks PD), address: 40, Sovetskaya St, Novonikolaevsky village, Volgograd Region	26.54 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
96	Administrative building of Nekhaevsky ESA , No 56010190 Yryupinsky Electric Networks PD), address: 40, Pobedy St, Nekhaevskaya village, Volgograd Region	35.96 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
97	Administrative building of Alekseevsky ESA , No 56010065 (Yryupinsky Electric Networks PD), address: Alekseevskaya village, Alekseevsky district, Volgograd Region	78.11 sq.m.	Contract No 108 as of 12.02.2008	Energobalance Centre ltd	from 01.01.2008 to 31.08.2008	no
98	Nonresidential premise(Mikhailovsky Electric Networks PD), address: 205, Lenina St, Mikhailovka town	16.5 sq.m.	Contract No 93 as of 10.10.2007	N.S.Albegova sole trader	from 17.10.2007 to 14.08.2008	no
99	Nonresidential premise(Mikhailovsky Electric Networks PD), address: 205, Lenina St, Mikhailovka town	286 sq.m.	Contract No 3 as of 01.01.2008	I.P.Shilina	from 01.02.2008 to 31.12.2008	no

100	Nonresidential premises (Kamyshinsky Electric Networks PD) Address: 39, Sovetskaya St, Kamyshin)	78 sq.m.	Contract No 1 as of 01.01.02008	Educational and Training Centre of Kamyshinsky Electric Networks independent non-profit organization	from 01.02.2008 to 31.12.2008	no
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101	Nonresidential premise of administrative buildings of Kalmenergo subsidiary, fourth floor	9	Contract No F-04-139 as of 01.07.2007	JSC UES SO CDM- Rostovsky RDA	from 01.07.2007to 31.05.2008	no
102	Nonresidential premises: 1)271, Lenina St, Elista town Including garages at Elista-Vostochnaya substation 2) Iki-Burulsky ESA 3)Yashkulsky ESA ; 4) PriyutnenskyESA ; 5)Gorodovikovsky electric networks (EN); 6)Kaspiisky EN; 7)Chernozemelsky EN; 8) Sarpinsky EN; 9) KetchenerovksyESA ;	1,012.92 ; 88.6; 55.2; 66.5; 79.9; 44.72; 70.15; 81.09 69.0;	Contract No F-04-262 as of 08.12.2007	JSC Kalmenergosbyt»	from 1.12.2007 to 31.10.2008	yes

Sequestrated fixed assets

1	1) Monitor-4 pieces, 2) System unit - 4 pieces, 3) Key board-4 pieces,		Provision on sequestration of the property as of 27.12.2007 under the complex production No 47/07 as of 11.01.2007		Sequestrated from 27.12.2007 till The present time
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- 4)Key mouse-4 pieces,
 5) Prineter-1 pieces

2	<p>1) Tapping from complex transformer substation (CTS) 5/250 at overhead line (OL) -10 kV Brigada-1 with a length of 0.8 km., wooden and ferroconcrete supports- 12 pieces, cable AS-35-2.4 km, CTS 10/0.4-250 kVa; 2) Tapping from CTS 1/250 KVA Zernotok Through overhead line -10 kV Brigada-1 With a length of 0.75 km, wooden and ferroconcrete supports - 4 pieces, 3) Tapping of CTS No 2 /25 Through OL -10 kV Brigada-1 With a length of 3.6 km., wooden and ferroconcrete supports - 4 pieces,</p>		<p>Provision on sequestration of the property as of 06.12.2007 under the complex executive production No 47/07 as of 11.01.2007</p>		<p>Sequestrated from 06.12.2007 till The present time</p>
3	<p>1) 35/10 kV Nasosnaya electric grid company (EGC); 2)OL 35 Tan Gashunskaya - Nasosnaya 3) OL 35/10 kV Chernozemelskaya-Zulturganskaya; 4) EGC 35/10 kV Kirovskaya; 5) EGC 35/10 kV Meliorator</p>		<p>Provision on sequestration of the property as of 21.09.2007 under the executive production No 934/74-3/2007 as of 06.02.2007</p>		<p>Sequestrated from 21.09.2007 till The present time</p>

“Interregional Distribution Grid Company of South”, Joint Stock Company
TIN 6164266561

IV. Data on financial and economic activities of the issuer:

4.1. Results of financial and economic activities of the issuer

4.1.1. Profit and loss

The information about the parameters describing profitability and unprofitability of the issuer for 2 quarter of 2008:

The name of the parameter	For 30.06. 2008
Profit, thousand rubles	4, 313, 866
Gross profit, thousand rubles	559, 404
Net profit (retained income (uncovered loss)), thousand rubles	197, 150
The profitability of the own capital, %.	0.936
The profitability of the assets, %.	0.653
The factor of the net profitability, %	4.57
The profitability of the product (sales), %	10.218
Ratio of capital turnover, times	0.165
The amount of the uncovered loss for the reporting date, rubles	0
The ratio of the uncovered loss for the reporting date and the currency of the balance, %	0

Notice: to calculate the parameters, the principles recommended by the issuers' uncover of the information about issuing securities, approved by the order of Financial Markets Federal Service dated 10/10/2006 # 06-117/pz.-n.

The economic analysis of profitability/ unprofitability of the issuer concerning the dynamics of the resulted parameters:

The profit for 2 quarter of 2008 made 4, 313, 866 thousand rubles, that substantially more than the results of the 1 quarter of 2008 - almost 7 – fold more.

The growth of net profit by results of 2 quarter is 2 times more, in comparison with the 1 quarter of 2008. The profitability of own capital shows the connection of the net profit of the company to own capital and characterizes the efficiency of the own funds invested into in the organization. Growth of amount of this parameter in 2 quarter of 2008 can be explained by the significant growth of the net profit of the company.

The profitability of assets characterizes the effectiveness of funds' application belonging to the enterprise, that is the effectiveness of assets' management of the issuer through the feedback from each ruble, invested in the assets and characterizes the generation of the incomes by the given company. It serves as the main criteria for the assessment of the auctions' level in the stock.

This figure shows the share of the net profit in the total amount of assets according to the balance that is the amount of profit gained by the company from each ruble, invested in the assets.

The figure of the net profitability shows the amount of the net profit, that remains at the disposal of the enterprise from the whole amount of sales proceeds. In the first quarter of 2008 it equals 4,57% that is less than the value of the index counted in 1st quarter of 2008.

The factor of sales' profitability characterizes the effectiveness of industrial and commercial activity, estimates the share of the cost price on sales, shows, the amount of the operational profit the enterprise gains from each ruble of sold production, or a share of the net profit in the volume of the enterprise's sales. The main and most often mentioned index of the profitability. In other words, this figure shows how much profit remains within the enterprise after the production price coverage. For 30.06.2008 it accounts for 10, 218%.

The turnover ratio of the funds reflects the speed of issuer's funds turnover and for 30.06.2008 it accounts for 0,165.

4.1.2. Factors influencing change of the profit from sales by the issuer of goods, works, works, services and

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profit (loss) of the issuer from primary activity

The essential factor which influenced the increase of profit in 2 quarter of 2008 in comparison with 1 quarter of 2008, is the reorganization of the issuer in the form of **joining** of four regional network companies to it. Branches of the issuer are the attached distribution grid companies. They increased the total profit of the issues by means of grid services provision in the financial quarter.

The influence of the inflation, change of rates of foreign currencies, decisions of state bodies, other economic, financial, political and other factors is specified in paragraph 2.5.3 of present quarterly reports.

The opinion of issuer’s governing bodies concerning the mentioned factors and/or the amount of influence on the financial and economic activity of the issuer are identical.

No representative of the board of directors of the issuer has any other opinion concerning the mentioned factors and/or the amount of their influence on the figures of financial and economic activity of the issuer.

4.2. The liquidity of the emitter, sufficiency of the funds and turnover means

The information about the parameters describing the sufficiency of the capital and the turnover means of the issuer as of 6/30/2008:

The name of the index	As of 30.06.2008
Individual turnover means, thousand rubles	-3, 100, 322
The index of the fixed asset	1.16
The factor of the current liquidity	1.42
The factor of the fast liquidity	1.16
The factor of own means’ autonomy	0.698

Notice: to calculate the parameters, the principles recommended by the issuers’ uncover of the information about issuing securities, approved by the order of Financial Markets Federal Service dated 10/10/2006 # 06-117/pz.-n.

The economic analysis of liquidity and solvency of the issuer:

Own turnover means are those turnover assets that remain within the enterprise in case of single full repayment of short-term debts of the organization. As of 6/30/2008, own turnover means of the emitter have negative value that is connected with the substantial growth of non-circulating assets of the organization in connection with reorganization in the form of joining and their financing due to the involved means.

The index of a constant active shows the share of the basic means and non-circulating assets in the sources of own means and characterizes a ratio between non-circulating assets, which should be financed from stable sources, and the amount of these sources. As of 6/30/2008, the index made 1.16 and showed a insignificant gain in comparison with 1 quarter of 2008.

The factor of current liquidity shows a degree, in which turnover assets cover the short-term passives of the enterprise, and allows estimating, how many current assets account for one ruble of the current liabilities. As of 6/30/2008 its value makes up 1.42 and is inside of admissible value of factor.

The factor of fast liquidity is similar to factor of current liquidity. It gives the estimation of assets’ liquidity. But it is estimated on narrower circle of current assets of the issuer, when the least liquid part - industrial stocks- is excluded from calculations. For accounting date the factor made up 1.16.

The factor of financial independence (autonomy) defines a share of assets of the organization, which are covered due to own capital. As for 6/30/2008 it made up 0,698, and is within the interval of normative value.

The analysis of parameters of financial stability and liquidity of the issuer confirms, that for the accounting period the enterprise has improved its financial position, in comparison with result of 1 quarter 2008 that was conditioned by the beginning of the issuer’s activity.

The opinion of issuer’s governing bodies concerning the mentioned factors and/or the amount of influence on the financial and economic activity of the issuer are identical. No representative of the board of directors of the issuer has any other opinion concerning the mentioned factors and/or the amount of their influence on the figures of financial and economic activity of the issuer.

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

4.3.1. The amount and structure of the funds and turnover means of the emitter:

The name of the figure	06/30/2008	thousand rubles

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Authorized capital	4, 981 ,110
Collected shares bought from shareholders	0
Additional funds	14, 857, 284
Reserve funds	118, 565
Undistributed profits	1, 011, 464
Own funds, total	20, 968, 423

The authorized capital in the amount of 4, 981, 110 thousand rubles corresponds to the amount of the authorized capital, reflected in constituent documents of the issuer (changes and additions of the Charter of IDGC of South, JSC are registered in IFTS of the Lenin district of Rostov-on-Don on 22.05.2008).

The address of the Internet site where you can see the full text of the current edition of the issuer’s Charter together with all changes and additions. The access is free.

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

The structure and the amount of the turnover means of the issuer according to the book-keeping report of the issuer:

The structure of the turnover means	06/30/08 (thousand rubles)
Resources, including	1, 015, 086
Raw materials, materials and other similar valuables	673, 768
rears and fatteners	-
costs of inventories	6,891
ready goods and goods for resale	5,807
goods delivered	-
prepaid expenses	328, 620
other resources and costs	-
value-added tax due to acquired valuables	35, 504
Accounts receivable (payments are due in more than 12 months after reporting date), together with	359, 763
Buyers and customers	297, 724
Bills receivable	-
Debts of subsidiaries and affiliates	62, 039
Advances made	-
Other debtors	-
Accounts receivable (payments are due during 12 months after reporting date), together with	4, 219, 634
Buyers and customers	2, 077, 692
Bills receivable	-
Debts of subsidiaries and affiliates	-
Debts of the participants (founders) according to payments in registered capital	-
Advances made	770, 277
Other debtors	1, 371, 665
Short term financial investments, together with	5,147
Loans given for less than 12 months	-
Own shares bought from the shareholders	-
Other short-term financial investments	-
Funds, together with	393, 809
Cash	184
Operating account	392, 489
Foreign currency account	-
Other funds	1,136
Other circulating assets	38
Total:	6, 028, 981

The amount of circulating funds in the 2 quarter of 2008 increased in comparison with the 1 quarter of 2008 by 24,3 %, the largest recourses’ growth was noted (21%), for long-term (140,5%) and short-term (20,2 %) accounts receivable. Besides, both in the 1-st, and in 2-nd quarters the short-term accounts receivable occupied the major position in the structure of circulating assets - 72,3% and 70% accordingly.

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Sources of financing of circulating assets of the issuer (own sources, loans, credits): own means of the issuer involved (bank credits).

Policy of the issuer aimed at financing of circulating assets: preservation of a level of liquidity, the turnover of creditor debts and accounts receivable and the solvency of the issuer’s company at the level providing appropriate fulfillment of obligations before creditors.

Factors which can entail changes in the policy of financing of circulating assets, and the assessment of their occurrence probability: the advancing in comparison with creditor debts’ growth, the rate of growth of the accounts receivable, connected with contract obligations’ violation by counterparts that can lead to the necessity of additional loans for circulating assets’ financing.

4.3.2. Financial investments of the issuer.

Financial investments of the issuer for the date of the accounting quarter end: **558,216,000** rubles.

Including:

equity securities: **508,687,456.42** rubles

other securities: **0**

other financial investments: **44,381,858.59** rubles

(among them there are short-term financial investments – **5,146,684.1** rubles)

The list of financial investments of the issuer which make up not less than 10 percent of all its financial investments for the date of the accounting quarter end:

According to equity securities:

1. The kind of securities: ordinary shares

The full company name of the issuer: Joint-stock company “Astrakhanelectrosetremont”;

The short company name: JSC “Astrakhanelectrosetremont”

The location: the Russian Federation, Astrakhan, 204, Kramatorskaya street.

The location: 414032, Astrakhan, 204, Kramatorskaya street.

State registration number of securities’ release: 1-01-33954-E

Date of the state registration of the release of securities: 14.05.2004.

The body which carried out the state registration of the release of securities of Regional Branch of Federal Commission for the Securities Market (FCSM) in South Federal district.

The quantity of the securities belonging to the issuer: 71,308 pieces;

The general par value of the securities belonging to the issuer: 71,308,000 rubles;

The general balance cost of the securities belonging to the issuer: 60,417,000 rubles.;

The amount of the ordinary shares’ declared dividend, term of payment: dividends in the accounting period were not charged.

The information about the created reserves for the depreciation of securities: was not created.

The information about the amount of the potential losses connected with bankruptcy of the organizations (enterprises) the money was invested into: potential losses are absent.

2. The kind of securities: ordinary shares

The full name: the Joint-stock company «The southern generating company - TGK-8»

The short name: JSC «SGC TGK-8»

The location: Russia, Astrakhan

State registration number of securities’ release and dates of the state registration, that specify the bodies which carried out state registration of securities’ releases:

1 release # 1-01-34308-E was registered by Federal Service for Financial Markets of the Russian Federation, dated 5/19/2005

The quantity of the securities belonging to the issuer: 3,185,792,273 pieces

The general par value of the securities belonging to JSC «Volgogradenergo»: 31,857,922.73 rubles.

The general balance cost of the basket of shares belonging to the issuer: 107,170,052.06 rubles.

The amount of the fixed rate of interest or other bonds’ and equity securities’ income or the order of its determination, term of payment: no

The amount of the dividend on preferred shares or the order of its determination in case, it is specified in the charter of the Joint-stock company - the issuer, term of payment: no preferred shares.

The amount of the declared dividend on ordinary shares (when there is the absence of data about the amount of the declared dividend on ordinary shares in the current year, the amount of the dividend declared in the preceding year is stated), term of payment: 0.000032758 rubles for one ordinary registered share of the company within 60 days from the date of the decision of payment was issued.

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The information about the amount of the potential losses connected with bankruptcy of the organizations (enterprises) the money was invested into: potential losses are absent.

3. The kind of securities: ordinary shares

The full company name of the issuer: Joint stock company “Subsidiary country farm (SCF) named by Grechko A.A.”

The short company name: JSC, “SCF named by Grechko A. A.”

The location: the Rostov Region, village Kuibyshevo

Post Box: 346826, the Rostov Region, village Kuibyshevo, 21 Neatralnaya street

State registration number of securities’ release: N1-01-33837-E dated 15.01.2004

The body which carried out the state registration of the release of securities of Regional Branch of Federal Commission for the Securities Market (FCSM) in South Federal district.

The quantity of the securities belonging to the issuer: 77, 686, 000 pieces;

The general par value of the securities belonging to the issuer: 77, 686, 000 rubles;

The general balance cost of the securities belonging to the issuer: 79, 972, 216.44 rubles.;

The amount of the ordinary shares’ declared dividend, term of payment: dividends in the accounting period were not charged.

The information about the created reserves for the depreciation of securities: was not created.

The information about the amount of the potential losses connected with bankruptcy of the organizations (enterprises) the money was invested into: potential losses are absent.

4. The kind of securities: ordinary shares

The full company name of the issuer: Joint stock company “Subsidiary country farm (SCF) Sokolovskoye”

The short company name: JSC, “SCF Sokolovskoye”

The location: the Rostov Region, village Sokolovo-Kundryuchenskiy

Post Box: 346930, the Rostov Region, town of Novoshakhtinsk, village Sokolovo-Kundryuchenskiy, 50 Kurskaya street

State registration number of securities’ release: N1-01-33839-E dated 15.01.2004

The body which carried out the state registration of the release of securities of Regional Branch of Federal Commission for the Securities Market (FCSM) in South Federal district.

The quantity of the securities belonging to the issuer: 161, 713, 447 pieces;

The general par value of the securities belonging to the issuer: 165, 479, 006 rubles;

The general balance cost of the securities belonging to the issuer: 161, 713, 447 rubles.;

The amount of the ordinary shares’ declared dividend, term of payment: dividends in the accounting period were not charged.

The information about the created reserves for the depreciation of securities: was not created.

The information about the amount of the potential losses connected with bankruptcy of the organizations (enterprises) the money was invested into: potential losses are absent

5. The kind of securities: ordinary shares

The full company name of the issuer: Joint stock company «Recreation centre Energetic»

The short company name: JSC, «Recreation centre Energetic»

The location: the Krasnodar Region, Tuapsinskiy district, Shlepsi village

Post Box: 352818, the Krasnodar Region, Tuapsinskiy district, Shlepsi village

State registration number of securities’ release: N1-01-33856-E dated 15.01.2004

The body which carried out the state registration of the release of securities of Regional Branch of Federal Commission for the Securities Market (FCSM) in South Federal district.

The quantity of the securities belonging to the issuer: 111, 281, 055 pieces;

The general par value of the securities belonging to the issuer: 134, 281, 055 rubles;

The general balance cost of the securities belonging to the issuer: 65, 417, 247.18 rubles.;

The amount of the ordinary shares’ declared dividend, term of payment: dividends in the accounting period were not charged.

The information about the created reserves for the depreciation of securities: was not created.

The information about the amount of the potential losses connected with bankruptcy of the organizations (enterprises) the money was invested into: potential losses are absent

There are no other financial investments of the issuer which make up not less than 10 percent of all its financial investments, for the date of accounting quarter end.

The means of the issuer are not placed on deposit or other accounts in banks and others credit organizations which licenses were suspended or withdrawn.

The registration and account of financial investments of the issuer is made on the basis of normative base:

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- Internal Revenue Code of the Russian Federation. Parts I, II;
- The Federal law dated November 21, 1996 N 129-FZ on "Book keeping";
- The Order of the Ministry of Finance of Russia dated July 29, 1998 N 34n on the “Confirmation of the regulations on book-keeping conditions and the accounting reporting in the Russian Federation”;
- The Order of the Ministry of Finance of Russia dated October, 31st, 2000 N 94n on “The confirmation of the regulations on accounts of book-keeping and financial and economic activity of the organizations and its application Instruction”;
- The Order of the Ministry of Finance of Russia dated December 10, 2002 N 126n on confirmation of the regulations of book keeping on the "Account of financial investments» FDR 19/02 ”;
- The Order of the Ministry of Finance of Russia dated May 6, 1999 N 32n on the confirmation of the regulations on the book-keeping «Incomes of the organization» FDR 9/99;
- The Order of the Ministry of Finance of Russia dated May 6, 1999 N 33n on «The confirmation of the regulations on book keeping "Charges of the organization" FDR 10/99»;
- The Order of the Ministry of Finance of Russia dated August 2, 2001 N 60n on «The confirmation of the regulations on book keeping "the Account of loans and credits and expenses on their service" FDR 15/01»;
- The Order of the Ministry of Finance of Russia dated February 17, 1997 N 15 on the "Accounting operations’ reflection under the contract of leasing”.

4.3.3. Intangible assets of the issuer

IDGC of South, registered as the legal person and carrying out the business activity since June 28, 2007. During its life, the company of intangible assets, including the objects of intellectual property and the right of use of independent objects, did not have other intangible assets.

Standards (rules) of book keeping according to which the issuer represents the information on the intangible assets: FDR 14/2000 «the Account of intangible assets», approved by the order of the Ministry of Finance dated 10/16/2000 91n.

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

The implementation of research and developmental works (R&D) in JSC IDGC of Centre, JSC in 2 quarter of 2008 was neither planned nor made.

The inventions, useful models, industrial samples in the accounting quarter were not created. The patents (certificates) were not given out; applications for inventions were not handed. The state registration of trade marks and service marks was not conducted.

As the Company does not carry out the research activity and patent work, the risks connected with the possibility of expiration of validities of basic patents, licenses for the use of trade marks were not in the issuer’s possession.

4.5. The analysis of tendencies’ development in the sphere of primary activity of the issuer.

The basic tendencies of the development of economy branch where the issuer carries out his/her primary activity:

The sphere of primary activity of IDGC of South, JSC is the power industry, which during the current years has been passing through the point of stage-by-stage reforming. Its’ ultimate goal is the liberalization of the Russian electro power market.

The primary goals of power industry reforming are:

- to solve a problem of non-payments in the sphere of power industry;
- the securing of full organizational and financial transparency of enterprises’ activity in the sphere of power industry
- the creation of the conditions for tariff setting for power and hitting energy providing full indemnity of reasonable expenditures, gradual bringing of the costs and tariffs to the self-financing level, the reduction of cross subsidization;
- the development of the unified federal grid infrastructure;
- the participation in the formation of the technological infrastructure of the power market;
- the implementation of the conditions for non-discriminatory access of independent manufacturers to the electric power market.

In March of 2003 the main power sector reforming laws came into force, particularly:

- «About the electric power industry»;
- «About features of functioning of electric power industry during the transition period and about the modification of some legislative acts of the Russian Federation and the recognition of some legislative acts of

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the Russian Federation invalid due to the implementation of the federal law on “The power industry”;

- “About the changes and additions to the Federal law «About state regulation of electric and heating energy tariffs in the Russian Federation»;

- «About the introduction of changes and additions in the Federal law «About natural Monopolies»;

- «About the introduction of changes and additions in the second part of the civil code of the Russian Federation»;

Holding in the view the subsequent changes in the regulatory framework, the goals and a problems of reforming were specified in the Concepts of JSC RAO UES of Russia Strategy for 2005-2008 "5+5".

At present, basically the market infrastructure of the wholesale electric power trade was created and since November 1, 2003 in connection with the Government decree of the Russian Federation dated October 24, 2003 #643 by which the “Rules of the wholesale market of electric energy (capacity) of a transition period» were ratified, the conditions of wholesale market of electric energy functioning considerably changed. By the decree there was stated the price zone of the wholesale market of electric energy (capacity) (« the European price zone »), where the subjects of electric power industry had the right to buy/sell the power at free prices (preserving the possibility of buying due to controlled prices).

In November, 2003, for the first time in Russia, the uncommercial partnership «the Administrator of trading system» held electric power tenders in the sector of the competitive trade.

Since September 1, 2006 the new rules of work of electric power wholesale and retail markets’ trade entered into force. In the wholesale market of the electric power (capacity) due to the introduction of new rules of work the transition to adjustable contracts between buyers and the generating companies was implemented. The free trade sector (FTS), was liquidated. The spot market “round the clock ahead of time” (RCAT) was launched. By 2011, according to the decision, taken by the government of the Russian Federation on November 30, 2006, the gradual replacement of regulating contracts by free (unregulating) contracts took place. The rules of retail markets’ functioning assume gradual liberalization of the retail markets of the electric power together with the liberalization of the wholesale market, retaining for the transition period the provision of the electric power to the population according to regulating tariffs.

By the decree of the Government of the Russian Federation dated April 7, 2007 #205 «About the changes to some acts of the Government of the Russian Federation concerning the questions defining the sale’s volume of electric energy under the free (uncontrollable) prices» the gradual decrease of electric power supply share since January 1, 2007 is being established. Since January 1, 2011 the electric power will be delivered at full volume at free (unregulating) prices.

By the federal law dated November 4, 2007 #250-FL «About the introduction of changes into separate legislative acts of the Russian Federation in connection with the realization of measures aimed at the unified energy system of Russia reforming» the changes were introduced into the legislation to complete the reforms in electric power industry, to further development of market relations in the branch, optimization of structure and functions of management in the electric power industry after the end of reorganization of JSC RAO «UES of Russia».

The law establishes the date of the transition period end. It is July 1, 2008. It is conditioned by the completion of structural reorganization of JSC RAO «UES of Russia». After the completion of the reorganization of JSC RAO «UES of Russia» the functions that are carried out by the company should be distributed among the bodies of state power, network and commercial organizations.

One of the major roles of branch management will be carried out by uncommercial organization “The Council of the market.” The structure of the Council will be consisted of commercial network organizations of the wholesale market, together with the commercial operator – the wholesale power (capacity) trade market organizer. Among the functions of the Council are: the confirmation of the agreements’ forms, regulations of the wholesale market trade, the order of conflicts regulation, the implementation of the material sanctions for the violations of the rules of the wholesale market, the order of register maintenance of the market entities.

The main events of the sector reformation are:

- the creation of the infrastructural organizations of the wholesale market: the System operator – JSC, “SO CDS UES”, of the UNPG management organization – JSC, “Federal Grid Company UES”, “Trading System Administrator” – uncommercial partnership “TSA”

- the preparation and realization of the process of JSC, Energo reformation – the creation of generating, sales, grid companies (distribution and long-distance) companies;

- the beginning of the free sector of the wholesale power trade functioning «5-15»

The main factors that influence the condition of the sector:

-The terms of preparation and realization of the phase programs of the branch reformation.

- The relationship with federal and regional authorities, including the preparation, admission and implementation

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parts of normative legal base of the sector reforming

- The degree of adequacy of state regulation of the branch (including the parts of the tariff policy implementation);
- the current situation at the global and home market of energy carriers;
- the availability of the financing sources for the improvement and development of the main production facilities of the enterprises of the branch;
- the level of solvency of the major consumers

The above mentioned information is given in accordance with the opinions expressed by the issuer’s governing bodies.

The opinions of the issuer’s governing bodies are coincided.

There is no different opinion of any governing body concerning the above mentioned information.

4.5.1. The analysis of factors and the conditions influencing the activity of the issuer

Factors and the conditions influencing the activity of the issuer and results of such an activity: Within the framework of realization of an adjustable kind of activity the major factor, influencing the issuer’s activity is the state regulation of tariff design.

Among the most significant factors, influencing the issuer’s activity and the results of this activity, the following should be mentioned: the changes in the regulatory framework in the branch and the RF, and also the planes of the economic development of the regions of the Russian Federation, issued by the Government of the Russian Federation and Russia’s Ministry of Economic Development and Trade for the financial and following years, for the next 3,5 and 10 years.

The prediction concerning the duration of the effect of the mentioned factors and conditions: Under the conditions of issuer’s realization of the sole kind of activity (the rendering of electric power transition services), in the near future there will be no changes in the in the activity controlling the tariff’s policy of the transition of the electric power.

Concerning the index of tariffs’ limiting levels for the electric energy transition services, the issuer does not predict acute fluctuations of the given index in the near future.

The actions held by the issuer and planned by it for the effective use of these factors and conditions: the issuer can not influence the work factor, when the given factor influences it.

The ways adopted by the issuer and the ways the issuer is planning to use in future to cut down the negative effect from the factors and conditions influencing the issuer’s activity: The planned transition to the long-term regulation of electric energy transition tariffs with the use of the profitability of the invested funds method

The major events and factors that can negatively influence the possibility of such great results achievement in comparison with the results of the last accounting period:

1. the decrease of the power consumption in the republic of Kalmykia;
2. the deterioration of the power equipment
3. the growth of the inflation level (the actual growth exceeds the predicted one);
4. the change of tariffs for the rendering of electric power transition services;
5. the possibility of load transmission of consumers to the source of power supply through the lines of higher pressure (for example, from SN-1 to VN), that will cause the change of the structure of the productive supply and the decrease of transition profitability.
6. the appearance of rival grid companies, desegregation of the grid facilities (the occurrence of numerous small grid companies instead of several big ones);
7. the appearance of unrecovered expenditures for the translation of the price of the electric power purchase of losses;
8. Risk of cancellation of sublease contracts of the equipment of JSC «Federal Grid Company» («the last mile» agreement);
9. Risk of subjectivity possibility while taking the tariff-amount decisions by the Department of Energy, Federal Tariff Service, Regional Tariffs Service of Russia, particularly taking into consideration the norms of electric power losses

The essential events/factors which can improve the results of the issuer’s activity:

1. the growth of power consumption in the regions belonging to the service zone of the issuer (except for the Republic of Kalmykia);
2. the stage-by-stage transition to tariffs regulations using RAB method;
3. the development of the investment program, allowing to increase operative efficiency.

To preserve the positive tendency of the issuer’s development and strengthening of its competitiveness the issuer

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carries out the following actions:

1. fulfills the constant monitoring of the regional markets of the electric power and capacity, which is aimed at the prediction and the analysis of the factors influencing the activity of the issuer, and also the development of actions aimed at decreasing of their influence on the results of the issuer’s activity
2. cooperates with the Department of Energy, Federal Tariff Service, subjects’ of the Russian Federation authorities, JSC, SO-CDA, JSC RAO UES of Russia, JSC IDGC Holding, territorial grid organization, retail suppliers and electric power providing organizations in the questions of tariff balance regulation and work of the regional power and capacity markets.

4.5.2. Competitors of the issuer.

Among the basic kinds of activity of the issuer is the electric energy supply and technological connection of consumers to the electro grid infrastructure. The issuer is the subject of natural monopoly, that’s why the services provision competition in the regions belonging to the service zone of the issuer is practically absent concerning high voltage power networks and medium-first-voltage systems and is possible only in the networks of medium-second-voltage systems and low-voltage systems of adjoining grid companies.

The competitive ability of the issuer is based on the following factors:

1. the great experience of issuer’s branches work with the companies of the regions
2. long experience of work with sales companies and generating enterprises
3. the presence of the skilled personnel
4. the well-known “brand” both of the issuer and its branches, that guarantee reliable and quality energy supply of the regions for the decades to come

For the market of power supply according to the results of the 2 quarter of 2008

N n/n	The name of the Distributed Control System (DCS)	II quarter of 2008			
		Consumer society DCS		Consumer society TSC	
		Mln KWH	% form the consumer society of the region	Mln KWH	% form the consumer society of the region
1	Astrakhanenergo	690.6	97.40	18.5	2,60
2	Volgogradenergo	3 712.5	81.64	834.9	18,36
3	Kalmenergo	85.3	62.83	50.5	37,17
4	Rostovenergo	2 933.1	79.85	740.2	20,15
IDGC of South, JSC		7 421,6	81.87	1 644.1	18.13

The share of the services market of electro energy transition of the issuer was counted as the dependency of the power energy supply from the grid of the issuer to the sum total of energy supplies form the grids of all grid companies of the region.

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

The governance bodies of the Company shall be:

- General Shareholders Meeting;
- Board of Directors;
- Board;
- Director General.

The body of control over the financial and business activities of the Company shall be the Auditing Committee of the Company

The issues falling within the competence of the general meeting of shareholders shall be the following:

- 1) introduction of alternations and amendments in the Charter and approval of the revised Charter;
- 2) restructuring of the Company;
- 3) liquidation of the Company; appointment of the liquidation commission and the approval of the interim an final liquidation balances;
- 4) determination of the quantity, nominal value, category (type) of the declared shares and the rights provided by the said shares;

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- 5) decrease of the authorized capital by way of the reduction 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 emission securities, converted into shares;
- 9) determination of the quantitative structure of the Board of Directors, the election of its members and the early termination of their powers;
- 10) election of the members of the Auditing Committee of the Company and the early termination of their powers;
- 11) confirmation of the Auditor of the Company;
- 12) making the decision on the transfer of powers of the sole executive body of the Company to the managing organization (managing director) and on the early termination of his/her powers;
- 13) approval of annual reports, annual accounting balances, including the report on profit and losses of the Company, distribution of its profits including payment “announcement” of dividends, except for the profit distributed as a dividend by the results of the first quarter, half a year, nine months of the financial year and the losses of the Company by the results of the financial year;
- 14) payment (announcement) of dividends by the results of the first quarter, half a year, nine months of the financial year;
- 15) determination of the procedure for holding the general meeting of the shareholders of the Company;
- 16) making the decision on the approval of deals in cases envisaged by Article 83 of the Federal Law “On Joint Stock Companies”;
- 17) making the decision on the approval of large deals in cases envisaged by Article 79 of the Federal Law “On Joint Stock Companies”;
- 18) making the decision on the participation in holding companies, financial and industrial groups, associations and other unions of for-profit organizations;
- 19) approval of the internal documents regulating the activity of the bodies of the Company;
- 20) making the decision on paying the members of the Auditing Committee of the Company of remunerations and/or compensations;
- 21) making the decision on paying the members of the Board of Directors of the Company of remunerations and/or compensations;
- 22) solution of other issues envisaged by the Federal Law “On Joint Stock Companies”.

The issues falling within the competence of the Board of Directors (supervisory council) of the issuer in accordance with its Charter (documents of incorporation):

The Board of Directors of the Company shall perform general management of the activity of the Company, except for the decision on the questions referred to the exceptional competence of the general meeting of shareholders by the Federal Law “On Joint Stock Companies” and this Charter.

- 1) setting the priority directions of the activity 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 this Charter;
- 3) Approval of the Company general shareholders meeting agenda;
- 4) Election of the Secretary of the Company general shareholders meeting;
- 5) Definition of the date of drawing up the list of persons entitled to participate in the Company general shareholders meeting, 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 this Charter, as well as on the reduction of the authorized capital of the Company through the reduction of the par value of the shares;
- 7) placement by the Company of bonds and other emission securities except for the cases stipulated by the legislation of the Russian Federation and this Charter;
- 8) approval of the decision on the emission of securities, emission prospect of securities, the report on the results of the emission of securities, approval of the reports on the results of the acquisition of the shares of the Company from its shareholders, reports on the redemption of shares, reports on the results of the demands by the shareholders of the Company on the redemption of the shares owned by them;
- 9) determining the price (monetary value) of the property, the price of the placement and acquisition of emission securities in cases envisaged by the Federal Law “On Joint Stock Companies” as well as while solving issues stipulated in subitems 11, 21, 22, 38 of Item 15.1. of Article 15 of this Charter;
- 10) acquisition of the shares, bonds and other securities placed by the Company in cases envisaged by the Federal Law “On Joint Stock Companies”;

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11) alienation (sale) of the shares of the Company at the disposal of the Company as a result of their acquisition or redemption from the shareholders of the Company, as well as in other cases envisaged by the Federal Law “On Joint Stock Companies”;

12) election of the Director General 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 Board of the Company, election of members of the Company Board, establishment of compensations and remunerations paid to them, preschedule termination of their powers, including early termination of labour contracts with them;

14) recommendations to the general meeting of the shareholders of the Company on the amount of remunerations and compensations paid to the members of the Auditing Committee and determination of the remuneration of the Auditor’s services;

15) recommendations on the amount of the dividend per shares and the procedure for its payment;

16) approval of the internal documents of the Company determining the procedure for the formation and use of the funds of the Company;

17) making the decision on the use of the funds of the Company, approval of the cost estimates for the use of special purpose funds and consideration of the results of the implementation of cost estimates for the use of special purpose funds;

18) approval of the internal documents of the Company except for internal documents, the approval of which is referred to the competence of the general meeting of the shareholders of the Company and other internal documents of the Company, the approval of which is referred to the competence of the executive bodies of the Company;

19) approval of the business plan (revised business plan) including the investment program and report on results of its execution, as well as approval (and the report of its implementation);

20) creation of branches and opening of offices of the Company, their liquidation, as well as amending the Charter of the Company in connection with creation of branches, opening of offices of the Company (including change of the data on names and locations of branches and offices of the Company).

21) decision-making on participation of the Company in other organizations (on incorporation with the operating organization or creation of a new organization , including coordination of the foundation documents), as well as (in view of provisions of suitem 22 of item 15.1. of Article 15 of this Charter) 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;

22) making the decision on one or several associated deals of the Company on the alienation, pledging or other encumbrance of shares and stakes of ADEC which are not engaged in production, transmission, dispatching, distribution and sales of electric and heating power in case if the market value of shares or stakes being the subjects of the deal determined according to the report of the independent appraiser exceeds 30 million rubles and in other cases (amount) determined by the separate decisions of the Board of Directors of the Company;

23) 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;

24) approval of the large deals in cases envisaged by Chapter X of the Federal Law “On Joint Stock Companies”;

25) approval of deals in cases envisaged by Chapter XI of the Federal Law “On Joint Stock Companies”;

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

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

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

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

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

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

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

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33) calling to an account of the Director General of the Company and his/her remuneration in accordance with the labor legislation of the Russian Federation;

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

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

36) 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 "refrained", on the following items of the agenda of general shareholders (participants) meetings of affiliated and dependent economic entities (further on called ADEC) (except for cases when functions of the ADEC general shareholders meetings are carried out by the Board of Directors of the Company), and meetings of the ADEC boards of directors (except for an item on approval of the agenda of the general meetings of shareholders ADEC when functions of the ADEC general shareholders meeting are carried out by the Board of Directors of the Company):

- i) on the determination of the agenda of the general meeting of the shareholders (participants of ADEC);
 - ii) on the reorganization and liquidation of ADEC;
 - iii) on the determination of the quantitative composition of the Board of Directors of ADEC, nomination and election of its members and the early termination of their powers;
 - iv) on the determination of the number, nominal value, category (type) of the announced shares of ADEC and the rights provide by the given shares;
 - v) on the increase of the authorized capital of ADEC through the increase of the nominal value of shares or through the placement of additional shares;
 - vi) on the placement of securities of ADEC converted into ordinary shares;
 - vii) on the fractioning and consolidation of the shares of ADEC;
 - viii) on the approval of large deals, made by the ADEC;
 - ix) on the participation of ADEC 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 ADEC participates, changes in the part of the participation in the authorized capital of the respective organization;
 - x) on the deals made by ADEC (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, transmission, dispatching, distribution of electric and heating power in cases (amount) by the procedure of interrelations of the Company with organizations in which the Company participates, approved by the Board of Directors of the Company;
 - xi) on the introduction of alternations and amendments in the constituent documents of ADEC;
 - xii) on the determination of the procedure of remuneration payments to the members of the Board of Directors and Auditing Committee of ADEC;
 - xiii) on the approval of target meanings of key performance indicators (corrected target meanings of key performance indicators);
 - xiv) on the approval of the report on the implementation of planned meanings of annual and quarter key performance indicators;
 - xv) on the approval of business plan (revised business plan);
 - 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) on the approval (revision) of the investment program;
 - xxi) on the approval (consideration) of the report on the investment program implementation;
 - xxii) on the approval of the Regulations on ensuring ADEC insurance protection;
 - xxiii) on the approval of ADEC insurers (approval of the results of ADEC insurers elections);
 - xxiv) on the approval of insurance broker carrying out the selection of ADEC insurers;
 - xxv) on the approval of ADEC insurance protection program;
 - xxvi) on the consideration of the single executive ADEC body's report on insurance protection assurance.
- 37) determination of the position of the Company (representatives of the Company) on the following items of the agenda of the ADEC 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 “abstain”:
- a) on the determination of the ADEC 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 ADEC, 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,

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transmission, dispatching, distribution of electric and heating power in cases (amount) determined by the procedure of interrelations of the Company with organizations in which the Company participates, approved by the Board of Directors of the Company;

b) on the determination of the ADEC 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 ADEC, participating in the production, transmission, dispatching, distribution of electric and heating power, reorganization and liquidation, increase of the authorized capital of the given entities through the increase of the nominal value of shares or through the placement of additional shares, securities converted into ordinary shares;

38) 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 on the date of decision-making on the accomplishment of the given deal;

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 alienation or an opportunity of alienation of the property forming the fixed assets, immaterial assets, objects of incomplete construction, the purpose of use of which is production, transmission, dispatching, distribution of electric and thermal energy in the cases (amount) determined by separate decisions of the Company Board of Directors;

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

39) nomination by the Company of persons for the elections to the position of the single 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, transmission, dispatching, distribution and sales of electric and heating power, as well as the repairs and maintenance types of activities;

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

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

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

43) tentative approval of the collective agreement, the agreements concluded by the Company within the limits of regulation of social and labor relations;

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

45) 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”, this Charter and separate decisions of the Board of Directors of the Company;

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

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

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

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

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

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

52) Determination of the housing policy of the Company regarding granting to the Company's employees the corporate support in improvement of living conditions in the form of the grant, indemnification of expenses,

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interest-free loans and decision-making on granting by the Company of the specified support in cases when the order of its granting is not determined by the housing policy of the Company;

53) other issues falling within the competence of the Board of Directors in accordance with the Federal Law “On Joint Stock Companies” and this Charter.

The competence of the single and collegial executive bodies of the issuer in accordance with its Charter (documents of incorporation):

The management of the current activity of the Company shall be executed by the sole executive body - Director General and collegial executive body – Company Board.

The competence of the Company Board includes the following issues:

1) Working-out of the Company development strategy and its submission for consideration to the Board of Directors;

2) Preparation of the annual (quarter) business plan, including the investment program and the report on results of their performance, and also approval (revising) of cash (budget) flow of the Company;

3) Preparation of the annual report on financial and economic activity of the Company, about performance by the Board of the decisions of the Company general shareholders meeting and Board of Directors;

4) Consideration of reports of deputies General Director of the Company, heads of the isolated structural divisions of the Company about results of performance of the approved plans, programs, instructions, consideration of reports, documents and other information on activity of the Company and its affiliated and dependent economic entities;

5) Decision-making concerning the items referred to the competence of the supreme bodies of management of the economic entities, 100 (one hundred) percent of the authorized capital of which belongs to the Company (in view of subitems 36, 37 of item 15.1. of Article 15 of this Charter);

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 1 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 subitem 38 of item 15.1 of this Charter);

8) Solution of other issues of the Company 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 Board by the Company General Director.

The competence of the Director General shall include all the issues of the current activity management of the Company, except for the issues referred to the exceptional competence of the general meeting of shareholders, the Board of Directors and the Board.

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

- ensure the fulfillment of the activity plans of the Company necessary for the solution of its tasks;
- organize bookkeeping and accounting in the Company;
- make use of the property of the Company and accomplish deals on behalf of the Company, issue Powers of Attorney, open 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 Provisions on affiliations and offices of the Company;
- in accordance with the organizational structure of the executive body of the Company, approves personnel arrangements and official salaries and wages of the Company’s employees;
- exercise in respect of the Company’s employees the rights and obligations of the employer, envisaged by the labor law;
- exercise functions of Chairperson of the Board;
- distribute obligations among the Deputies of the Director General;
- submit for the consideration of the Board of Directors reports on financial and business activity of affiliated and dependent companies, the shares (parts) of which are possessed by the Company, as well as information on other organizations in which the Company participates, except for the cases stipulated by subitem 6) of item 22.2 of Article 22 of this Charter;
- not later than 45 (forty five) days prior to the holding of the annual general meeting of the shareholders of the Company submit for the consideration of the Board of Directors of the Company Annual report,

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accounting balance sheet, the report on the profits and losses of the Company and distribution of profits and losses of the Company;

- solve other issues of the current activity of the Company, except for the issues referred to the competence of the general meeting of shareholders and the Board of Directors and Board of the Company.

Data on presence of the internal document of the issuer establishing rules of corporate conduct of the issuer: Corporate Governance Code of IDGC of South, JSC, was approved by the Board of Directors of IDGC of South, JSC (Minutes No. 2/2007 as of 03.09.2007).

The Internet website containing the full text of the Corporate Governance Code of IDGC of South, JSC: <http://www.mrskyuga.ru/management/documents/index.shtml>.

The information on the amendments for the last accounting period in the charter of the issuer, and also in the internal documents regulating activities of bodies of the issuer:

In the accounting quarter, the Charter of the Company was amended as follows:

1. Changes and additions in the Charter of IDGC of South, JSC, concerning increase in the amount of the authorized capital (registered by IFTS in Lenin district of Rostov-on-Don city on 22.05.2008).

Changes are made in the Charter of the issuer on the basis of the decision of the extraordinary general shareholders meeting of IDGC of South, JSC (the Board of RAO "UES of Russia") about increase of the authorized capital (Minutes as of 25.12.2007 No.1795pr/6) and Reports on results of additional issues of securities of IDGC of South, JSC registered by FFMS of Russia as of 29.04.2008.

The internal documents regulating activity of the bodies of the Company in the accounting period were amended as follows:

The annual general shareholders meeting of the issuer (Minutes No. 1 as of 4.06.2008 approved: revised Regulations for remuneration and compensation payment to members of the Board of Directors of the Company, revised Regulations for remuneration and compensation payment to members of the Auditing Committee of the Company.

The full text of the Charter of the issuer and the internal documents regulating activity of bodies of the issuer which are in effect now, are placed at: <http://www.mrsk-yuga.ru/management/structure/index.shtml>; <http://www.mrsk-yuga.ru/management/documents/index.shtml>.

5.2. Information on the members of the issuer's management bodies

Board of Directors	
Andrey Natanovich Rappoport – Chairman of the Board of Directors	
Year of birth	1963
Education	Higher
	Donetsk State University,
	Economic Department
	Major area of study – <i>Planning of national economy</i>
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	<p>Period: 2004 -30.06.2008 Organization: JSC RAO UES of Russia Position: member of the Management Board</p> <p>Period: 2003 -30.06.2008 Organization: JSC UES FGC Position: Chairman of the Management Board</p>
	<p>Period: 2003 -30.06.2008 Organization: JSC UES FGC Position: member of the Board of Directors</p> <p>Period: 2004 – 2007 Organization: JSC Yantarenergo Position: Chairman of the Board of Directors</p> <p>Period: 2004 – 30.06.2008 Organization: JSC RAO UES INTER</p>

	<p>Position: Chairman of the Board of Directors</p> <p>Period: 2004 – 30.06.2008 Organization: JSC UES SO CDM Position: member of the Board of Directors</p> <p>Period: 2004 – 2005 Organization: JSC RAO UES INTER Balkany Position: member of the Board of Directors</p> <p>Period: 2004 – 30.06.2008 Organization: JSC GruzRosenergo united power system Position: member of the Supervisory Board</p> <p>Period: 2004 -30.06.2008 Organization: JSC IDGC of Centre and North Caucasus Position: member of the Board of Directors</p> <p>Period: 2005 – 30.06.2008 Organization: JSC Moscow United Grid Company Position: member of the Board of Directors</p> <p>Period: 2005 – 30.06.2008 Organization: JSC Federal Hydrogenerating Company Position: member of the Board of Directors</p> <p>Period: 2005 -2007 Organization: RAO Nordic OY Position: member of the Board of Directors</p> <p>Period: 2005 – 30.06.2008 Organization: JSC Armenia Nuclear Power Station Position: member of the Board of Directors</p> <p>Period: 2005 -30.06.2008 Organization: AES Telasi joint-stock company Position: Chariman of the Supervisory Board</p> <p>Period: 2007 – 28.05.2008 Organization: JSC Kubanenergo Position: Chairman of the Board of Directors</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or	No

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dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Pavel Ivanovich Okley	
Year of birth	1970
Education	Higher 1.Omsk Railway Engineering Institute (1987-1992) Major area of study: Automatics, telemechanics and communication at railway transport 2. Academy of National Economy under RF Government (ANE) Major area of study: Management of the company’s development
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	Period: 2003 -2004 Organization: JSC Omskenergo Joint-Stock Bank Position: head of the electric networks service Board Period: 2004 -2005 Organization: JSC Omskenergo Joint-Stock Bank, Grid Company subsidiary Position: Deputy Chief Engineer Period: 2005 - 2006 Organization: JSC Omskenergo Joint-Stock Bank Position: Director for electric energy transmission Period: 2005 – 30.06.2008 Organization: JSC UES FGC Position: Deputy Head of IDGC Management Centre, Head of IDGC Management Centre Period: 2006 – 2007 Organization: JSC Voronezhenergo Position: member of the Board of Directors Period: 2006 – 2007

	<p>Organization: JSC Omskenergo Position: member of the Board of Directors</p> <p>Period: 2007 – 25.04.2008 Organization: JSC Far East Distribution Grid Company Position: member of the Board of Directors</p> <p>Period: 2007 – current Organization: JSC Tyumenenergo Position: member of the Supervisory Board</p> <p>Period: 2007 - current Organization: JSC IDGC of Urals Position: member of the Board of Directors</p> <p>Period: 2007 – current Organization: IDGC of Centre, JSC Position: member of the Board of Directors</p> <p>Period: 2007 – current Organization: JSC IDGC of Syberia Position: member of the Board of Directors</p> <p>Period: 2007 - current Organization: JSC IDGC of Centre and Volga Region Position: member of the Board of Directors</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable

Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy
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Sergey Vyacheslavovich Vassiliev	
Year of birth	1975
Education	Higher 1. Moscow State University named after Lomonosov Major area of study: law
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	<p>Period: 2003 – 30.06.2008 Organization: JSC RAO UES of Russia Position: head of the Law Department, Corporate Centre</p> <p>Period: 2007 Organization: JSC TGC - 5 Position: member of the Board of Directors</p> <p>Period: 2007-2008 Organization: JSC Kolenergo Position: member of the Board of Directors</p> <p>Period: 2007 – 2008 Organisaton: JSC Buryatenergo Position: member of the Board of Directors</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on	No

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the options of the issuer’s affiliated or dependent company owned by him	
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Igor Yurievich Ryapin	
Year of birth	1979
Education	Higher 1. State University – Higher School of Economy Major area of study: management Qualification: manager
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	<p>Period: 09.2002 – 08.2003 Organization: JSC RAO UES of Russia Position: Chief Specialist of the Department for Corporate Strategy</p> <p>Period: 08.2003 – 02.2004 Organization: JSC RAO UES of Russia Position: Head of the Department for Corporate Strategy</p> <p>Period: 02.2204 – 01.07.2004 Organization: JSC RAO UES of Russia Position: Head of the office of the Energy Reforming Department</p> <p>Period: 07.2004 – 30.06.2008 Organization: JSC RAO UES of Russia Position: Head of the Reform Legal Support Service of the Electric Energy Industry Legal Support Department, Reform Management Centre</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a	No

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result of execution of rights on the issuer's options owned by him	
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer's affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer's affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer's management bodies and/or bodies of control over the issuer's financial and economic activity	The person does not have any relatives among other members of the issuer's management bodies and/or bodies of control over the issuer's financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Aleksandr Iliich Gavrilov	
Year of birth	1973
Education	Higher 1.1990 – 1995 - Kuban State University Major area of study: financial accounting and audit Qualification: economist 2. 2000 – 2006 – Kuban State Technological University Major area of study: Development and use of oil and gas deposits Qualification: engineer 3. 03.07/2004 – Doctor of Philosophy (economy) under the World Economy Department, Kuban State University
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	Period: 2003 - 2004 Organization: Krasnodar Regional Gas Sales Company Position: Deputy General Director for economy and finance Period: 2004 - 2005 Organization: Administration of the Krasnodar Region Position: Deputy Head of the Krasnodar Region Administration fro industry, transport and energy

	<p>Period: 2005 - 2005 Organization: JSC Krasnodargazstroy Position: Deputy General Director for perspective development</p> <p>Period: 2005 - 2006 Organization: JSC Kubanenergo Position: Executive Director</p> <p>Period: 2006 - 2007 Organization: JSC Kubanenergo Position: General Director, Chairman of the Management Board</p> <p>Period: 2006 - 2007 Organization: JSC Plamya Position: member of the Board of Directors, Chairman of the Board of Directors</p> <p>Period: 2006 - 2007 Organization: JSC Kubanenergosedremont Position: member of the Board of Directors, Chairman of the Board of Directors</p> <p>Period: 2007 – 30.03.2008 Organization: JSC Volgogradenergo Position: member of the Board of Directors</p> <p>Period: 2007 – 30.03.2008 Organization: JSC Rostovenergo Position: member of the Board of Directors</p> <p>Period: 2006 - current Organization: JSC Kubanenergo Position: member of the Board of Directors</p> <p>Period: 2007 - current Organization: IDGC of Centre, JSC Position: General Director</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned	No

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by the person	
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Andrey Yurievich Buyanov-Uzdalsky	
Year of birth	1958
Education	Higher 1. Moscow Higher Technical Institute named after Bauman Qualification: mechanical engineer for optic and electric equipment
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	Period: 2000 - 2005 Organization: JSC AIKM – Industrial Programmes Position: General Director Period: 2005 - current Organization: JSC Promregion Holding Position: Head of the Department for Corporate Governance and Work with Regions
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s	No

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affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Aleksey Mikhailovich Abakumov	
Year of birth	1972
Education	Higher 1. Moscow State Institute of Electric Devices. Major area of study: automated management systems
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	Period: 2003 - 2004 Organization: JSC RAO UES of Russia Position: Deputy Head of the Committee for Electric Energy Metering Automated Systems in the Wholesale Electricity Market within the infrastructure group Period: 2002 - 2005 Organization: JSC Power Communication Systems Position: Head of the Supervisory Board Period: 2005 - 2008 Organization: JSC Energoauditcontrol Engineering Centre Position: Financial Director Period: 2008 - current Organization: T-Invest Group Ltd Position: First Deputy General Director
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No

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Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Fyodor Aleksandrovich Diyakov	
Year of birth	1958
Education	Higher 1.Kiev Institute of Civil Aviation Engineers Major area of study: radio engineer
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	Period: 2002 - 2002 Organization: RAO UES of Russia Position: First Deputy General Director – Chief Engineer Period: 2003 - current Organization: Intersystem Electric Networks of South, a JSC UES FGC subsidiary Position: Acting General Director, First Deputy General Director – Chief Engineer, General Director Period: 2007 – 05.2008 Organization: JSC Kubanenergo

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	Position: member of the Board of Directors
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Vyacheslav Mikhailovich Kravchenko	
Year of birth	1967
Education	Higher 1.Moscow State University named after Lomonosov Major area of study: law
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	Period: 2001 - 2004 Organization: Ministry of Economic Development and Trade of the Russian Federation Position: Head of the Department of Natural Monopolies Restructuring Period: 2004 - 2006 Organization: Ministry of Industry and Energy of the

	<p>RF Position: Deputy Director of the Department of Structure and Investment Policy in the Industry and Energy, Director of the Department of Structural and Tariff Policy in Tariff Monopolies</p> <p>Period: 2006 – 2007 Organization: Ministry of Industry and Energy of the Russian Federation Position: Director of the Department of Structural and Tariff Policy in Natural Monopolies</p> <p>Period: 2007 – current Organization: Ministry of Industry and Energy of the Russian Federation Position: Director of the Department of Electric Energy</p> <p>Period: 2006 - current Organization: JSC IDGC of North-West Position: Member of the Board of Directors</p> <p>Period: 2006 - current Organization: IDGC of Centre, JSC Position: member of the Board of Directors</p> <p>Period: 2006 - current Organization: JSC IDGC of Urals Position: member of the Board of Directors</p> <p>Period: 2006 - current Organization: JSC IDGC of Syberia Position: member of the Board of Directors</p> <p>Period: 2007 - current Organization: JSC IDGC of Centre and Volga Region Position: member of the Board of Directors</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No

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Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Aleksandr Evgenievich Nikulov	
Year of birth	1967
Education	Higher 1.Serpukhov Higher War Command and Engineer College, 1984-1989 2. Central Institute of Advanced Education of Top Managers and Specialists of National Economy in the Sphere of Patent Work, 1989 - 1992
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	<p>Period: 2002 - 2003 Organization: Dink-Invest ltd Position: General Director</p> <p>Period: 2003 - 2004 Organization: Syberia Capital ltd Position: General Director</p> <p>Period: 2004 - 2005 Organization: JSC Lukoil Position: Deputy Head of the Administration of Investment Analysis and Relations with Investors of the Head Administration of Strategic Planning and Investment Analysis</p> <p>Period: 2005 - 2007 Organization: IDGC of Centre and North Caucasus Position: member of the Board of Directors</p> <p>Period: 2006 – 30.03.2008 Organization: JSC Volgogradenergo Position: member of the Board of Directors</p> <p>Period: 2005 - current Organization: JSC Promregion Holding Position: General Director, member of the Board of Directors</p> <p>Period: 2005 - current Organization: JSC UGC TGC - 8 Position: member of the Board of Directors</p> <p>Period: 2007 - current</p>

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	Organization: JSC UGC TGC Position: member of the Board of Directors
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Vladimir Vassilievich Ilienکو	
Year of birth	1950
Education	Higher 1.Krasnodar Polytechnical Institute Qualification: thermal power engineer
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	Period: 2002 - current Organization: Operative Dispatch Administration of South, a subsidiary of JSC UES System Operator Position: General Director

Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Issuer’s Management Board:

Aleksandr Ilich Gavrilov	
Year of birth	1973
Education	Higher 1.1990 – 1995 - Kuban State University Major area of study: financial accounting and audit Qualification: economist 2. 2000 – 2006 – Kuban State Technological University Major area of study: Development and use of oil and gas deposits Qualification: engineer 3. 03.07/2004 – Doctor of Philosophy (economy) under the World Economy Department, Kuban State University

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<p>Positions held in the issuing company and other organizations within the last five years and now in the chronological order</p>	<p>Period: 2003 - 2004 Organization: Krasnodar Regional Gas Sales Company Position: Deputy General Director for economy and finance</p> <p>Period: 2004 - 2005 Organization: Administration of the Krasnodar Region Position: Deputy Head of the Krasnodar Region Administration fro industry, transport and energy</p> <p>Period: 2005 - 2005 Organization: JSC Krasnodargazstroy Position: Deputy General Director for perspective development</p> <p>Period: 2005 - 2006 Organization: JSC Kubanenergo Position: Executive Director</p> <p>Period: 2006 - 2007 Organization: JSC Kubanenergo Position: General Director, Chairman of the Management Board</p> <p>Period: 2006 - 2007 Organization: JSC Plamya Position: member of the Board of Directors, Chairman of the Board of Directors</p> <p>Period: 2006 - 2007 Organization: JSC Kubanenergosedremont Position: member of the Board of Directors, Chairman of the Board of Directors</p> <p>Period: 2007 – 30.03.2008 Organization: JSC Volgogradenergo Position: member of the Board of Directors</p> <p>Period: 2007 – 30.03.2008 Organization: JSC Rostovenergo Position: member of the Board of Directors</p> <p>Period: 2006 - current Organization: JSC Kubanenergo Position: member of the Board of Directors</p> <p>Period: 2007 - current Organization: IDGC of Centre, JSC Position: General Director</p>
<p>Market share of the person in the authorised capital of the issuer, that is a commercial organization</p>	<p>No</p>
<p>Amount of the issuer’s ordinary shares owned by the person</p>	<p>No</p>
<p>Number of the issuer’s shares of each category (type) that may be acquired by the person as a</p>	<p>No</p>

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result of execution of rights on the issuer’s options owned by him	
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable

Mikhail Ivanovich Belonogov	
Year of birth	1960
Education	Higher 1.Krasnodar Polytechnical Institute of the Red Banner of Labour 2.All-Russian Correspondence Financial and Economic Institute
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2001 – 07.2007 Deputy Head of the Department, Head of the Department of Energosbyt territorial company, Director of South-West Electric Networks subsidiary, Acting Deputy General Director in charge of power sales activity – Director of Energosbyt territorial company subsidiary, First Deputy General Director of JSC Kubanenergo 07.2007 – current: First Deputy General Director of IDGC of South, JSC Director of Sochi Electric Networks, a JSC Kubanenergo subsidiary Member of JSC Kubanenergo Board of Directors Chairman of JSC Krasnodarenergosetremont Board of Directors
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No

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Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Vitaly Vassilievich Brizhan	
Year of birth	1974
Education	Higher 1.Kuban State University Major area of study: law
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2001 – 04.2006 Head of the Law Department, Deputy General Director for customer service, Head of the Gas Accounting Administration, Krasnodar Regional Gas Sales Company ltd 04.2006 – 07.2006 Deputy General Director for gas sales and customer service, JSC Krasnodargaz 07.2006 – 07.2007 Deputy General Director for law support and corporate relations, JSC Kubanenergo 07.2007 – current:

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	Deputy General Director for corporate governance, IDGC of South, JSC 05.2008 – current Member of JSC Kubanenergo Board of Directors
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Igor Anatolievich Lunev	
Year of birth	1969
Education	Higher 1. Kuban State University 2. The Open University, Britain
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2002 – 02.2005 Deputy Head of the Financial Department, Head of the Treasury, Head of the Power System Management and Development Department, Deputy Director for economy of Energosbyt territorial company, a JSC

	<p>Kubanenergo subsidiary</p> <p>02.2005 – 04.2005 Deputy General Director for economy and finance, JSC Independent Power Sales Company</p> <p>04.2005 – 10.2005 Deputy General Director for economy and finance, Gelios ltd</p> <p>10.2005 – 12.2005 Chief Financial Officer, Kubaninvest ltd</p> <p>12.2005 – 07.2006 Deputy Director of Energosbyt territorial company, a JSC Kubanenergo subsidiary</p> <p>07.2006 – 07.2007 Deputy General Director for economy and finance, JSC Kubanenergo</p> <p>07.2007 – current Deputy General Director for economy and finance, IDGC of South, JSC</p> <p>05.2008 – current Member of JSC Kubanenergo Board of Directors</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable

Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy
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Vyacheslav Yurievich Kostetsky	
Year of birth	1974
Education	Higher 1. Institute of Economy, Law and Natural Science Professions
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2001 – 04.2004: Legal advisor of the first category, leading advisor, Krasnodar Regional Gas Sales Company Ltd 05.2004 – 07.2004: Workflow management specialist, Krasnodar Territory administration 08.2004 – 10.2004: Assistant of the deputy head, Krasnodar Territory administration 10.2005 – 12.2005 Deputy Head of the Law Administration, Property Management and Legal Support Department, JSC Krasnodargazstroy 12.2005 – 07.2006 Director for perspective development, JSC Kubanenergo 07.2006 – 07.2007: Deputy General Director for development and services sales, IDGC of South, JSC 05.2008 – current Member of JSC Kubanenergo Board of Directors
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the	No

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issuer that are joint-stock companies) owned by the person	
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Vladimir Nikolaevich Kopanev	
Year of birth	1954
Education	Higher 1.Kuban State University
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2002 – 2005 Assistant to Deputy Head of Krasnodar Territory administration, advisor of Krasnodar Territory of the third category, Krasnodar Territory administration 10.2005 – 12.2005: Director of corporate sales management, Head Administration of Krasnodar Territory RSI-South ltd (Russian State Insurance of South, ltd) 12.2005 – 07.2007: Advisor of General Director, Deputy General Director for human resource management and work with authorities and mass media, JSC Kubanenergo 07.2007 – current: Deputy General Director for safety and control, IDGC of South, JSC
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s	No

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options owned by him	
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Georgy Akhmedovich Sultanov	
Year of birth	1954
Education	Higher 1.Krasnodar Polytechnical Institute
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2000-2005: General Director of JSC Krasnodarelectro Urban Electric Networks Company 2005-2006: Director of Krasnodar Urban Electric Networks, a subsidiary of JSC Independent Power Sales Company of Krasnodar Territory 12.2006- 07.2007: Technical Director, JSC Kubanenergo 07.2007 – current: Deputy General Director for technical issues, IDGC of South, JSC Member of JSC Volgogradsetremont Board of Directors 05.2008 – current:

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	Member of JSC Kubanenergo Board of Directors
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Grigory Grigorievich Savin	
Year of birth	1952
Education	Higher 1.all-russian correspondence financial and economic institute of Moscow
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2001 – 11.2003 State of advisory of Krasnodar Territory of the third class, head of the department of costs planning in the industries of the Krasnodar Territory of the Department of Economy and Profit Planning, Head of the Department of Regional Economy and Monitoring of Companies of the Department of Economic Development, Investments and External Connections, Krasnodar Region administration

	<p>11.2003 – 07.2006: Head of the Department of Economic Analysis, Financial Accounting and Informational Support, Head of Administration of Economy and Fuel and Energy Complex Industries Development, Head of the Department of Economic Analysis and Financial Accounting of the Department for Fuel and Energy Complex Issues of the Krasnodar Territory, Krasnodar Territory administration.</p> <p>07.2006 – 07.2007 Chief Accountant, JSC Kubanenergo</p> <p>07.2007 – current: Chief Accountant, IDGC of South, JSC Member of the Board of Directors of JSC Plamya, JSC Energetic production department</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

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Dmitry Vladimirovich Pestov	
Year of birth	1967
Education	Higher 1.Kuban State Technological University
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2001 – 09.2007: Assistant of Director, Deputy Director for economy, First Deputy Director for electric energy sales of Energosbyt territorial company, Managing Director for Adygeya Republic – Director of Adygeya Electric Networks subsidiary, Director of Timashevsky Electric Networks, a JSC Kubanenergo subsidiary 09.2007 – current: Deputy General Director of IDGC of South, JSC – Managing Director of JSC Kubanenergo 05.2008 – current: Member of JSC Kubanenergo Board of Directors
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy	Did not occupy

procedures stipulated in the legislation of the Russian Federation was started	
Sergey Vladimirovich Skorikov	
Year of birth	1967
Education	Higher I.Novocherkassk State Technical University
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	09.2002 – 05.2003: Chief Engineer of Rostov Transmission Electric Networks Copmpany, a JSC UES FGC Transmission Electric Networks of South subsidiary 05.2003 – 07.2007: Deputy General Director for economic issues, JSC Donelectrosetstroi, Rostov-on-Don 07.2007 – 08.2007: General Director of JSC Southern Power Building Company, Rostov-on-Don 07.08.2007 – 30.03.2008: Deputy General Director, IDGC of South, JSC – Managing Director of JSC Rostovenergo 31.03.2008 – current: Deputy General Director – Director of Rostovenergo, an IDGC of South, JSC subsidiary
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and	Was not made answerable

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collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Mikhail Nikolaevich Stolyarov	
Year of birth	1953
Education	Higher 1.Novochoerkassk Polytechnical Institute 2.Saratov State University named after Chernyshevsky
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	05.1999 – 04.2007 General Director of JSC Astrakhanenergo 04.2007 – 07.2007 Deputy General Director, JSC IDGC of Centre and Northern Caucasus – Operating Director, JSC Astrakhanenergo 07.2007 – 30.03.2008: Deputy General Director, IDGC of South, JSC – Operating Director, JSC Astrakhanenergo 31.03.2008 – current: Deputy General Director – Director of Astrakhanenergo, an IDGC of South, JSC subsidiary
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other	The person does not have any relatives among other

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members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Evgeny Alekseevich Bibin	
Year of birth	1964
Education	Higher 1.Rudny Industrial Institute, Rudny town
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2002 – 2004: General Director, JSC Bryanskenergo, Bryansk 2004 – 2005: General Director, JSC Bryanskenergo; General Director, JSC Bryansk Sales Company; General Director, Bryansk Generating Company, Bryansk city 2005 – 2007: General Director, JSC Volgogradenergo, Volgograd 2007 – 2007: Deputy General Director, JSC IDGC of South and Northern Caucasus – Operating Director, JSC Volgogradenergo, Volgograd city 2007 – 30.03.2008: Deputy General Director, IDGC of South, JSC – Operating Director, JSC Volgogradenergo, Volgograd 31.03.2008 – current: Deputy General Director – Director of Volgogradenergo, an IDGC of South, JSC subsidiary.
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised	No

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(reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Valery Andreevich Churyumov	
Year of birth	1956
Education	Higher 1.Shakhty Technological Institute of Public Services, Shakhty town 2.Russian Academy of State Service under President of the Russian Federation, Moscow
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2001-2004: Deputy Financial Director of JSC Mid Volga Interregional Managing Power Company on JSC Kalmenergo, Elista town 2004-2004: Deputy Director of JSC Mid Volga Interregional Managing Power Company for economy and finance of JSC Kalmenergo, Elista town 2004-2004: First Deputy General Director – Deputy General Director for economy and finance of JSC Kalmenergo, Elista town 2004-2006: General Director of JSC Kalmenergo, Elista town 2006-2006: Operating Director, JSC Kalmenergo, Elista town

	<p>2006-2007: Deputy General Director, JSC Southern Grid Company, Elista town</p> <p>02.07.2007 – 30.03.2008 Deputy General Director of IDGC of South, JSC – Operating Director of JSC Kalmenergo</p> <p>31.03.2008 – current Deputy General Director – Director of Kalmenergo, an IDGC of South, JSC subsidiary, Elista town</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Person who perform functions of the issuer’s sole executive body:

General Director of the Issuing Company – Aleksandr Iliich Gavrilov (elected by the resolution of the sole entrepreneur – JSC RAO UES of Russia (order No 192r as of 22 June, 2007)

Aleksandr Iliich Gavrilov	
Year of birth	1973
Education	<p>Higher 1.1990 – 1995 - Kuban State University Major area of study: financial accounting and audit Qualification: economist 2. 2000 – 2006 – Kuban State Technological University Major area of study: Development and use of oil and gas deposits Qualification: engineer 3. 03.07.2004 – Doctor of Philosophy (economy) under the World Economy Department, Kuban State University</p>
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	<p>Period: 2003 - 2004 Organization: Krasnodar Regional Gas Sales Company Position: Deputy General Director for economy and finance</p> <p>Period: 2004 - 2005 Organization: Administration of the Krasnodar Region Position: Deputy Head of the Krasnodar Region Administration fro industry, transport and energy</p> <p>Period: 2005 - 2005 Organization: JSC Krasnodargazstroy Position: Deputy General Director for perspective development</p> <p>Period: 2005 - 2006 Organization: JSC Kubanenergo Position: Executive Director</p> <p>Period: 2006 - 2007 Organization: JSC Kubanenergo Position: General Director, Chairman of the Management Board</p> <p>Period: 2006 - 2007 Organization: JSC Plamya Position: member of the Board of Directors, Chairman of the Board of Directors</p> <p>Period: 2006 - 2007 Organization: JSC Kubanenergosedremont Position: member of the Board of Directors, Chairman of the Board of Directors</p> <p>Period: 2007 – 30.03.2008 Organization: JSC Volgogradenergo Position: member of the Board of Directors</p> <p>Period: 2007 – 30.03.2008 Organization: JSC Rostovenergo Position: member of the Board of Directors</p> <p>Period: 2006 - current</p>

	<p>Organization: JSC Kubanenergo Position: member of the Board of Directors</p> <p>Period: 2007 - current Organization: IDGC of Centre, JSC Position: General Director</p>
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

5.3. Information on the amount of remuneration, privileges and/or compensation of costs on each management body of the issuer.

Remuneration of the members of the Board of Directors

Payment of remuneration and compensation to the members of the Board of Directors is made in conformity with *the Regulation on payment to the members of the Board of Directors of "Interregional Distribution Grid Company of South", Joint Stock Company of remuneration and compensation* in a new edition, approved by the resolution of the Annual General Meeting of Shareholders of IDGC of South, JSC (Minutes as of 04.06.2008 No1).

According to point 4.1. of the *Regulation on payment to the members of the Board of Directors of IDGC of South, JSC of remuneration and compensation* in a new edition, for participation in the Board of Directors meeting hold in a correspondence form (by way of questionnaires filling) a member of the Company's Board of Directors is paid

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remuneration in the amount of the sum equivalent to eight minimal month tariff rates of a first-category worker set by the tariff agreement in the RF grid complex (the 'Agreement') for the day of holding of session of the Board of Directors of the Company, taking into account the indexation stipulated in the Agreement within one month after holding of the session of the Board of Directors of the Company.

For participation in a session of the Board of Directors held in the form of a joint presence a member of the Company's Board of Directors receives remuneration at the rate of the sum equivalent to ten minimal monthly tariff rates of a first-category worker set by the tariff agreement in the RF grid complex (the 'Agreement') for the day of holding of session of the Board of Directors of the Company, taking into account the indexation stipulated in the Agreement within one month after holding of the session of the Board of Directors of the Company.

The rate of remuneration paid according to item 4.1 of the Regulation to the Chairman (Deputy Chairman) for each session that he/she headed increases by 50 %.

According to point 4.2. of the *Regulation on payment to the members of the Board of Directors of IDGC of South, JSC of remuneration and compensation*, members of the Board of Directors receive extra remuneration for the Company's net profit indicator according to the date of the financial accounting approved by the General Meeting of the Company's Shareholders.

Data on the types of remuneration, including salary, awards, commission, perquisites and/or compensation of costs and as other property granting that was paid by the issuer for the most recent completed fiscal year:

Name of the issuer's management body	Type of remuneration	2007
Board of Directors	Remuneration for participation in meetings, RUR	583,155
	Salary	1,340,386
	Bonuses	-
	Commission	-
	Benefits and/or compensation of costs	-
	Other types of remuneration	-

The issuing company did not conclude with the members of the Board of Directors any additional agreements for 2008 concerning payments

In the current financial year 2008 the issuer will pay compensation and remuneration to the Board of Directors members under the *Regulation on payment to the members of the Board of Directors of IDGC of South, JSC of remuneration and compensation* in a new edition approved by the resolution of the Annual General Meeting of Shareholders of IDGC of South, JSC (Minutes as of 04.06.2008 No1).

Remuneration of the members of the Company's Management Board:

Members of the Management Board are the Company's senior executives.

According to the labour contracts concluded between the Company and the Management Board members, a member of the Management Board receives remuneration in the amount and order stipulated in the *Regulation on material incentives of the senior executives of IDGC of South, JSC* in a new edition approved by the Board of Directors on 19.05.2008 (Minutes No 13/2008 as of 22.05.2008).

Motivation of the Management Board members is performed by establishment of their official salaries as the Management Board members, and also payment to the Management Board members as the senior executives of the quarterly and annual remuneration for execution of the corresponding key performance indicators.

Due to the establishment of IDGC of South, JSC Management Board on 19 May, 2008 (Minutes of the Board of Directors No13/2008 as of 22.05.2008), the Management Board members did not receive remuneration as of the end of the reporting quarter.

The issuing company did not conclude with the Management Board members any additional agreements for 2008 concerning payments.

Remuneration of the issuer's General Director

Issues of material stimulation of the Company's General Director are regulated according to the terms of the labour contract, and also according to the Regulation on material stimulation of General Director of IDGC of South, JSC approved by the resolution of the Board of Directors of the Company (Minutes No 1/2007 as of 17.07.2007).

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5.4. Data on structure and competence of the issuer’s financial and economic activities governance bodies.

To control financial and economic activity of the Company, the General Meeting of Shareholders elects the Company’s Auditing Committee for the term up to the following Annual General Meeting of Shareholders.

In case of election of the Company's Auditing Committee at an Extraordinary General Meeting of Shareholders, members of the Auditing Committee are considered to be elected for the period before the date of holding of the Annual General Meeting of Shareholders of the Company.

The quantitative structure of the Auditing Committee of the Company makes five people.

Under the decision of the General Meeting of Shareholders of the Company, the power of all or separate members of the Auditing Committee of the Company may be terminated ahead of the schedule.

Competence of the Auditing Committee of the Company concerns:

- acknowledgement of reliability of the data containing in the annual report, annual accounting statements, profit-and-loss account of the Company;
- analysis of the financial condition of the Company, revealing of ways of improvement of the financial condition of the Company and development of recommendations for the Company's management bodies;
- organization and performance of a check (audit) of the financial and economic activity of the Company, in particular:
- check (audit) of the financial, accounting, settlement and other documentation of the Company connected with performance by the Company of its financial and economic activity, about its conformity to the legislation of the Russian Federation, the Charter, internal and other documents of the Company;
- control over safety and handling of fixed assets;
- control over observance of the established order of write-off on the Company's losses of debts of insolvent debtors;
- control over expenditure of money resources of the Company, according to the approved business plan and the Company's budget;
- control over development and use of reserve and other special funds of the Company;
- check of correctness and timeliness of charge and payment of dividends under the shares of the Company, percentage on bonds and income under other securities;
- check of performance of the earlier given out instructions on elimination of infringements and lacks revealed at the previous checks (audits);
- performance of other actions (activities) connected with check of the Company's financial and economic activities.

The order of activity of the Auditing Committee of the issuer is defined by the *Regulation on the Auditing Committee of the issuer* approved by the General Meeting of Shareholders of the issuer. The *Regulation on the Auditing Committee of IDGC of South, JSC* was approved by the decision of the unique shareholder of the issuer - Minutes of the Management Board of JSC RAO UES of Russia No 1751pr/4 as of 05.10.2007.

The Auditing Committee, according to the decision on holding of check (audit), has the right to involve for check (audit) experts in the corresponding areas of law, economy, finance, book keeping, management, economic safety and other, including specialised organizations.

Checks (audit) of the financial and economic activity of the issuer share are divided by planned and off-schedule checks. Planned check of the Company's financial and economic activity are held according to the approved annual Action Plan of the Auditing Committee. Off-schedule check of the Company’s financial and economic activity may be performed at any time at the initiative of the Auditing Committee of the issuer, decision of the General Meeting of Shareholders, Board of Directors of the issuer or on request of the shareholder (shareholders) of the issuer owning in aggregate no less than ten percent of the issuer's voting shares.

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

According to the results of check of the Company's financial and economic activity, the Auditing Committee makes an opinion that should include:

- Acknowledgement of reliability of the data of the reports and other financial documents of the Company;
- information on the facts of infringement by the Company of the order of conducting of book keeping and presentation of financial reporting set in the legal acts of the Russian Federation, and also legal acts of the Russian Federation at performance by the Company of its financial and economic activity.

The order and terms of drawing up of the conclusion according to the results of check of the Company's financial and economic activity are defined in legal acts of the Russian Federation and internal documents of the Company.

Information on the system of internal control over financial and economic activity of the issuer

Internal control is understood by the issuer as control over performance of its financial and economic activities

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(including performance of the issuer's business plan) by the issuer's organizational departments and bodies.

System of internal control represents a set of objects of internal control, functions and procedures of internal control stipulated in the legislation of the Russian Federation, Charter and other internal documents of the issuer that provide achievement of the aims of the internal control. The system of internal control is considered as a component of a system of management of the issuer that allows to the issuer's management bodies to make the most effective decisions.

Objects of internal control of the issuer are the Auditing Committee, Board of Directors, executive powers of the issuer, and also structural divisions and other bodies of the issuer authorised to perform internal control. The issuer's internal documents differentiate the competence of the above-stated bodies.

For the purpose of development of the Company's organizational structure, introduction and control of execution of internal standards, prevention and revealing of negative tendencies in the financial, economic and industrial activity, maintenance of safety of the assets, checks of accuracy and completeness of the accounting records and objectivity of the financial information prepared on their basis, the Company has established the Department of Internal Control and Audit (Order of IDGC of South, JSC No 2 On approval of the staff list of IDGC of South, JSC as of 28.06.2007). The department of Internal Control and Audit consists of two departments: the Service of Internal Audit and Department of Methodology and Risks.

The Department of Internal Control and Audit is headed by Deputy General Director of the Company in charge of economy and finance and it is accountable to the Company's Board of Directors. Head of the Department of Internal Control and Audit is Igor Vladimirovich Shmakov, Deputy Head of the Department - Head of the Service of Internal Control is Anna Vladimirovna Romanenko.

The Department personnel performs its activity according to the duty regulations developed by the Head of the Department and approved by General Director of the issuer.

Employees of the Department in their professional work are independent of executive powers of the issuer and management of the branches and organizational departments that undergo checks.

The main functions of the Service of Internal Audit:

- Control of formation and execution of the budget approved by the Board of Directors;
- holding of a complex auditor's checks, monitoring and analysis of the results of checks of the branches' activity;
- work on prevention of infringements by spread of the information on the revealed essential infringements and lacks in all organizational departments of the Company;
- control over elimination of the revealed infringements;
- revealing and analysis of risks of the financial and economic activity of the Company;
- development of actions for minimisation of risks of financial and economic activity;
- organization of gathering, processing and transfer of operational, financial and other information on the Company's activity and also establishment of effective channels and communication media providing vertical and horizontal communications in the Company;
- definition and making the Company's employees aware of their duties in the sphere of internal control;
- maintenance of performance of the procedures of internal control approved in the Company;
- appropriate documenting of internal control procedures;
- holding of procedures of preventive control through the system of coordination of conditions of transactions, holding of tenders, auctions, commissions on write-off of assets, coordination of standards and other internal standard documents.

Cooperation with the executive powers of management of the issuer and the Board of Directors (Supervisory Board) of the issuer: not regulated in the internal documents of the issuer.

Cooperation of the Service of Internal Audit and the external auditor of the issuer: not regulated in the internal documents of the issuer.

Information on the presence of the internal document of the issuer establishing rules on prevention of the use of office (insider) information:

Control over the use of the Company's insider information is performed on the basis of the *Regulation on the insider information of IDGC of South, JSC* approved by the resolution of the Board of Directors of the issuer (Minutes No 2/2007 as of 03.09.2007).

The full text of the latest edition of the Regulation on the insider information of IDGC of Centre, JSC is available at <http://www.mrsk-yuga.ru/management/documents/index.shtml>.

5.5. Information on the persons forming a part of financial and economic activities of governance bodies of the issuer

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Information on the issuer’s Auditing Committee members:

Anatoly Valerievich Baitov	
Year of birth	1977
Education	Higher I.Kurgan State University
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2003 - 2004 Advisor on work of Auditing Committees, Centrengo, a representative office of JSC RAO UES of Russia 2003 – 2004 Deputy General Director, Institute of Professional Directors Fund 2004 – 30.06.2008 Head of the Department of Financial Control and Audit, JSC UES FGC
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on	Did not occupy

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bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	
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Mariya Vladimirovna Petrova	
Year of birth	1972
Education	Higher 1.Rostov Institute of National Economy Major area of study – finance and credit
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	10.1996- 08.2005 Economist, leading economist of JSC Rostovenergo Accounting Department 08.2005 – 08.2006 Leading economist, JSC IDGC of Centre and Northern Caucasus, Southern subsidiary 09.2006 – 07.2007 Chief specialist, JSC Rostovenergo Accounting Department 07.2007 – 09.2007 Head of the Department of Consolidated Reporting, IDGC of South, JSC 09.2007 – 30.06.2008 Deputy Chief Accountant, IDGC of South, JSC
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members

Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Lyudmila Romanovna Matyunina	
Year of birth	1950
Education	Higher 1.All-Union Correspondence Financial and Economic Institute
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	1998 – 2004 Deputy Head of the Department of Financial Audit, JSC RAO UES of Russia 2004 – 30.06.2008 First Deputy Head of the Department of Internal Audit, JSC RAO UES of Russia Corporate Centre
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members
Information on administrative responsibility for infringement in finance, taxes and	Was not made answerable

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collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy

Rustem Faritovich Gabidullin	
Year of birth	1979
Education	Higher 1.Moscow State University of Commerce
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2004-2007 Deputy Director for Audit, UralAudit ltd 2007 – 30.06.2008 Manager of finance, assets and capitalisation managemen, IDGC Management Centre, JSC UES FGC
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous	Was not made answerable

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convictions) for a crime in the sphere of economy or for a crime against the state power	
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy procedures stipulated in the legislation of the Russian Federation was started	Did not occupy
Sergey Olegovich Erdenko	
Year of birth	1972
Education	Higher
Positions held in the issuing company and other organizations within the last five years and now in the chronological order	2001 – 30.06.2008 Chief Expert, Department of Corporate Governance and Cooperation with Shareholders, JSC RAO UES of Russia Corporate Centre
Market share of the person in the authorised capital of the issuer, that is a commercial organization	No
Amount of the issuer’s ordinary shares owned by the person	No
Number of the issuer’s shares of each category (type) that may be acquired by the person as a result of execution of rights on the issuer’s options owned by him	No
Market share of the person in the authorised (reserve) capital (unit investment fund) of the affiliated and dependent companies of the issuer	No
Amount of ordinary shares of the issuer’s affiliated or dependent company (valid for the affiliated and dependent companies of the issuer that are joint-stock companies) owned by the person	No
Number of shares of the affiliated or dependent company of the issuer of each category (type) that may be acquired by the person as a result of execution of his right on the options of the issuer’s affiliated or dependent company owned by him	No
Presence of any relatives among other members of the issuer’s management bodies and/or bodies of control over the issuer’s financial and economic activity	The person does not have any relatives among other members
Information on administrative responsibility for infringement in finance, taxes and collections, securities market or criminal responsibility (presence of previous convictions) for a crime in the sphere of economy or for a crime against the state power	Was not made answerable
Information on occupation of positions in the management bodies of commercial organizations in the period when an action on bankruptcy was brought against the above-stated organizations and/or one of bankruptcy	Did not occupy

procedures stipulated in the legislation of the Russian Federation was started	
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5.6. Data on amount of remuneration, privileges and/or indemnification of charges concerning financial and economic activities of control body of the issuer

Payment of remuneration to members of the Auditing Committee of the Emitter is carried out according to the revised Regulations for payment of remuneration and compensation to the members of the Auditing Committee of IDGC of South approved by the decision of the annual general shareholders meeting of IDGC of South, JSC (Minutes No.1 as of 4.06.2008).

According to item 3.1. of the specified Regulations, for participation in check (audit) of financial and economic activity, a member of the Auditing Committee of the Company receives a lumpsum remuneration in the amount equivalent to five minimal monthly wages of the first category employee established by the sector tariff agreement in the electric power complex of the Russian Federation (further on called the Agreement) for the period of carrying out the check (audit), in view of the indexation established by the Agreement. Payment of the compensation specified in item 3.1. of the Regulations shall be made in a week term after drawing up the report following the results of the check (audit) held. According to item 3.3. of the Regulations, the amount of the remunerations paid to Chairman of the Auditing Committee increases 50 %.

According to item 3.2 of the Regulations, the extra fee can to be paid for each check of financial and economic activity in the amount which does not exceed twenty minimal monthly wages of the first category employee established by the Agreement in view of indexation. The procedure and terms of such payment are defined by the Board of Directors of the Company.

According to item 2.1. of the Regulations, the charges connected with participation in the Company Auditing Committee meeting and carrying out the check are compensated to a member of the Company Auditing Committee acting as of the moment of carrying out the meeting or the check under the norms of compensation of travelling and living expenses of the Company acting as of that moment.

According to the Charter of IDGC of South, JSC the decisions on payment to members of the Auditing Committee of compensations and (or) indemnifications is taken by the general meeting of shareholders of the Company in view of recommendations of the Board of Directors on the amount of such compensation and (or) indemnification. The amount and procedure of payment is established by the revised Regulations for payment of remuneration and compensation to members of the Auditing Committee of IDGC of South, JSC (further on mentioned as the Regulations for payment of remuneration) approved by the decision of the annual general shareholders meeting of IDGC of South, JSC (Minutes No. 1 as of 4.06.2008).

Data on kinds of remuneration, including wages, premiums, bonuses, privileges and/or indemnification of charges, and other property granting which were paid by the emitter for the last completed fiscal year:

RUR

Name of authority	Type of remuneration	for 2007
Auditing Committee	Remuneration for participation in checks	302,986
	Wages	0
	Bonuses	0
	Commission fees	0
	Privileges and/or indemnification of charges	0
	Other remuneration	0

Besides, members of the Auditing Committee of IDGC of South who are the Company staff members, within a year receive payment for work for their positions occupied in accordance with the staff list.

The emitter did not conclude additional agreements on payments with the Auditing Committee members in 2008.

Payment of remuneration to the members of the Internal Control and Audit of IDGC of South, JSC was made in the second quarter of 2008 in accordance with the terms of labour contracts.

The emitter did not conclude additional agreements with members of the Internal Control and Audit

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

Name of the structural division of IDGC of South, JSC	Average staffing number of employees, people	Share of the emitter's employees who have higher professional education, %	Amount of money allocated for labour payment, rubles	Amount of money allocated for social security, rubles	Total amount of spent money, rubles
1	2	3	4	5	6
Executive body	143.0	98	55,909,900	0	55,909,900
Astrakhanenergo branch	1,876.0	21	76,660,295	634,907	77,295,202
Volgogradenergo branch	4,221.9	33	234,552,100	1,065,500	235,617,600
Kalmenergo branch	1,158.0	25	34,858,260	171,270	35,029,530
Rostovenergo branch	5,548.0	33	237,565,500	2,508,300	240,073,800
Total:	12,946.9	31	639,546,055	4,379,977	643,926,032

5.8. Data on any obligations of the issuer to the staff (employees) concerning the possibility of their participation in the authorized (joint-stock) capital (share fund) of the issuer

Agreements or obligations of the emitter concerning opportunities of participation of employees (**workers**) of the emitter in its authorized (**joint-stock**) capital (share fund): there are no the specified agreements or obligations. The share of participation in the authorized (joint-stock) capital (share fund) of the emitter (quantity of ordinary shares of the emitter which is a joint-stock company) which may be purchased by employees (workers) of the emitter under agreements or obligations of the emitter concerning opportunities of participation of employees (workers) of the emitter in its authorized (joint-stock) capital (share fund): there are no the specified agreements or obligations.

Data on granting or opportunity of granting the emitter's options to employees (workers) of the emitter: the emitter's options were not issued. At the moment there is no an opportunity of granting the specified options of the emitter to employees.

VI. Data on participants (shareholders) of the issuer and on deals containing an interest made by the issuer:

6.1. Data on total amount of shareholders (participants) of the issuer

Total amount of persons registered in the shareholder register as of the date of termination of the quarter under report: 9,744, including 15 nominal holders.

6.2. Data on the participants (shareholders) of the issuer owning at least 5 percent of its authorized (joint-stock) capital (share fund) or at least 5 percent of its ordinary shares, as well as data on participants (shareholders) of such persons owning at least 20 percent of the authorized (joint-stock) capital (share fund) or at least 20 percent of their ordinary shares

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1. Full company name: **Russian Joint-Stock Company of Power and Electrification "UES of Russia"**

Shortened company name: **RAO UES of Russia, JSC**

TIN: **7705018828**

Location: **101 bld.3, Vernadskogo Avenue, Moscow 119526**

Stake in the authorized capital of the emitter: **51.65 %**

Emitter's ordinary shares belonging to it: **51.65 %**

Shareholders (participants) owning at least 20 percent of the authorized capital of the shareholder (participant) of the emitter:

Full company name: Russian Federation on behalf of the Federal Property Management Agency.

Location: **9 Nikilsky lane, Moscow 103685**

Stake in the authorized capital of the shareholder (participant) of the emitter: **52.68 %**,

Ordinary shares in the authorized capital of the shareholder (participant) of the emitter: **52.35 %**,

Ordinary shares in relation to the volume of the placed ordinary shares of the shareholder (participant) of the emitter: **54.99 %**.

2. Full company name: **"Promregion Holding" joint-stock company**

Shortened company name: **"Promregion Holding", JSC**

TIN: **7706307082**

Location: **16 Pushkarev lane, Moscow, Russian Federation 107045**

Stake in the authorized capital of the emitter: **16.21 %**

Emitter's ordinary shares belonging to it: **16.21 %**

Data on registered nominal holders of the emitter's shares which equal at least 5 percent of the authorized capital of the emitter or at least 5 percent of ordinary shares of the emitter:

1.

Full and abbreviated company name (for legal entities – commercial organization), name (For legal entities- non-commercial organizations), surname, name, patronymic (for physical persons)	Depository and Corporate Technologies, Limited Liability Company
Taxpayer identification number	7729520219
Location (for legal entities)	17 bld. Ramenki street, Moscow 1119607,
Contact phone and fax	(495) 641-30-32
e-mail	depo@depotech.ru
Number, date of issue and date of expiry of the license of the professional participant of the securities market, name of the authority which issued this license	License No. 077-08281-000100 issued by FFMS on 31.04.2005

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Amount of ordinary shares of the issuer registered in the register under the name of the nominal holder	25,630,843,051
Stake of the participant (shareholder) of the emitter in the authorized capital of the emitter	51.4213 %
Ordinary shares belonging to it	51.4213 %

2.

Full and abbreviated company name (for legal entities – commercial organization), name (For legal entities- non-commercial organizations), surname, name, patronymic (for physical persons)	Limited liability Company "GARANT Specialized Depository GARANT SDC Ltd.
Taxpayer identification number	7714184726
Location (for legal entities)	1 a bld. 7/9 Pravdy Streer, Moscow 125124
Contact phone and fax	(495)777-56-83 (495) 777-56-82
e-mail	mail@sdkgarant.ru
Number, date of issue and date of expiry of the license of the professional participant of the securities market, name of the authority which issued this license	License No. 177-06414-000100 issued by FFMS on 26.09.2003
Amount of ordinary shares of the issuer registered in the register under the name of the nominal holder	7,774,853,404

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Stake of the participant (shareholder) of the issuer in the authorized capital of the issuer	15.5981%
Ordinary shares belonging to it	15.5981%

3.

Full and abbreviated company name (for legal entities – commercial organization), name (For legal entities- non-commercial organizations), surname, name, patronymic (for physical persons)	“Depository Clearing Company”, Joint-Stock Company – DCC, JSC
Taxpayer identification number	7710021150
Location (for legal entities)	“Б” building 31 Shablovka Street, Moscow 115162
Contact phone and fax	(495)956-09-99 (495)232-68-04
e-mail	dcc@dcc.ru
Number, date of issue and date of expiry of the license of the professional participant of the securities market, name of the authority which issued this license	License No. 177-06236-000100 issued by FCSM on 09.10.2002
Amount of ordinary shares of the issuer registered in the register under the name of the nominal holder	10, 234, 269, 500
Stake of the participant (shareholder) of the issuer in the authorized capital of the issuer	20.5322%

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Ordinary shares belonging to it	20.5322%
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6.3. Data on the stake of the state or municipal formation in the authorized (joint-stock) capital (share fund) of the issuer, presence of the special right (“golden share”)

The Russian Federation owns 69,125,536 pieces of ordinary shares of IDGC of South, JSC.
 Stake of the authorized capital of the issuer which is owned by the state or municipal units: **0.139 %**.
 Full company location of the person which on behalf of the Russian Federation exercises functions of the participant (shareholder) of the issuer: Federal Property Management Agency; **9 Nikolsky Lane, Moscow 103685**.
 Presence of the special right («golden share»): special rights are not stipulated.
 Presence of the special right to participation of the Russian Federation, constituent entities of the Russian Federation, municipal units in management of the issuer ("golden share"): is not stipulated

6.4. Data on restrictions on participation in the authorized (joint-stock) capital (share fund) of the issuer

Restrictions of amounts of shares which may belong to one shareholder and/or their total par value, and/or the maximal number given to one shareholder are not stipulated by the Charter of the issuer.
 Restrictions on the stake of foreign persons in the authorized capital of the issuer are not stipulated by the legislation of the Russian Federation or other normative legal acts of the Russian Federation.

6.5. Data on changes in the composition and amount of participation of shareholders (participants) of the issuer owning at least 5 percent of its authorized (joint-stock) capital (share fund) or at least 5 percent of its ordinary shares

The shareholders of the issuer which owned at least 5 percent of the authorized capital of the issuer (at least 5 percent of ordinary shares of the issuer) determined as of the date of the list of the persons entitled to participate in each general shareholders meeting of the issuer held for the last 5 completed financial years previous the date of the end of the quarter under report, and also for the last quarter according to the list of the persons entitled to participate in each of these meetings.

Date of carrying out the meeting	Type of the general shareholders meeting	Date of drawing up the list of persons who were entitled to participate in the general shareholders meeting	full/ shortened company name	Stake in the authorized capital of the issuer, %	Ordinary shares of the issuer which belonged to it, %
05.10.2007	extraordinary	-----	Russian Joint-Stock Company of Power and Electrification "UES of Russia" - RAO UES of Russia, JSC	100.00	100.00

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25.12.2007	extraordinary	-----	Russian Joint-Stock Company of Power and Electrification "UES of Russia" - RAO UES of Russia, JSC	100.00	100.00
28.02.2008	extraordinary	-----	Russian Joint-Stock Company of Power and Electrification "UES of Russia" - RAO UES of Russia, JSC	100.00	100.00
30.05.2008	annual	18.04.2008	Russian Joint-Stock Company of Power and Electrification "UES of Russia" - RAO UES of Russia, JSC	51.65	51.65
			"Promregion Holding" joint-stock company - "Promregion Holding", JSC	16.21	16.21

6.6. Data on the interested-party deals of the issuer

Indicator	Quarter 2, 2008
Total number and total amount in money terms of the transactions completed by the emitter in the period under report which were interested-party transactions and which required approval by the authorized governance body of the emitter, pieces/RUR	2 pcs / RUR 229,396.1
Total number and amount in money terms of the transactions completed by the emitter in the period under report which were interested-party transactions and which were approved by the general meeting of participants (shareholders) of the emitter, pieces/RUR	There were no transactions in the quarter under report which were approved by general shareholders meeting of the emitter
Number and amount in money terms of the transactions completed by the emitter in the period under report which were interested-party transactions and which were approved by the Board of Directors (supervisory council) of the emitter, pieces/RUR	2 pcs / RUR 229,396.1

Number and amount in money terms of the transactions completed by the issuer in the period under report which were interested-party transactions and which required approval, but were not approved by the authorized governance body of the issuer, pieces/RUR	There were no transactions in the quarter under report which required approval, but were not approved by the authorized governance body of the issuer
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In the 2nd quarter of 2007, under the terms approved by the Board of Directors of IDGC of South, JSC, the contracts were concluded which are interested-party transactions:

1. Contract as of 25.06.08 No. 49-12-76 of real estate rent, between IDGC of South, JSC and Astrakhanelektrosetremont, JSC. Cost of rent a month under the contract is RUR 35,386.48, including the VAT of 18 % in the amount of RUR 5,550 (validity of the contract is from 25 June 2008 to 31 December 2008).

2. Agreement No. 407/30-747 as of 11.06.2008 about replacement of the party - Kubanenergo, JSC in the obligation with International Commercial Centre "Crystal". The agreement between "International Commercial Centre "Crystal", "Kubanenergo", JSC and IDGC of South, JSC.

The price of the contract is RUR 10,000.

The information under each transaction (group of the interconnected transactions), the price of which is 5 and more percent of the total balance assets of the issuer determined according to the data of the financial statements for the last accounting date before completion of the transaction, which were completed by the issuer for the last 5 completed financial years or for each completed fiscal year if the issuer carries out its activity less than 5 years, and also for the period before the date of adoption of the prospectus for securities: none.

Data on interested-party transactions (group of the interconnected transactions) and the decision on approval of which was not taken by the board of directors (supervisory council) or the general shareholders (participants) meeting of the issuer was not taken in cases when such approval is obligatory according to the legislation of the Russian Federation: none.

6.7. Data on debt receivable amount

The structure of the debt receivable as of 30.06.2008

Name of the debt receivable	Maturity	
	Up to one year	Over one year
Debt receivable to buyers and customers, thousand rubles	2,077,792	297,724
Including the deferred one, thousand rubles	387,563	X
Debt receivable under bonds receivable, thousand rubles	0	0
Including the deferred one, thousand rubles	0	x
Debt receivable of participants (founders) on contributions to the authorized capital, thousand rubles	0	0
Including the deferred one, thousand rubles	0	x
Debt receivable under the advance payments given out, thousand rubles	770,277	62,039
Including the deferred one, thousand rubles	8,398	x
Other debt receivable, thousand rubles	1,371,565	0
Including the deferred one, thousand rubles	189,976	x
Total, thousand rubles	4,219,634	359,763
Including the deferred one, thousand rubles	585,937	x

This table presents data on the amount and structure of debt receivable of the issuer as of 30.06.2008. The total debt of the issuer is 4, 579, 397 thousand rubles.

As of 30.06.2008, the debt receivable structure of the issuer did not include debtors whose debt is at least 10 % of the total amount of debt receivable of the issuer.

VII. Accounting reporting of the issuer and other financial information:

7.1. Annual accounting reporting

It is not provided in the quarter under report.

7.2. Quarter accounting reporting of the issuer for the last completed accounting quarter

Structure of the quarter accounting reporting of the issuer for the 2nd quarter of 2008 according to requirements of the legislation of the Russian Federation applied on the quarterly report:

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Form No.1«Accounting balance sheet» as of 30.06.2008;

Form No. 2«Profit and Loss Statement»as of 30.06.2008.

The quarter accounting reporting according to the International Financial Reporting Standards for the 2nd quarter of 2008 was not made up by the emitter .

7.3. Summary accounting reporting of the issuer for the last completed fiscal year

Due to the fact that the emitter did not have subsidiaries and dependent companies as of the end of the ended financial year, the summary accounting balance sheet was not drawn up.

7.4. Data on the accounting policy of the issuer

The accounting policy of the emitter for the year 2008 was adopted by Order No. 106 of IDGC of South, JSC on 28.12.2007 and was not amended in the quarter under report.

7.5. Data on total sum of export, and on export share in the total amount of sales

The emitter does not export products (goods, works, services) outside the limits of the Russian Federation.

7.6. Data on cost of real estate of the issuer and the essential changes which occurred in the structure of property of the issuer after the date of the last completed fiscal year

The cost of real estate of IDGC of South, JSC as of 30.06.2008 is presented in the table below:

(thousand rubles)

No.	Name	Initial cost	Amortization accrued	Residual cost
1	Real estate	17, 452, 635.15	273, 801.65	17, 178, 833.5

There were no material changes in the structure of immovable property of the emitter within **12** months up to the date of the end of the quarter under report.

There were no purchases or retirement for any reasons of any other property of the emitter if the book value of this property exceeds **5** percent of assets book value of the emitter, and also other changes material for the emitter which occurred in the structure of other property of the emitter within the period between the date of the end of the last completed fiscal year up to the date of the quarter under report.

7.7. Data on participation of the issuer in litigations if such participation can essentially influence financial and economic activities

Full and abbreviated company name (for legal entities – commercial organization), name (For legal entities-non-commercial organizations), surname, name, patronymic (for physical persons)	Subject of the suit	Amount of stated claims
SGC TGC-8, JSC	Recovery of the amount of unjust enrichment	RUR 137, 244, 163.57
“Astrakhan Fish Complex”, JSC	Application of consequences of invalidity of a transaction (agreement on compensation as of 25.11.2004)	RUR 23, 800, 000
Interdistrict Inspectorate of the Federal Tax Service of Russia No. 2 in the Volgograd region	The application for recognition of invalidity of non-regulatory acts of the Interdistrict Inspectorate of the Federal Tax Service of Russia No. 2 in the Volgograd region: decision No. 135 on bringing to the responsibility for tax offence as of 15.08.2007 and requirement No. 48/5922 for	Due to the interposed non-regulatory acts, the profit tax of the organizations of RUR 12,691,291, penalty fee for untimely payment of the tax in the amount of RUR 69,578 and the fine in the amount of RUR 2,538,008 were added to Volgogradenergo, JSC

	payment of the tax, collections, fines, penalty as of 27.09.2007.	
Volgogradenergosbyt, JSC	The statement of claim for collecting the missed profit in the form of the non-existent rights to demand debt receivable of municipal enterprise "Production Office of Water and Sewage Center named after Kamyshin" which was transferred to Volgogradenergosbyt, JSC in accordance with the separation balance sheet at reorganization of Volgogradenergo, JSC	RUR 98,610,009. 31
“Volga Abrasive Plant”, JSC	The statement of claim for collecting unjust enrichment in the form of the difference in tariffs of Volgogradenergo, JSC and UES FGC, JSC.	RUR 20,855,742.24

VIII. Additional data on the issuer and on the equity securities floated by it:

8.1. Additional data on the emitter

8.1.1. Data on amount, structure of the authorized capital of the emitter

The authorized capital in rubles: 4,981,109,606.40.

	Amount, pcs	Par value, RUR	Share in the authorized capital, %
Ordinary shares	49,811,096,064	4, 981,109,606. 4	100
Preferred shares	0	-	0

8.1.2. Data on change of the amount of the authorized (joint0stock) capital (share fund) of the emitter

Date of the period under report	Ordinary shares		Preferred shares		Name of the governance body which took the decision on change of the authorized capital amount	Date of drawing up and No. of the minutes of the governance body which made a decision on change of the authorized capital	Authorized capital, total, RUR
	RUR	%	RUR	%			
1	2	3	4	5	6	7	8
31.12.2007	10,000,000	100	-	-	Board of RAO	Order No.	100,000,000

					UES of Russia, JSC (decision on establishment)	192 as of 22.06.2007	
31.03.2008	4,981,109,606.4	100	-	-	Board of RAO UES of Russia which performs functions of the general shareholders meeting up to 31.03.2008	Minutes No. 1795 pr/6 as of 25.12.2007	4,981,109,606.4
30.06.2008	4,981,109,606.4	100	-	-	The governance bodies of the emitter did not take any decision on change of the authorized capital	-	4,981,109,606.4

8.1.3. Data on formation and use of the reserve fund, and also other funds of the issuer

The name of fund: the Reserve Fund

The amount of the fund established by constituent documents: 5 (five) percent of the authorized capital of the Company.

The amount of fund in money terms on the date of the end of the corresponding period under report and in percentage of the authorized (joint-stock) capital (share fund): as of 30.06.2008 - 118,565 thousand rubles (2.38 % of the authorized capital).

The Reserve Fund as of 30.06.2008 was generated as a result of the following events:

- The Reserve Fund of 118,221 thousand rubles was received on the balance sheet as a result of carrying out reorganization of the emitter in the form of companies merging with it on 31.03.2008;
- The amount of the reserve fund increased by 344 thousand rubles by redistribution of the profit received following the results of activity for 2007, according to the decision of the annual general shareholders meeting as of 30.05.2008

The amount of contributions to the fund during the corresponding period under account: 344 thousand rubles.

The amount of means of the fund used during the corresponding period under account, and direction of use of these means: 0 thousand rubles.

The name of the fund: accumulation fund

The amount of fund established by constituent documents: the amount of the fund is determined by the Decision of the annual shareholders meeting as of 30.05.2008 by redistribution of profit received following the results of activity for 2007.

The amount of the fund in money terms as of the date of the end of the corresponding period under account and in percentage of the authorized (joint-stock) capital (share fund): on 30.06.2008 - 6,539 thousand rubles (0.13 % of the authorized capital).

The amount of contributions to the fund during the corresponding period under report: RUR 6,539 thousand rubles.

The amount of means of the fund used during the corresponding period under account, and direction of use of these means: 0 thousand rubles.

8.1.4. Data on the order of convocation and carrying out of the meeting (proceedings) of the supreme body of management of the emitter

The name of the supreme governance body of the issuer: General Shareholders Meeting.

The procedure of notification of shareholders (participants) about carrying out meeting (proceedings) of the supreme governance body of the issuer:

In accordance with item 11.1. of Article 11 of the Company Charter, the notice on carrying out the general shareholders meeting shall be published by the issuer in the newspaper *Novye Izvestiya*, and placed on the Internet website of the issuer not later than 30 (twenty) days prior to the date of its carrying out.

In accordance with item 11.1. of Article 11 of the Company Charter, the voting bulletins on the items of the agenda should be sent by registered mail to the address specified in the list of the persons entitled to participate in the general shareholders meeting, or handed over against signature to each person specified in the list of persons entitled to participate in the general meeting of shareholders, not later than 20 (twenty) days prior to the date of carrying out the general shareholders meeting.

Persons (bodies) who shall be entitled to convene (to demand carrying out) the extraordinary meeting

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(proceedings) of the supreme governance body of the issuer, and also the procedure of sending (presentation) of such demands:

In accordance with items 14.2, 14.3, 14.4, 14.5 of Article 14 of the Company Charter, the extraordinary general shareholders meeting of the Company shall be held under the decision of the Board of Directors of the Company upon its own initiative, the request of the Auditing Committee of the Company, the Auditor of the Company, and also the shareholder (shareholders) who is (are) an owner (owners) of at least 10 (ten) percent of voting shares of the Company at the date of presentation of the demand. Convocation of the extraordinary general shareholders meeting upon demand of the Auditing Committee of the Company, the Auditor of the Company or the shareholders (shareholder) being owner(s) of at least 10 (ten) percent of voting shares of the Company shall be carried out by the Board of Directors of the issuer.

Such general shareholders meeting should be held within 40 (forty) days from the moment of representation of the demand about carrying out the extraordinary general meeting of shareholders of the Company, except for the case stipulated by item 14.9. of this Charter.

The demand about carrying out the extraordinary general shareholders meeting of the Company should specify the items to be included in the agenda of the meeting.

The persons (person) demanding convocation of the extraordinary general shareholders meeting of the Company are (is) entitled to present the draft decision of the extraordinary general shareholders meeting of the Company, the proposal on the form of carrying out the general shareholders meeting. Should the demand on convocation of the extraordinary general shareholders meeting contain the proposal on nomination of candidates, the corresponding provisions of Article 13 of the present Charter are related to such proposal.

The Company Board of Directors shall not be entitled to amend wording of the agenda items, wording of decisions on these items and to change the proposed form of carrying out the extraordinary general shareholders meeting convoked on demand of the Auditing Committee of the Company, the Auditor of the Company or the shareholders (shareholder) being owners of at least 10 (ten) percent of the Company voting shares.

Should the demand about convocation of the Company extraordinary general shareholders meeting come from the shareholder (shareholders), it should contain the name of the shareholder (shareholders) demanding convocation of the meeting and indication of quantity, category (type) of the Company shares belonging to them.

The demand on convocation of the Company extraordinary general shareholders meeting shall be signed by the person (persons) demanding convocation of the extraordinary general shareholders meeting of the Company.

Procedure of definition of the date for carrying out the meeting (proceedings) of the supreme governance body of the issuer:

In accordance with Articles 11,14 of the Charter:

-Annual general shareholders meeting of the Company shall be held not earlier than two months prior to and not later than six months after the end of the fiscal year.

-The extraordinary general shareholders meeting convoked upon demand of the Company Auditing Committee, the Company Auditor or shareholder(s) being owner(s) of at least 10 (ten) percent of the Company shares shall be held within 40 (forty) days from the moment of representation of the demand on carrying out the extraordinary general shareholders meeting of the Company. Should the proposed agenda of the extraordinary general shareholders meeting contain an item on election of the members of the Company Board of Directors, the general shareholders meeting shall be held within 90 (ninety) days from the moment of representation of the demand on carrying out the extraordinary general shareholders meeting.

The persons entitled to submit proposals to the agenda of the issuer’s supreme governance body meeting (proceedings), and procedure of submission of such proposals:

In accordance with Article 13 of the Company Charter,

1. The shareholders (shareholder) of the Company who are in aggregate owners of at least 2 (two) percent of the Company voting shares in the term not later than 60 (sixty) days after termination of the fiscal year are entitled to propose items for the agenda of the annual general shareholders meeting and to nominate candidates for the Board of Directors and the Auditing Committee of the Company, the number of which cannot exceed the quantitative structure of the corresponding body.

2. The proposal on inclusion of items in the agenda of the general shareholders meeting and the proposal on nomination of candidates shall be brought in writing with indication of the name of the shareholders (shareholder) who presented them, quantity and category (type) of shares belonging to them and shall be signed by the shareholders (shareholder).

3. The proposal moving items in the agenda of the general shareholders meeting should contain the wording of each proposed item, and the proposal on nomination of candidates - name and data of the document proving the

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identity (series and (or) number of the document, date and place of its issuing, the body which issued the document) of each proposed candidate, the name of body he/she is proposed to.

4. The Board of Directors of the Company shall be obliged to consider the received proposals and to make the decision on their inclusion in the agenda of the general shareholders meeting of the Company or on refusal to include them in the specified agenda not later than 5 (five) days after termination of the term specified in item 13.1. of this Article.

5. The Board of Directors of the Company shall be entitled to refuse to include the items proposed by the shareholder (shareholders) in the agenda of the general shareholders meeting and also to refuse to include the proposed candidates in the list of nominees for voting at election to the corresponding body of the Company on the bases stipulated by the Federal Law “On Joint Stock Companies” and other legal statements of the Russian Federation.

6. The grounded decision of the Board of Directors of the Company on refusal to include an item in the agenda of the general shareholders meeting of the Company or the candidate in the list of nominees for voting at election to the corresponding body of the Company shall be sent to the shareholder (shareholders) who proposed an item or made a proposal on nomination, not later than 3 (three) days from the moment of its taking.

7. The Board of Directors of the Company shall not be entitled to change the wording of the items proposed for inclusion in the agenda of the general shareholders meeting, and (if available) in the wording of decisions on such items.

Besides the items proposed for inclusion in the agenda of the general shareholders meeting by shareholders, and also in case of absence of such proposals, absence or insufficient quantity of the candidates proposed by shareholders for forming the respective body, the Board of Directors of the Company shall be entitled to include items or candidates for the list of nominees in the agenda of the general shareholders meeting at their own discretion.

Persons entitled to examine the information (materials) provided for preparation and carrying out the meeting (proceedings) of the supreme governance body of the issuer, and also the procedure of examination of such information (materials):

According to item 11.7. of Article 11 of the Company Charter:

The information (materials) on the agenda items of the general shareholders meeting should be available to the persons entitled to participate in the general shareholders meeting within 20 (twenty) days, and in case of carrying out the general shareholders meeting with agenda on reorganization of the Company - within 30 (thirty) days prior to carrying out the general shareholders meeting, for examination in the building of the Company executive body and other places, the addresses of which are specified in the notice on carrying out the general shareholders meeting. The specified information (materials) should be available to the persons taking part the general shareholders meeting during its carrying out.

The procedure of examination by the persons entitled to participate in the general shareholders meeting with the information (materials) on the agenda items of general shareholders meeting and the list of such information (materials) shall be defined by the decision of the Company Board of Directors.

The procedure 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 the results of voting:

Results of voting and decisions taken by the general shareholders meeting of the Company may be announced at the Company general shareholders meeting.

Provided the results of voting and the decisions taken by the Company general shareholders meeting are not announced at the general meeting, not later than 10 (ten) days after drawing up the minutes on results of voting the decisions taken by the Company general shareholders meeting and the results of voting are brought to the notice of the persons included in the list of persons entitled to participate in the general meeting of shareholders, in accordance with the procedure stipulated by the Charter of the Company for announcement on carrying out the general shareholders meeting unless otherwise specified by the Company Charter.

8.1.5. Data on the commercial organizations in which the issuer owns at least 5 percent of the authorized (joint-stock) capital (share fund) or at least 5 percent of ordinary shares

1. Full and short company names, location: Astrakhanelektrosetremont open joint-stock company, JSC
Astrakhanelektrosetremont, 204, Kramatorsky St, Astrakhan, 414034

Stake of the issuer in the authorised (reserve) capital (share fund) of the commercial organization:
100 %

Ordinary shares of the joint-stock company belonging to the issuer: 100 %

Share of the commercial organization in the authorised capital of the issuer - commercial organization:
0 %

Ordinary shares of the issuer belonging to the commercial organization: 0 %

2. Full and short company names, location: Volgogradsetremont open joint-stock company, JSC

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Volgogradsetremont ; 1, Granovitaya St, Volgograd, Russia.

Stake of the issuer in the authorised (reserve) capital (share fund) of the commercial organization: 100 %

Ordinary shares of the joint-stock company belonging to the issuer: 100 %

Share of the commercial organization in the authorised capital of the issuer - commercial organization: 0 %

Ordinary shares of the issuer belonging to the commercial organization: 0 %

3. Full and short company names, location: Joint-Stock Grid Company open joint-stock company, JSC Joint-Stock Grid Company ; 27, Osipenko St, Moscow, Russia

Stake of the issuer in the authorised (reserve) capital (share fund) of the commercial organization: 5.22 %

Ordinary shares of the joint-stock company belonging to the issuer: 5.22 %

Share of the commercial organization in the authorised capital of the issuer - commercial organizations: 0 %

Ordinary shares of the issuer belonging to the commercial organization: 0 %

4. Full and short company names, location: Sfera-Inkom closed joint-stock company, JSC Sfera-Inkom; Volgograd, Russia

Stake of the issuer in the authorised (reserve) capital (share fund) of the commercial organization: 12.89 %

Ordinary shares of the joint-stock company belonging to the issuer: 12.89 %

Share of the commercial organization in the authorised capital of the issuer - commercial organization: 0 %

Ordinary shares of the issuer belonging to the commercial organization: 0 %

5. Full and short company names, location: Subsidiary Farm named after A.A.Grechko joint-stock company (JSC SF named after A.A.Grechko), 21, Teatralnaya St, Kuibyshevo village, Kuibyshevo district, Rostov Region, 346826

Stake of the issuer in the authorised (reserve) capital (share fund) of the commercial organization: 100 %

Ordinary shares of the joint-stock company belonging to the issuer: 100 %

Share of the commercial organization in the authorised capital of the issuer - commercial organization: 0 %

Ordinary shares of the issuer belonging to the commercial organization: 0 %

6. Full and short company names, location: Sokolovsky Subsidiary Farm open joint-stock company (JSC Sokolovsky SF), 50, Kurskaya St, Sokolovo-Kundryuchensky village, Novoshakhtinsk town, Rostov Region, 346930

Stake of the issuer in the authorised (reserve) capital (share fund) of the commercial organization: 100 %

Ordinary shares of the joint-stock company belonging to the issuer: 100 %

Share of the commercial organization in the authorised capital of the issuer - commercial organization: 0 %

Ordinary shares of the issuer belonging to the commercial organization: 0 %

7. Full and short company names, location: Energetik Recreation Camp open joint-stock company (JSC Energetik Recreation Camp), Shepsi village, Tuapse district, Krasnodar Territory, 352818

Stake of the issuer in the authorised (reserve) capital (share fund) of the commercial organization: 100 %

Ordinary shares of the joint-stock company belonging to the issuer: 100 %

Share of the commercial organization in the authorised capital of the issuer - commercial organization: 0 %

Ordinary shares of the issuer belonging to the commercial organization: 0 %

8.1.6. Data on the essential transactions made by the issuer.

In the accounting quarter the Company did not make transactions (group of interconnected transactions), the amount of obligations on which is ten and more percent of the balance cost of assets of the issuer according to its financial accounting for the last accounting quarter previous to the date of the transactions fulfillment.

8.1.7. Data on credit ratings of the issuer.

To the issuer did not receive any credit ratings.

8.2. Data on each category (type) of the issuer's shares

Category of shares: ordinary;

Par value of each share: 0.1 ruble;

Number of shares in circulation: 49,811,096,064 pieces;

Number of additional shares that are being placed (number of shares of additional issue that did not undergo state registration of the report on the results of their issue): 49,711,096,064 pieces;

Number of declared shares: 80,789,200,000 pieces;

Number of shares on the balance of the issuer: 0 pieces;

Number of additional shares that may be placed as a result of conversion of the placed securities converted in the shares, or as a result of execution of obligations on the issuer's options: 0;

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State registration number and date of state registration:

Issue, date of registration	Volume, RUR, thousand	Number, pieces		Par value, RUR
		Ordinary shares	Preferred shares	
First issue 20.09.2007 No 1-01-34956-E	10,000,000	100,000,000	-	0.1
Second issue 20.03.2008:			-	0.1
No 1-01-34956-E-001D	228,296,779.1	2,282,967,791	-	0.1
No 1-01-34956-E-002D	1,620,347,283.7	16,203,472,837	-	0.1
No 1-01-34956-E-003D	439,059,322.3	4,390,593,223	-	0.1
No 1-01-34956-E-004D	2,029,712,678.4	20,297,126,784	-	0.1
No 1-01-34956-E-005D	192,111,155	1,921,111,550	-	0.1
No 1-01-34956-E-006D	461,582,387.9	4,615,823,879	-	0.1

Rights of the shareholders:

According to item 6 of the Charter of the Company:

1.1. A shareholder of the Company is a person who owns the Company's shares on the principles provided by the legislation of the Russian Federation and the present Charter .

1.2. Each ordinary registered shares k of the Company gives to the shareholder - its owner equal volume of rights. Shareholders-owners of ordinary registered shares of the Company have the right:

1. To participate personally or through representatives in the General Meeting of Shareholders of the Company with a vote on all issues of its competence;

-to make offers in the General Meeting agenda in the order provided in legislation of the Russian Federation and the present Charter;

-to receive the information on the Company's activity and study the Company's documents according to article 91 of the federal law *On joint-stock companies*, other standard legal acts and the present Charter;

-to receive dividends declared by the Company;

-primary acquisition of additional shares placed by means of subscription and issue securities converted in shares in the number proportional to the number of ordinary shares belonging to them, in cases provided in the legislation of the Russian Federation;

-in case of the Company's liquidation to receive a part of its property;

-to carry out other rights provided by the legislation of the Russian Federation and the present Charter.

There are no preferred shares in the Company.

8.3. Data on the previous issues of securities of the issuer except for the shares of the issuer

8.3.1. Data on the issues, all securities of which were repaid (cancelled)

The issuer did not place any securities, except for shares.

8.3.2. Data on the issues the securities of which are in circulation.

The issuer did not place any securities, except for shares.

8.3.3. Information on issues in which the issuer did not fulfill obligations of the securities (default).

The issuer did not place any securities, except for shares.

8.4. Information on the person (people) who gave guarantee under the issued bonds.

There is no information as the issuer did not issue bonds.

8.5. Conditions of provision of execution of obligations under bonds of the issue.

There is no information as the issuer did not issue bonds.

8.6. Information on the organizations that perform registration of the rights to the issued securities of the issuer.

Person who keeps register of the owners of the issuer's nominal securities	registrar
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Full firm name of the registrar	Central Moscow Depository open joint-stock company
Short firm name of the registrar	JSC CMS or JSC Central Moscow Depository
Address of the registrar	3B, Orlikov lane, Moscow, 107078
Number of licence for activity of keeping of the register of the securities owners	10-000-1-00255
Date of giving out of the specified licence	13.09.2002
Validation term of the specified licence	For an indefinite term
Authority that gave out the specified licence	Federal Financial Markets Service of Russia
Other information on the keeping of the register of the owners of the issuer’s nominal securities provided by the issuer at its sole discretion	Postal address of the registrar: 34 (8), Bolshaya Pochtovaya St, Moscow, 105082 Tel./fax: (495) 221-13-34, 221-13-30, 221-13-33, (495) 221-13-83 E-mail address of the registrar: dr@mcd.ru

In the accounting quarter the securities of the issuer were not stored centrally

8.7. Data on the acts regulating issues of import and export of the capital which can affect payment of dividends, interest and other payments to non-residents.

The main act regulating import and export of the capital are:

- Federal law “On currency regulation and currency control” as of 10 December, 2003

No 173-FZ (in the version of federal laws as of 29.06.2004 No 58-FZ, as of 18.07.2005 No 90-FZ);

- Federal law “On foreign investments into the Russian Federation” as of 9 July, 1999 NO160-FZ (in the version of federal laws as of 21.03.2002 №31-FZ, as of 25.07.2002 No17-FZ, as of 08.12.2003 No 169-FZ, as of 22.07.2005 No 117-FZ);

- Federal law “On the investment activity in the Russian Federation performed in the form of capital investments” as of 25 February, 1999 No 39-FZ (in the version of federal law as of 02.01.2000 No 22-FZ, as of 22.08.2004 No122-FZ, as of 02.02.2006 №19-FZ);

Besides:

- Federal law as of 17 July, 1999 No 167-FZ «On the agreement ratification between the Government of the Russian Federation and the Cyprus Republic Government on avoidance of double taxation concerning income and capital taxes ».

- Federal law as of 8 February, 1998 No 18-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the French Republic about avoidance of double taxation and prevention of tax evasion and infringement of tax laws concerning income and wealth taxes ».

- Federal law as of 19 March, 1997 No 65-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the United Kingdom of Great Britain and Northern Ireland on avoidance of double taxation and prevention of tax evasion concerning income taxes and increase in property value, and Agreement between the Government of the Russian Federation and the Government of the United Kingdom of Great Britain and Northern Ireland as of 15 February, 1994, concluded in the form of an exchange by notes, on application of certain positions of the Convention ».

- Federal law as of 26 February, 1997 No 38-FZ «On ratification of the Agreement between the Russian Federation and the Swiss Confederation on avoidance of double taxation concerning income and capital taxes».

- Federal law as of 26 February, 1997 No 42-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of Canada on avoidance of double taxation and prevention of tax evasion concerning income and wealth taxes».

- Federal law as of 18 December, 1996 No 158-FZ «On ratification of the Agreement between the Russian Federation and Federal Republic Germany on avoidance of double taxation concerning income and wealth taxes».

- Contract between the Russian Federation and the United States of America on avoidance of double taxation concerning income and capital taxes (Washington, 17 June, 1992).

- Convention between the Government of the USSR and the Government of Japan on avoidance of double taxation concerning income taxes (Tokyo, 18 January, 1986).

Federal law as of 26.04.2005 N 40-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Lithuanian Republic on avoidance of double taxation and prevention of tax evasion concerning income and capital taxes».

- Federal law as of 23.06.2003 N 81-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Syrian Arabian Republic on avoidance of double taxation concerning income taxes ».

- Federal law as of 23.06.2003 N 80-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Iceland Republic on avoidance of double taxation and prevention of evasion from payment of income taxes ».

- Federal law as of 23.06.2003 N 79-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of New Zealand on avoidance of double taxation and prevention of tax evasion

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concerning income taxes ".

- Federal law as of 26.11.2002 N 151-FZ «On ratification of the Agreement between the Russian Federation and the State Kuwait on avoidance of double taxation and prevention of tax evasion concerning income and capital taxes".

- Federal law as of 26.11.2002 N 150-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of Sri-Lanka Democratic Socialist Republic on avoidance of double taxation and prevention of tax evasion concerning income taxes ".

- Federal law as of 26.11.2002 N 149-FZ «On ratification of the Convention between the Russian Federation and the Norway Kingdom on avoidance of double taxation and prevention of tax evasion concerning income and capital taxes".

- Federal law as of 26.11.2002 N 148-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Indonesia Republic on avoidance of double taxation and prevention of evasion from payment of income taxes ".

- Federal law as of 26.11.2002 N 147-FZ «On ratification of the minutes to the agreement between the Government of the Russian Federation and the Government of the Finnish Republic on avoidance of double taxation concerning income taxes ".

- Federal law as of 26.11.2002 N 146-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Austrian Republic on avoidance of double taxation concerning income and capital taxes".

- Federal law as of 26.11.2002 N 145-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Portuguese Republic on avoidance of double taxation and prevention of tax evasion concerning income taxes ".

- Federal law as of 14.06.2002 N 69-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Tajikistan Republic on avoidance of double taxation and prevention of evasion from payment of income and capital taxes".

- Federal law as of 08.10.2000 N 126-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of Israel on avoidance of double taxation and prevention of tax evasion concerning income taxes ".

- Federal law as of 20.06.2000 N 86-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of Qatar on avoidance of double taxation concerning income taxes ".

- Federal law as of 20.06.2000 N 87-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Namibia Republic on avoidance of double taxation and prevention of tax evasion concerning income taxes ".

- Federal law as of 20.06.2000 N 85-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Islamic Republic of Iran on avoidance of double taxation and prevention of tax evasion concerning income and capital taxes".

Federal law as of 20.06.2000 N 88-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Southern - African Republic on avoidance of double taxation and prevention of tax evasion concerning taxes to the income".

- Federal law as of 13.06.2000 N 81-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Kingdom of Spain on avoidance of double taxation and prevention of tax evasion concerning income and capital taxes".

- Federal law as of 04.05.2000 N 66-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Macedonia Republic on avoidance of double taxation concerning income and wealth taxes".

- Federal law as of 04.05.2000 N 63-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Korean National - Democratic Republic on avoidance of double taxation concerning income and capital taxes".

- Federal law as of 04.05.2000 N 62-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Lebanese Republic on avoidance of double taxation and prevention of tax evasion concerning income taxes ".

- Federal law as of 04.05.2000 N 61-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Arabian Republic of Egypt on avoidance of double taxation and prevention of tax evasion concerning income and capital taxes".

- Federal law as of 30.12.1999 N 222-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Turkish Republic on avoidance of double taxation concerning income taxes ".

- Federal law as of 08.07.1999 N 146-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Kirghiz Republic on avoidance of double taxation and prevention of evasion from payment of income taxes ".

- Federal law as of 08.07.1999 N 145-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Ukraine on avoidance of double taxation of incomes and property and prevention of tax evasion ".

- Federal law as of 17.12.1998 N 185-FZ «On ratification of the Agreement between

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the Government of the Russian Federation and the Government of Turkmenistan on elimination of double taxation concerning income and wealth taxes ”.

- Federal law as of 18.07.1998 N 105-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Kingdom of Morocco on avoidance of double taxation concerning income and wealth taxes ”.
- Federal law as of 18.07.1998 N 104-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Kingdom of the Netherlands on avoidance of double taxation and prevention of tax evasion concerning income and wealth taxes ”.
- Federal law as of 30.05.1998 N 82-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Azerbaijan Republic on avoidance of double taxation concerning income and wealth taxes”.
- Federal law as of 09.02.1998 N 22-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Mali Republic on avoidance of double taxation and establishment of rules of mutual help concerning income and wealth taxes”.
- Federal law as of 08.02.1998 N 19-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Indian Republic on avoidance of double taxation concerning income taxes ”.
- Federal law as of 17.12.1997 N 151-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Armenian Republic on elimination of double taxation on incomes and property ”.
- Federal law as of 05.10.1997 N 129-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Italian Republic on avoidance of double taxation concerning income and capital taxes and prevention of tax evasion”.
- Federal law as of 05.10.1997 N 128-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Finnish Republic on avoidance of double taxation concerning income taxes ”.
- Federal law as of 25.05.1997 N 81-FZ «On ratification of the Convention between the Russian Federation and the Hungarian Republic on avoidance of double taxation concerning income and wealth taxes”.
- Federal law as of 28.04.1997 N 74-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Kazakhstan Republic on elimination of double taxation and prevention of tax evasion to the income and the capital”.
- Federal law as of 28.04.1997 N 72-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Moldova Republic on avoidance of double taxation of incomes and property and prevention of tax evasion”.
- Federal law as of 19.03.1997 N 64-FZ «On ratification of the Agreement between the Russian Federation and the Great Duchy of Luxembourg on avoidance of double taxation and prevention of tax evasion concerning income and wealth taxes”.
- Federal law as of 26.02.1997 N 41-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Slovak Republic on avoidance of double taxation of incomes and property”.
- Federal law as of 26.02.1997 N 43-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of Mongolia on avoidance of double taxation concerning income and wealth taxes”.
- Federal law as of 26.02.1997 N 32-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Czech Republic on avoidance of double taxation and prevention of tax evasion concerning income and capital taxes”.
- Federal law as of 26.02.1997 N 36-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Albanian Republic on avoidance of double taxation concerning income and wealth taxes”.
- Federal law as of 26.02.1997 N 35-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Croatian Republic on avoidance of double taxation concerning income and wealth taxes”.
- Federal law as of 26.02.1997 N 39-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Republic of Slovenia on avoidance of double taxation concerning income and wealth taxes”.
- Federal law as of 26.02.1997 N 34-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Philippines Republic on avoidance of double taxation and prevention of tax evasion concerning taxes on Incomes ”.
- Federal law as of 26.02.1997 N 40-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Kingdom of Denmark on avoidance of double taxation and prevention of tax evasion concerning income and wealth taxes”.
- Federal law as of 26.02.1997 N 33-FZ «On ratification of the Convention between the Government of the Russian Federation and the allied Government of the Union Republic of Yugoslavia on avoidance of double taxation concerning income and wealth taxes”.

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- Federal law as of 26.02.1997 N 37-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Chinese National Republic on avoidance of double taxation and prevention of tax evasion concerning income taxes ».

- Federal law from 10.01.1997 N 14-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of Byelorussia on avoidance of double taxation and prevention of evasion as of payment of taxes concerning income and wealth taxes."

- Federal law as of 18.12.1996 N 157-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Kingdom of Belgium on avoidance of double taxation and prevention of tax evasion concerning income and wealth taxes".

- Federal law as of 24.04.1995 N 51-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Uzbekistan Republic on avoidance of double taxation of incomes and property".

- Federal law as of 24.04.1995 N 53-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of Romania on avoidance of double taxation concerning income and wealth taxes".

- Federal law as of 24.04.1995 N 48-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Bulgarian Republic on avoidance of double taxation concerning income and wealth taxes".

- Federal law as of 24.04.1995 N 50-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of the Vietnam Socialist Republic on avoidance of double taxation and prevention of tax evasion concerning income taxes ».

- Federal law as of 24.04.1995 N 55-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Kingdom of Sweden on avoidance of double taxation concerning income taxes ».

- Federal law from 24.04.1995 N 54-FZ «On ratification of the Agreement between the Government of the Russian Federation and the Government of Ireland on avoidance of double taxation concerning income taxes ».

- Federal law from 24.04.1995 N 49-FZ «On ratification of the Convention between the Government of the Russian Federation and the Government of the Korean Republic on avoidance of double taxation concerning income taxes".

8.8. Description of the order of taxation of incomes on the issuer's securities that were placed or are being placed now.

I. Taxation of incomes of physical persons under the placed securities is in the form of dividends.

No	Categories of the securities owners	
	Physical persons – RF tax residents	Physical persons who receive income from sources situated in RF and are not RF tax residents
Name of the income on the placed securities	Dividends	
Name of the securities income tax	Income tax of physical persons	
Tax rate	9%	15% (from 01.01.08)
Order and terms of the tax payment	The duty to retain incomes of the tax bearer the sum of the tax and to pay it in the corresponding budget is assigned to a Russian organization that is a source of income of the tax bearer in the form of dividends (tax agent). The accrued sum of the tax is retained directly from incomes of the tax bearer at their actual payment. Tax agents are obliged to list the sums of the estimated and retained tax not later than the day of actual reception in the bank of cash money resources on income payment, and also the day of transfer of the income from the accounts of tax agents in bank into the accounts of the tax bearer or, under its commission, into the accounts of the third parties in banks	
Peculiarities of the order of taxation for the specified category of securities owners	The tax total sum is defined as product of the rate of the tax and the difference between the sum of the dividends that are subject to distribution between shareholders - residents, and the sum of the dividends received by the tax agent for the accounting period. In case the received difference is negative, the tax may not be paid, and there is no	Elimination of the double taxation. For remission of payment of the tax, carrying out of offset, reception of tax deductions or other tax benefits, the tax bearer should present official to the tax bodies of the Russian Federation documents that show that he/she is the resident of the state with which during the corresponding tax period (or its

	compensation from the budget. The sum of the tax which is subject to deduction from incomes of the tax bearer - the addressee of dividends - is estimated proceeding from the total sum of the tax and the share of each tax bearer in the total sum of dividends	parts) the Russian Federation concluded a contract (agreement) on avoidance of double taxation, and also the document on the received income and on payment of the tax by him/her outside of the Russian Federation approved by the tax body of the corresponding foreign state. Such documents may be presented before the tax payment and within one year after the termination of the tax period by the results of which the tax bearer applies for remission of the taxation, tax deductions or benefits.
Legal and standard acts that stipulate the order of taxation of the specified income	Tax Code of the Russian Federation, chapter 23 <i>Tax on income of physical persons</i> (with changes and amendments)	

II. Taxation of incomes of physical persons from realisation of the placed securities

No	Categories of securities owners	
	Physical persons – RF tax residents	Physical persons who receive income from sources situated in RF and are not RF tax residents
Name of the income on the placed securities	Income (loss) from securities conversion defined as a difference between the sums received from securities conversion and costs for acquisition, use and storage of securities made by the tax bearer and presented in the documents	
Name of the securities income tax	Taxes on incomes of physical persons	
Tax rate	13%	30%
Order and terms of the tax payment	Total sum of the tax to be paid in the budget is calculated falling within the tax declaration and paid to the residential place of the tax bearer no later than 15 July of the year following the past tax period	
Peculiarities of the order of taxation for the specified category of securities owners		Elimination of the double taxation. For remission of payment of the tax, carrying out of offset, reception of tax deductions or other tax benefits, the tax bearer should present official to the tax bodies of the Russian Federation documents that show that he/she is the resident of the state with which during the corresponding tax period (or its parts) the Russian Federation concluded a contract (agreement) on avoidance of double taxation, and also the document on the received income and on payment of the tax by him/her outside of the Russian Federation approved by the tax body of the corresponding foreign state. Such documents may be presented before the tax payment and within one year after the termination of the tax period by the results of which the tax bearer applies for remission of the taxation, tax deductions or benefits.
Legal and standard acts that stipulate the order of taxation of the specified income	Tax Code of the Russian Federation, chapter 23 <i>Tax on income of physical persons</i>	

III. Taxation of incomes of legal persons on the placed securities in the form of dividends

No	Categories of securities owners	
	Legal persons – RF tax residents	Foreign legal persons (non-residents) that receive income from sources situated on the territory of RF
Name of the income on the placed securities	Dividends	
Name of the securities income tax	Taxes on incomes of physical persons	
Tax rate	9% or 0% (at completion of conditions specified in item 3 of section 284 of the RF Tax Code	15%
Order and terms of the tax payment	Income taxes in the form of dividends are taken from the source of this income and transferred to the budget by the tax agent who performed payment within ten days from the day of the income payment	
Peculiarities of the order of taxation for the specified category of securities owners	The tax total sum is defined as product of the rate of the tax and the difference between the sum of the dividends that are subject to distribution between shareholders - residents, and the sum of the dividends received by the tax agent for the accounting period. In case the received difference is negative, the tax may not be paid, and there is no compensation from the budget. The sum of the tax which is subject to deduction from incomes of the tax bearer - the addressee of dividends - is estimated proceeding from the total sum of the tax and the share of each tax bearer in the total sum of dividends	. In case Russian organization - tax agent pays dividends to the foreign organization and (or) to a physical person who is not a resident of the Russian Federation, the tax base of the tax bearer - addressee of dividends on each such payment is defined as the sum of the paid dividends, and a rate established accordingly by subitem 2 of item 3 of section 284 (15 %) or item 3 section 224(15 %)of the Tax Code of the Russian Federation is applied to it. Elimination of double taxation. At representation by the foreign organization to the tax agent before the date of payment of the income of documents that prove that this foreign organization has permanent establishment in the state with which Russian Federation has international contracts that regulate issues of taxation, concerning income on which the international contract provides a preferential mode of taxation in the Russian Federation, remission of deduction of taxes from the source of payment or tax deduction under the lowered rates.
Legal and standard acts that stipulate the order of taxation of the specified income	Tax Code of the Russian Federation, chapter 25 <i>Tax on income of organizations</i>	

IV. Taxation of income of legal persons from conversion of the placed securities

No	Categories of securities owners	
	Legal persons – RF tax residents	Foreign legal persons that do not perform constant activity through permanent establishment in RF and receive income from RF sources
1.Name of the income on the placed	Income from operations on	Income from sale of shares of

securities	securities conversion	Russian organizations, more than 50% of which consist of real estate situated on the territory of RF
2.Name of the securities income tax	Income tax	
3.Tax rate	24%	20%
4.Order and terms of the tax payment	The sum of the tax by the results of the tax period is defined by the tax bearer independently. The tax that is subject to payment after the tax period is paid not later than 28 March of the year following the expired tax period. Quarterly advance payments are paid no later than 28 days from the date of termination of the quarter. Monthly advance payments are paid in time no later than the 28th day of each month of this accounting period. The tax bearers that pay monthly advance payments on actually received profit, pay advance payments no later than 28th day of the month, following the month by results of which tax calculation is made. According to the results of the accounting period, sums of monthly advance payments are set off at payment of quarterly advance payments. Quarterly payments are set off on account of payment of the tax according the results of the tax period.	The obligation of definition of the sum of the tax, deduction of this sum from the incomes of the tax bearer and tax transfer in the budget is assigned to a Russian organization or a foreign organization that performs out activity in the Russian Federation through permanent establishment and pay the specified income to the tax bearer.
Peculiarities of the order of taxation for the specified category of securities owners		At presentation by the foreign organization to the tax agent before the date of payment of the income of the documents that prove that the foreign organization has a permanent establishment in the country with which Russian Federation has international contracts that regulate taxation, concerning the income on which the international contract provides a preferential mode of taxation in the Russian Federation, remission of deduction of taxes at a source of payment or tax deduction under the lowered rates
Legal and standard acts that stipulate the order of taxation of the specified income	Tax Code of the Russian Federation, chapter 25 <i>Tax on income of organizations</i>	

8.9. Information on the declared (accrued) and on paid dividends under the issuer's shares and also on incomes under the issuer's bonds.

In 2007-2008 the authorised management bodies of the Issuer did not make decisions on payment of dividends on ordinary registered shares of the issuer.
Bonds were not issued by the issuer.

8.10. Other data disclosed in the quarterly report according to requirements of the regulations about the information policy of IDGC of South

Statistical information on shareholders of the Company, including the number of shareholders, ratio of the number and stake in the authorised capital of non-residents and residents, legal and physical persons.

	Number of shareholders of the Company as of 30.06.2008	Number of shares	Stake in the authorised capital
Physical persons	9,637	1,740,759,905	3.5%
Legal persons	92	260,551,718	0.5%
<i>Including non-residents</i>	11	21,112,205	0.042%
Nominal holders	15	47,809,784,441	95.9%
TOTAL:	9,744	49,811,096,064	100 %

Description of organizational structure of the Company and the main, functional relations between the key operational divisions.

The organizational structure of IDGC of South, JSC was developed according to the joint order of JSC RAO UES of Russia and JSC UES FGC as of 08.06.2007 No 179r/188r On development of organizational structure of IDGCs and DGCs and approved at a session of the Company's Board of Directors (Minutes No 7/2008 as of 28.01.2008).

Organizational structure meets the requirements of the main shareholder to the organizational structure of the operational company. The main directions of activity of the Company are distributed on functional blocks, management with which is performed by deputy general directors of the Company:

- Economy and finance;
- Development and sale of services;
- Investments and major construction;
- Technical support;
- Corporate governance;
- Safety and controlling.

Separate directions became independent organizational departments subordinate to the Company's General Director:

- Administrative Office;
- Department of Accounting and Tax Account and Reporting;
- Department of Technical Inspection;
- Department of Information Technologies;
- Department on Human Resources Management and Organizational Design;
- Department of Logistics and Material Support

Deputy general directors are presented in the organizational structure -

Directors of branches who, on the basis of the power of attorney given out by General Director of the Company, exercise administration of the current activity, establishment according to the decision of Board of Directors of the Company (Minutes No6/2008 as of 11.01.2008), the following branches of the Company:

1. Subsidiary of IDGC of South - Astrakhanenergo (32, Krasnaya Naberezhnaya St, Astrakhan, 414000);
2. Subsidiary of IDGC of South - Volgogradenergo (15, Lenina avenue, Volgograd, 400066);
3. Subsidiary of IDGC of South - Kalmenergo (Northern industrial zone, Elista town, Republic of Kalmykia, 358007);
4. Subsidiary of IDGC of South - Kubanenergo (2, Stavropolskaya St, Krasnodar, 350033);
5. Subsidiary of IDGC of South - Rostovenergo (49, Bolshaya Sadovaya St, Rostov-on-Don, 344002).

The scheme of organizational structure of IDGC of South, JSC is placed on the Company's site at the address: <http://www.mrsk-yuga.ru/about/struktura/index.shtml>.

Calendar of key events and news of the issuer. The information on participation of the issuer in exhibitions and conferences and activity of international organizations.

Key events:

1. On 30 May, 2008, IDGC of South, JSC held the first annual general meeting of shareholders at which it summed up its activity for 2007.
2. IDGC of South, JSC took part in the last All-Russia session of power industry workers headed by Chairman of JSC RAO UES of Russia Management Board Anatoly Chubays.
3. During June, 5-6, in Rostov-on-Don, under the auspices of “Interregional Distribution Grid Company of South” Joint-Stock Company the seminar on “The client oriented policy in power sector” took place

Key news of the Company in the accounting quarter:

n/n	The date of publication	News	The source
1	07.04.2008	Volgogradenergo branch of IDGC of South, JSC begins the reconstruction of the segment of the aerial line “Linyovo-Verkhnyaya Dobrinka”, that provides the power supply to 5 residential places of the Zhirnovsky district of the Volgograd Region	Volgogradenergo branch of IDGC of South, JSC Internet site
2	08.04.2008	In JSC Kubanenergo branch “The Krasnodar electric networks” the reconstruction of substations of 110/10 kV “Severovostochnaya” and of 35/10 kV “KNIISKh” was completed	JSC Kubanenergo Internet Site, the news paper “Krasnodarskiye Izvestiya”
3	11.04.2008	44 years ago the electric power system of the republic of Kalmykiya was reorganized	JSC Kalmenergo Internet site
4	21.04.2008	Mikhail Stolyarov took part in the last All-Russian meeting of the power engineers held under the auspices JSC “RAO UES of Russia”. On Friday, in Moscow, the last All-Russian meeting of the power engineers under the guidance of JSC “RAO UES of Russia” president Anatoly Chubais, took place. Mikhail Stolyarov, Deputy Director General of IDGC of South, JSC, Director of Astrakhanenergobranche of IDGC of South, JSC took part in its work.	IDGC of South, JSC Internet Site
5	23.04.2008	New investments in the development of Adygeya energy district	JSC Kubanenergo Internet Site, “Sovetskaya Adygeya”
6	24.04.2008	IDGC of South, JSC summed up the results of the autumn-and-winter period	IDGC of South, JSC Internet Site
7	24.04.2008	The announcement about the annual General stockholders’ meeting of JSC Kubanenergo	JSC Kubanenergo Internet Site, “Sovetskaya Adygeya”, newspaper “Kubanskiye novosti”
8	25.04.2008	In Astrakhanenergo branch of IDGC of South, JSC held the Unified Security day	Astrakhanenergo branch of IDGC of South, JSC Internet site
9	12.05.2008	In a panel session of the regional executive staff which aim was to work with the consumers, the representatives of the electric energy companies gave a report of the elimination of the issued claims from the residents of Astrakhan and rural areas.	Astrakhanenergo branch, JSC Internet site
10	13.05.2008	Summing up the results of the All-Russian contest “The best collective agreement in the sphere of the power industry of the Russian Federation” among the distribution grid power companies in 2007 the collective agreement of “Kubanenergo”, JSC took the 3 place	IDGC of South, JSC Internet Site
11	14.05.2008	The staff of Volgogradenergo branch of IDGC of South, JSC took prizes from JSC RAO UES of Russia	IDGC of South, JSC Internet Site
12	15.05.2008	On the base of the training ground of JSC Kubanenergo – “Armavirskiye electric networks” V review competition of operational mobile teams took place	JSC Kubanenergo Internet Site, the newspaper “Sviet mayakov”
13	24.05.2008	On May 20, 2008 the conference “How to become	JSC Rostovenergo

		the supplier of electric power during the post-reforming period took place. The organization of the procurement activity today and tomorrow”	branch Internet Site
14	02.06.2008	Power energy for the new mall IKEA	JSC Kubanenergo Internet Site
15	02.06.2008	The complex repairs of the high-voltage substations of 35/10 kV “Blagoveschenskaya” and 110/35/10 kV “Dzhiginskaya” were initiated by of the substations’ service staff of JSC “Kubanenergo”- “South-west power networks” to provide the reliable power supply for the resort city of Anapa and the district of Anapa	JSC Kubanenergo Internet Site, the newspaper “Priboy”
16	04.06.2008	IDGC of South, JSC is going till the end of 2008 to allocate 15 bln rubles bond loan. These means will be invested into the development of the industrial base, and into Sochi Olympics power facilities, accordingly.	IDGC of South, JSC Internet Site, Volgogradenergo branch of IDGC of South, JSC Internet site
17	05.06.2008	Volgogradenergo branch of IDGC of South, JSC built the new power supply line of 35 kV. Its name is “Alyoshniki- Makarovskaya” (Zhirnovskky District)	Volgogradenergo branch, JSC Internet site
18	04.06.2008	June 3, 2008, in the conference hall of Rostov State Building University (RSBU) the book presentation took place. The name of the book “Prisoners in the construction sites during the Communist era. Central Administration of Prison Camps and power facilities of the USSR”	JSC Rostovenergo branch Internet Site
19	06.06.2008	IDGC of South, JSC – the development ahead of time. IDGC of South, JSC held the first annual general stockholders’ meeting.	Volgogradenergo branch, JSC Internet site
20	06.06.2008	The results of the annual general stockholders’ meeting	IDGC of South, JSC Internet Site
21.	10.06.2008	Volgogradenergo branch, JSC implements the modern energy supply technologies in the remote areas of the region	Volgogradenergo branch, JSC Internet site
22	10.06.2008	IDGC of South, JSC – “the path of development”. May 30, 2008 IDGC of South, JSC held the first annual general stockholders’ meeting, where the results of the activity for 2007 were summed up.	The newspapers “Yuzhny Federalnyi”, “Vedomosti”, “Vechernii Rostov
23	10.06.2008	IDGC of South, JSC is going to provide the bright future for 6 subjects of the South federal district	“Rossiiskaya Gazeta”
24	11.06.2008	Volgogradenergo branch, JSC of IDGC of South, JSC increased the volume of energy supplies	Volgogradenergo branch, JSC Internet site
25	11.06.2008	June 5-6, under the auspices of IDGC of South, JSC the interregional seminar devoted to the “Client oriented policy in the sphere of power industry” took place.	“Izvestiya newspaper”
26	19.06.2008	For 5 months of 2008 in Astrakhanenergo branch, JSC the productive supply of power was increased by 93,16 mln of KWH in comparison with the preceding year indexes	Astrakhanenergo branch, JSC Internet site
27	23.06.08	Kubanenergo JSC is getting ready to push into the industrial use the Center of Networks Management (CNM), which will help the company to widen the sphere of its activity in operating systems’ management. At present, Kuban power engineers are installing the main instrument panel.	IDGC of South, JSC Internet Site
28	23.06.2008	The specialists of Trusovsky distribution zone of Astrakhanenergo branch of IDGC of South, JSC are	Astrakhanenergo branch, JSC Internet

		completing the reconstruction of power networks in the South part of Trusovsky district of the regional center	site
29	24.06.2008	The delegation of the German businessmen visited the Astrakhanenergo branch of IDGC of South, JSC	Astrakhanenergo branch, JSC Internet site

The short description of the major internal positions of the Company

Specific structures, procedures, corporate governance practice are regulated by the Charter and the internal documents of the Company, including:

n/n	The name of the internal document	Description	The information about the confirmation of the internal status by the Governing Bodies of the Company
1	IDGC of South, JSC Charter (new edition)	The major internal document of the company, that specifies its legal status	Confirmed by the decision of the only shareholder – JSC RAO UES of Russia (protocol #1829 part/7 (dated 28.02.2008).
2	The regulations on the preparatory set and the general shareholders’ meeting	The document specifies the order of convening, preparation, holding of the shareholders’ meetings and also the interaction between the operating bodies of the meetings	It is confirmed by the decision of the only shareholder – JSC RAO UES of Russia (protocol #1829 part/7 (dated 28.02.2008).
3	The regulations on the order of convening, preparation, holding the meetings of the of the Board of Directors of the company (new edition)	The document specifies the order of convening, preparation, holding of the meetings of the Board of Directors, representatives, and also the rights, duties and responsibility of the members and the secretary of the Board of Directors.	Confirmed by the decision of the only shareholder – JSC RAO UES of Russia (protocol #1829 part/7 (dated 28.02.2008).
4	Regulations on the board of directors	The document specifies the order of the Boards’ formation, the order of convening, preparation, holding of the meetings and also the rights, duties and responsibility of the members and the secretary of the Board of Directors.	Confirmed by the decision of the only shareholder – JSC RAO UES of Russia (protocol #1829 part/7 (dated 28.02.2008).
5	The regulations on the audit commission of the Company	The document specifies the goals, the order of activity of the audit commission, regulates the questions of its interaction with the governing bodies of the Company, also settles the rights and duties of the members of the audit commission	Confirmed by the decision of the only shareholder – JSC RAO UES of Russia (protocol #1751part/4 dated 05.10.2007).

6	Regulations on the payment of remunerations and compensation allowances to the members of the Board of Directors	The document specifies the dimensions and the order of payments and compensation allowances to the members of the Board of Directors (excluding the members of the Board of Directors, who are at the same time the director general and/or the members of the Board)	Confirmed by the decision of the only shareholder – JSC RAO UES of Russia (protocol #1829 part/7 (dated 28.02.2008).
7	Regulations on the payment of remunerations and compensation allowances to the members of the audit commission of the Company	The document specifies the dimensions and the order of payments and compensation allowances to the members of the audit commission.	It is confirmed by the decision of the only shareholder – JSC RAO UES of Russia (protocol #1 dated 04.06.2008)
8	The code of the corporate management of the company	The document specifies the obligations taken by the company in the sphere of management transparency provision and the fulfillment of the standards of the due corporate management	Confirmed by the Board of Directors (protocol #2/2007 dated 30.08.2007)
9	The regulations on the information policy in the Company. The changes of these regulation	The document specifies the rules and approaches to the information release, the list of documents and information that should be disclosed to the shareholders, creditors, potential investors and other bodies. It also specifies the order and terms of the release and reporting of data.	Confirmed by the Board of Directors (protocol #2/2007 dated 30.08.2007) The changes of the regulations were confirmed by the board of directors (protocol dated 18.04.2008 #12/2008)
10	Regulations on the internal information of the Company	The document specifies the meaning of the notion “internal” and “internal information” of the Company. It specifies the order of the protection and prevents the illegal use and distribution of the internal information	Confirmed by the Board of Directors (protocol #2/2007 dated 30.08.2007)
11	Regulations on the company secret of the Board of Directors of IDGC of South, JSC	The document specifies the status, competence, the rights and duties of the corporate secretary and Board of Directors of the Company, the method of naming, the order of remunerations.	Confirmed by the Board of Directors, (protocol #1/2007 dated 17.07.2007).

The above mentioned internal documents of the Company are developed in accordance with the legislation of the Russian Federation and the Charter of the Company and specify the main regulations of the Code of corporate behavior, recommended for use by Federal Commission for the Securities Market (FCSM) (The decree of FCSM dated 04.04.02 #421).

The internal regulations of the issuer are presented in the site of the Company. Click the reference below.
<http://www.mrsk-yuga.ru/management/documents/index.shtml>

The information about the procedures of candidates’ promotion to the Board of directors of the Company, the brief review of questions’ giving procedure to the Board of directors of the Company. The brief review of activity in the accounting quarter of the board of directors referring to a corporate site of the Company.

Procedures of promotion of candidates to the Board of directors of the company.

The shareholders (shareholder) of the Society who possess in aggregate not less than 2 (two) percent of voting actions of the Company, during the period not later than 60 (sixty) days after the termination of the fiscal year have the right to bring questions to the agenda of the annual General meetings of shareholders and to put forward candidates for the Board of directors and the audit commission of the company. The number of persons should not exceed the quantitative structure of the issued body.

The offer to bring to the agenda the questions of General meeting of shareholders and the offer to promote the candidates should be brought in the written form with the indication of the name (Names) of the shareholders (shareholder) who have presented them, together with quantities and the category (type) of actions belonging to them and also should be signed by shareholders (shareholder).

The offer to bring the agenda questions to the General meeting of shareholders should contain the exact wording of each given question, and the suggestion of the promotion of candidates – the name and the information of the identification document containing (series and/or the number of the document, date and the place of issue, the body who issued the document) and also the name of each candidate, and the name of the body the candidate is offered for.

The Board of directors of the Company is obliged to examine the given offers and to make decisions on their inclusion in the agenda of the General meeting of shareholders of the Company or about the refusal of their inclusion in the specified agenda not later than 5 (five) days after the term indicated in paragraph 13.1 of the current article.

The Board of directors of the Company has the right to deny the inclusion of questions brought by the shareholder (shareholders) into the agenda of General meeting of shareholders and also the inclusion of the promoted candidates in the list of nominees for voting at elections to the corresponding Body of the Company. It is stipulated by the Federal law on “Joint-stock Companies” and other legislative acts of the Russian Federation.

Motivated decision of the Board of directors of the Company in case of refusal to include the question in the agenda of General meeting of shareholders of the Company or the candidate into the list of nominees for voting at elections to the corresponding Body of the Company should be addressed to the shareholder (shareholders), who brought this question or promoted the candidate not later than 3 (three) days since the moment of its adoption.

The board of directors of the Company does not have the right to make changes to questions’ formulations, offered for inclusion in the agenda of the General meeting of shareholders, and in the formulation of decisions (if any) concerning such questions.

Besides the questions offered for inclusion in the agenda of General meeting of shareholders, and also in case of absence of such offers, absence or insufficient number of the candidates offered by shareholders for formation of the corresponding body, the Board of directors of the Company has the right to include in the agenda of the General meeting of shareholders the questions or candidates for the list of nominees in its own discretion.

The procedures of items submission to the Board of directors of the Company.

The order of items submission to the Board of directors of IDGC of South, JSC is specified by the Regulations on “The order of convening of meeting of the Board of directors of IDGC of South, JSC in new edition, and upheld by the decision of the Board of RAO UES of Russia (the protocol dated 2/20/2008 #1829 paragraph 7)

According to section 5.3.3. of paragraph 5.3 article 5 of the Regulation on «The order of convening of meeting of the Board of directors of IDGC of South, JSC the plan of work of the Board of directors is formed on the basis of offers of the Chairman and members of the Board of directors, the audit commission, the director general of the Company, the Auditor of the Company.

The specified offers should be addressed to the Chairman of the Board of directors in the written form together with simultaneous sending by means of facsimile telegraph the copy of offers to the corporate secretary.

The brief review of the Company governance bodies' activity in the quarter under report.

The following actions were held in the second quarter:

- 1 (one) general shareholders meeting (annual) - Minutes No. 1 as of 04.06.2008. The annual general meeting made the following decisions:

1. Adoption of the annual report, annual financial statements, including the profit and loss statement of the Company for 2007.
2. Distribution of profit (including payment of dividends) and loss of the Company following the results of 2007.
3. Election of the Company Board of Directors' members.
4. Election of the Company Auditing Committee's members.
5. Adoption of the Company auditor.
6. Adoption of the revised Regulations for payment of remuneration and compensation to members of the Company Board of Directors.
7. Adoption of the revised Regulations for payment of remuneration and compensation to members of the Company Auditing Committee.

Minutes of the Company general shareholders meeting are placed on the Internet website of the Company at: <http://www.mrsk-yuga.ru/management/info1/index.shtml>.

- 5 (five) proceedings of the Board of Directors (all held in absentia) which considered 59 items.

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Minutes of proceedings of the Board of Directors are placed on the website of the Company at:
<http://www.mrskyuga.ru/management/info2/index.shtml>.

There are no committees under the Company Board of Directors.

The brief review of the Auditing Committee's activity in the quarter under report referring to the corporate website of the Company

In the quarter under report, the Auditing Committee of IDGC of South, JSC did not held meetings.

Minutes of the Auditing Committee meetings for the whole period of activity of the emitter are placed on the website of the Company at: <http://www.mrsk-yuga.ru/management/revision/index.shtml>

The information on estimation of corporate governance

Corporate governance ratings were not assigned to the emitter.

Dynamics of the Company shares and other securities price

Dynamics of change of the prices for the Company shares for the quarter under report of 2008: *shares of the Emitter as of the last date under report were not included in the organized markets; in this connection, data on dynamics of share price of the emitter are not specified.*

Dynamics of rates of other securities of the Company: *not provided here in view of absence of other outstanding securities, except for the emitter's shares.*

The emitter's asset estimation methods

To reflect property and liabilities in the accounting records, the Company makes their estimation in money terms. The estimation of property is carried out as follows:

- The property received as the contribution to the authorized capital is estimated by monetary value defined by founders (shareholders) of the Company;
- The property purchased for payment is estimated in the amount of actually made expenses for its purchase.
- The property made by divisions of the Company is estimated under the cost price of its manufacturing (actual expenses connected with manufacture of an object of property);
- The material assets remaining after write-off of the fixed assets unsuitable to restoration and further use, spare parts formed as a result of the fixed assets restoration (reconstruction, re-equipment, repairs) are estimated for the current market cost as of the date of the fixed assets write-off or as of the date of reflecting spare parts in the accounting records;
- The property received gratuitously and the property revealed at carrying out inventory of assets and liabilities is estimated at the current market cost as of the date of reflecting the property in accounting records;
- Current market cost is understood as the amount of money resources which can be received as a result of sale of the specified asset as of the date of reflecting the accounting records.

Current market cost is formed proceeding from the prices on the given or similar kind of property. Thus, data about an established price should be confirmed documentary or by an expert.

At estimation of the property purchased on any grounds, its actual cost is formed with addition of the expenses made by the Company on bringing the property up to the condition suitable for use.

Cost of property for which they are reflected in accounting records is not subject to change, except for the cases established by the legislation of the Russian Federation.

For non-current assets (except for immaterial assets) it is supposed in case of completion, additional equipment, reconstruction, re-equipment, partial liquidation and reassessment of the fixed assets objects.

For circulating assets, it is supposed if stocks are morally outdated, in full or in part lost the initial quality, or the current market cost, cost of sale decreased.

For financial investments, the current market cost under which can be defined in accordance with the established procedure, the updating of the accounting cost up to the market cost is made.

At reflecting of an object of the real estate in the accounting records as an object of fixed assets, the amount of actual expenses for its creation considered as capital investments in the given object forms an initial draft cost of the fixed assets.

The reflection of expenses on an object of construction in accounting records is carried out by an accruing result from the beginning of construction of the object in relation to the accounting periods before commissioning of objects or full manufacture of the corresponding works. The builder (customer) of construction reflects expenses on the account "Investments in non-circulating assets".

Reports of information on the transactions completed by the Company with the state companies and the quarterly review of such transactions; the quarterly review of transactions of the Company with the

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shareholders of the Company owning at least 5 % of voting shares of the Company; The quarterly review of intracorporate transactions¹ completed by the Company.

The following kinds of transactions were not completed in the quarter under report:

- Transactions of the emitter with the shareholders of the Company owning at least 5 % of the emitter's voting shares;
- Transactions between subsidiaries and dependent entities of the emitter;
- Transactions of the Company with the shareholders owning at least 5 % of voting shares of subsidiaries and dependent entities of the emitter;
- Transactions of the emitter with the members of governance bodies of affiliated and dependent entities of the emitter.

The transactions completed by the emitter with the state companies and the quarterly review of such transactions:

In the quarter under report, the Company completed 115 transactions with the state companies for a total amount of RUR 11,814,877.87.

Subject of transactions with the state companies completed in the quarter under account:

- rendering information and statistical services;
- rendering services on operational reaction and maintenance service of security means;
- carrying out state expert appraisal of the project documentation;
- rendering services on technical inventory of objects of real estate;
- rendering services on granting the information on the environment, its pollution (directory of hydrometeorological service);
- rendering services on manufacturing of technical data sheets;
- rendering services on training and improvement of the personnel professional skills;
- rendering consulting and information services;
- rendering services on subscription and delivery of periodicals;
- rendering services on technical connection (the emitter acted as the performer under contracts).

Other data on outstanding placed shares of the emitter in the securities market.

Data on organizers of trading and the quotation list, in which the Company securities are included: shares of the Emitter as of the last accounting date were not circulating in the organized markets.

Data on the market makers of the Emitter:

Full company name	«OTKRYTIE Broker House», Joint-Stock Company
Short company name	«OTKRYTIE Broker House», JSC
Location	19 bld.10, Protopopovsky lane, Moscow 129010
Phone and fax numbers	phone: (495) 232-03-00 fax: (495) 956-47-00

¹ According to the Regulations for the Information Policy, the Company intracorporate transactions include the transactions between the Company and its subsidiaries and dependent entities (SDE), transactions between SDE of the Company; transactions between the Company and shareholders owning at least 5 % of voting shares of the Company; transactions of the Company with the shareholders owning at least 5 % of voting shares of the Company SDE; transactions between the Company and members of the governance bodies of the Company SDE.

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Internet website used by the financial consultant for disclosing the information on the emitter	http://www.bdopen.ru/
Number, date of issue and date of expiry of the license for carrying out the professional activity in the securities market	License for carrying our broker activity No. 177-06097-100000 Date of issue: 28 June 2008 No date of expiry
Authority which issued this license (for consultants which are professional participants of the securities market)	Federal Commission for the Securities Market

The information on total number and total cost of transactions with the Company securities concluded on stock exchanges for each month and for each quarter within the current fiscal year: shares of the Emitter as of the last accounting date were not circulating in the organized markets.

Data on financial and economic activity of subsidiaries and dependent entities of the emitter:

No.	Indicator	Indicator value as of 30.06.2008 on SDE:				
		“Volgogradsetremont”, JSC	“Astrakhanelectrosetremont”, JSC	“Agricultural enterprise named after A.A. Grechko”, JSC	“Sokolovskoe Agricultural enterprise”, JSC	“Energetik”, camp
1	Proceeds, thousand rubles	30,685	6,812.00	7,590	7,033	260
2	Production cost, thousand rubles	38,443	7,945.00	7,789	9,111	11,821
3	Gross profit, thousand rubles	-7,758	-1,133.00	-199	-2,078	-11,561
4	Net profit, thousand rubles	-9,144	-1,649.00	-1,194	-3522	-5,756
5	Return on sales, %	-25.3 %	-23.97	-2.62	-29.55	-4,446.54
6	ROE (return on equity), %	-21.3 %	-0.03	-1.48	-2.17	-5.24
7	Current liquidity ratio	3.56	0.66	1.97	3.15	6.28
8	Equity-asset ratio	0.84	0.80	0.73	0.86	0.87

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9	Debt receivable turn-round	1.11	1.21	1.34	-0.002	3.91
10	Account payable turn-round	1.72	0.56	1.63	0.69	11.37

Indicators of the electric power transport of IDGC of South, JSC for the 2nd quarter of 2008

No.	Branch name	Volume of transmitted electric power, thousand kilowatt/hour			Tariff for transmission, RUR/MWh			Profit, thousand rubles			Cost of loss under load, thousand rubles	Proceeds taking into account the loss under load, thousand rubles
		Target	Actually performed	Deviation	Target	Actually performed	Deviation	Target	Actually performed	Deviation		
1	Astrakhanenergo	725,840.000	687,673.010	-38,166.990	575.247	560.220	-15.027	417,537.174	385,248.180	-32,288.994	9,566.350	375,681,830
2	Volgogradenergo	3,572,411.800	3,712,549.227	140,137.427	365.989	361.524	-4.465	1,307,462.690	1,342,176.460	34,713.770	36,731.200	1,305,445,260
3	Kalmenergo	86,547.900	85,345.300	-1,202.600	809.613	844.373	34.760	70,070.300	72,063.300	1,993.000	1,021.790	71,041,510
4	Rostovenergo	2,876,939.160	2,914,394.960	37,455.800	583.586	569.521	-14.065	1,678,941.460	1,659,810.260	-19,131.200	30,860.050	1,628,950,210
IDGC of South, JSC		7,261,738,860	7,399,962.497	138,223.637	478.399	467.475	-10.924	3,474,011.624	3,459,298.200	-14,713.424	78,179.390	3,381,118.810

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The information on tariffs for the electric power transmission and payment for technological connection to distribution grids

Tariffs for Rostovenergo branch of IDGC of South, JSC

Tariffs		HV	MV-1	MV-2	LV
"Common stock" tariffs adopted by Order of the Regional Tariff Service No.5/3 as of 23.05.2008	Single-rate tariff (RUR/MW-h)	716.81	719.61	1,181.91	941.2
	Rate (tariff) for maintenance of electric grids (RUR/MW-month)	394, 475.30	395, 191.20	400, 651.50	481, 935.20
	Rate (tariff) of technological consumption (losses) of the electric power for its transmission through grids (RUR/MW-h)	91.29	151.90	162.03	272.53
	TOTAL, RUR/MW-h				
Sole tariffs for calculations between Rostovenergo, JSC and Donenergo, JSC	Rate (tariff) for maintenance of electric grids (RUR/MW-month)	79, 655.15			
	Rate (tariff) of technological consumption (losses) of the electric power for its transmission through grids (RUR/MW-h)	5.21			

Tariffs for Volgogradenergo branch of IDGC of South, JSC

Tariff		HV	MV-1	MV-2	LV
Tariffs for mutual	Rate (tariff) for electric grid				

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settlements between Volgogradenergosbyt, JSC and Volgogradenergo, JSC Adopted by Order of Administration for Regional Tariffs No. 5/2 as of 20.02.2008	maintenance (RUR/MW-month)	161, 273			
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	79.03			
"Common stock" tariffs adopted by Order of Administration for Regional Tariffs of the Volgograd region as of 26.12.2007 (from grids)	Rate (tariff) for electric grid maintenance (RUR/MW-month)	209, 620.00	373, 540.00	487, 440.00	658, 310.00
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	21.87	97.82	124.91	414.33
"Common-stock" tariffs adopted by Order of Administration for Regional Tariffs of the Volgograd region as of 26.12.2007 (from station bus)	Rate (tariff) for electric grid maintenance (RUR/MW-month)	52, 405.00	93, 385.00	121, 860.00	164, 578.00
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)				

Tariffs for Kalmenergo branch of IDGC of South, JSC

Tariffs		HV	MV-1	MV-2	LV	LV-City population, VAT included	LV-Rural population, VAT included	MV-2 Rural population, VAT included
"Common stock" Tariffs adopted by Order of RTS-RC No.28-p/e as of 24.03.2008,	Rate (tariff) for electric grid maintenance (RUR/MW-month)	613, 507.09	787, 155.61	808, 149.88	885, 009.00	568, 451,12	175, 511,55	241, 021,54
	Rate (tariff) of technological consumption							

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	(losses) of electric power for transmission through grids(RUR/MW-hour)	42.34	98.15	132.26	215.62	254,43	254,43	156,07
	TOTAL, RUR/MW-hour	1,046.42	1,386.42	1,456.42	1,906.42	1,107,98	517,98	517,98
Individual tariffs for mutual settlement between Kalmenergo, JSC and KalmEnergoKom, JSC	Rate (tariff) for electric grid maintenance (RUR/MW-month)	414,706.77						
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	78.06						
	TOTAL, RUR/MW-hour	756.77						
Individual tariffs for mutual settlement between Kalmenergo, JSC and MUP “Chernozemel skoe MPOKH”	Rate (tariff) for electric grid maintenance (RUR/MW-month)	239,612.52						
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	53.67						
	TOTAL, RUR/MW-hour	445.83						
Individual tariffs for mutual settlement between Kalmenergo, JSC и MUP “Kommunalnik” (Lagan)	Rate (tariff) for electric grid maintenance (RUR/MW-month)	315,113.92						
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	68.73						
	TOTAL, RUR/MW-hour	584.45						

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Individual tariffs for mutual settlement between Kalmenergo, JSC and MOOO “Oktyabrsky Transenergo”	Rate (tariff) for electric grid maintenance (RUR/MW-month)	201, 380.21			
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	34.72			
	TOTAL, RUR/MW-hour	364.3			
Individual tariffs for mutual settlement between Kalmenergo, JSC and MUP MDRMO RK “Kommunaln ye Seti”	Rate (tariff) for electric grid maintenance (RUR/MW-month)	178, 355.48			
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids (RUR/MW-hour)	108.57			
	TOTAL, RUR/MW-hour	400.47			
Individual tariffs for mutual settlement between Kalmenergo, JSC and MOOO “Yashaltinski e Kommunalny e Seti”	Rate (tariff) for electric grid maintenance (RUR/MW-month)	172, 845.01			
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	115.62			
	TOTAL, RUR/MW-hour	398.5			
Individual tariffs for mutual settlement between	Rate (tariff) for electric grid maintenance (RUR/MW-month)	181, 046.09			

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Kalmenergo, JSC and MUP “Kommunaln ye Seti Yustinskogo RMO RK”	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	96.41			
	TOTAL, RUR/MW-hour	392.71			
Individual tariffs for mutual settlement between Kalmenergo, JSC and MUP IKI-Burulskoe MPOKH	Rate (tariff) for electric grid maintenance (RUR/MW-month)	265, 548.22			
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	106.48			
	TOTAL, RUR/MW-hour	541.07			
Individual tariffs for mutual settlement between Kalmenergo, JSC и Gazpromemergo Ltd.	Rate (tariff) for electric grid maintenance (RUR/MW-month)	761, 420.65			
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	126.69			
	TOTAL, RUR/MW-hour	1,372.83			
Individual tariffs for mutual settlement between Kalmenergo, JSC and SKZhD branch of RZhD, JSC (Russian Railways)	Rate (tariff) for electric grid maintenance (RUR/MW-month)	283, 226.27			
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	69			
	TOTAL, RUR/MW-hour	532.53			

Tariffs for Astrakhanenergo branch of IDGC of South, JSC

Tariffs		HV	MV-1	MV-2	LV
"Common-stock" tariffs adopted by Order of the Tariff Service of the Astrakhan region No. 6 as of 30.01.2008	Rate (tariff) for electric grid maintenance (RUR/MW-month)	261,880.94	231,853.00	185,968.26	236,785.6 3
	Rate (tariff) of technological consumption (losses) of electric power for transmission through grids(RUR/MW-hour)	21.54	95.54	135.62	212.0 8
	TOTAL, RUR/MW-hour	448.62	509.26	533.26	671.2 2

Tariffs for technological connection

DGC	Date of approval of tariff decision	Connection category		
		Range of capacity, kW	Level of voltage in the point of connection, KV	Payment rates, RUR for 1 kW, Vat excluded **
Volgogradene rgo branch of IDGC of South, JSC	Order of Administration for Regional Tariffs of the Volgograd region No.17/3 as of 04.06.2008	For connection of power receiving devices of consumers at presence of technical possibilities		
		«City Zone» (Volgograd city)		
		Under 100kW	0.4	1, 778.23
		Over 100kW	0.4	93.17
		Under 100kW	6-10	544.23
		From 100kW to 750 kW	6-10	211.54
		over 750 kW	6-10	93.98
		«Region Zone» (Volgograd region except Volgograd city)		
		Under 100kW	0.4	1, 847.99
		Over 100kW	0.4	90.43
		Under 100kW	6-10	510.09
		From 100kW to 750 kW	6-10	192.76
		Over 750 kW	6-10	110.82
		For connection of power receiving devices of consumers, in connection with necessity of new construction and reconstruction of the feeding centers of the grid organization, at absence of technical opportunity		
		«City Zone» (Volgograd city)		

	Other consumers of the technical connection service		3, 834.69
	«Region Zone» (Volgograd region except Volgograd city)		
	Other consumers of the technical connection service		2, 119.62
	For connection of power receiving devices of consumers, in connection with necessity of new construction and reconstruction of the distribution centers of the grid organization, at absence of technical opportunity		
	«City Zone» (Volgograd city)		
	Under 100kW	0.4	2, 312.85
	Over 100kW	0.4	9, 206.63
	Under 100kW	6-10	3, 340.04
	From 100kW to 750 kW	6-10	5, 297.58
	Over 750 kW	6-10	5, 519.84
	«Region Zone» (Volgograd region except Volgograd city)		
	Under 100kW	0.4	2, 925.3
	Over 100kW	0.4	7, 543.86
	Under 100kW	6-10	3, 470.74
	From 100kW to 750 kW	6-10	5, 565.46
	Over 750 kW	6-10	5, 531.62
	For physical persons and legal entities with a view of the electric power consumption for household needs with connected capacity of up to 15 kW inclusive		
	under 100kW	0.4	8,990
	over 100kW	0.4	7,276
	under 100kW inclusive	6-10	4,891
	over 100kW до 750 kW	6-10	4,327
	over 750 kW	6-10	4,239
	Decision No. 49 of the State Duma of the municipal enterprise “Astrakhan city” as of 24.04.2008	For connection of newly created (reconstructed) real estate objects to the power supply system on the territory of Astrakhan city	23,082

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Astrakhanenergo, JSC				
	Order No. 46 of the TS as of 27.06.2007 Order of TS No. 125 as of 19.12.2007	under 30	0,4	10,525/33 5**
		From 30 to 100	6-10	8,840/57* *
		From 100 to 750	6-10	6,321/14* *
Over 750		6-10	5,600/3**	

** “/” means amount of payment, whether the performance specifications are met by the Grid Organization of the Applicant.

Kalmenergo, JSC	Order of RTS-RC No.23 p/e as of 17.02.2006	Not more than 15 kW physical persons	For connection	269,74
		over 15 kW	0.4-10 kV	126.98
Rostovenergo, JSC	Order of RTS – RR No. 2/7 as of 26.01.2007	Reliability category 1	MV2 (6-10 kV)	15,402.65
			LV (0.4 kV)	20,151.68
		Reliability category 2	MV2 (6-10 kV)	13,490.79
			LV (0.4 kV)	17,650.35
		Reliability category 3	MV2 (6-10 kV)	9,029.79
			LV (0.4 kV)	1,1813.9

8.11. Data on the represented securities and the emitter of represented securities, the property right to which are certified by the Russian depositary receipts

As of the end of the quarter under report, the emitter did not issue Russian depositary receipts.

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**Appendix to the quarterly report of IDGC of South, JSC
for the second quarter of 2008**

**ACCOUNTING
 BALANCE SHEET**

For 30 June, 2008

Organization: “Interregional
 Distribution
 Grid Company of South”,
 Joint Stock Company

		codes		
	Forn 1 under All-Russian Classifier of Management Documentation (ARCMD)	0710001		
	date [year, month, day]	2008	06	30
	under All- Russian Classifier of Business and Organizations (ARCBO)	80380011		
Taxpayer Identification Number	TIN	6164266561		
	under All- Russian Classifier of Economic Activities (ARCEA)	40.10.2		
Activity: distribution of electric energy	under All- Russian Classifier of Forms of Incorporation (ARCFI) \All- Russian Classifier of Forms of Ownership (ARCFO)	47	16	
form of incorporation/ form of ownership: open joint stock company/private property	under All- Russian Classifier of Measurement Units (ARCM)	384		
unit of measurement: thousand rubles				
Location: 49, Bolshaya Sadovaya St, Rostov-on- Don, 643,344002,61				
	date of approval date of sending [reception]			

ASSETS	Code	for the beginning of the accounting year	For the end of the accounting year
1	2	3	4
I. NON-CIRCULATING ASSETS			
Immaterial assets	110	0	0
Fixed assets	120	1,609	22,125,097
Construction-in-process	130	0	1,324,257
interest-bearing investment in the material values	135	0	0
Long-term financial investments	140	0	553,069
deferred tax assets	145	0	164,066
other non-circulating assets	150	0	0
	151		
TOTAL section I	190	1,609	24,166,489
II. CIRCULATING ASSETS			
Stocks	210	6,139	1,015,086
including:			
raw material, material and other similar values	211	4,792	673,768
rearsers and fatteners	212	0	0
expenses in production-in-process	213	0	6,891
end products and goods for resale	214	0	5,807
goods loaded out	215	0	0
expenses of future periods	216	1,347	328,620
other stocks and expenses	217	0	0
	218		
Value Added Tax on values purchased	220	11	35,504
Debt receivable (payments under which are expected to be effected after 12 months after the accounting date)	230	0	359,763
including:			
buyers and customers	231	0	297,724
Debt receivable (payments under which are expected to be effected within 12 months after the accounting date)	240	14,073	4,219,634
including:			
buyers and customers	241	6,531	2,077,692
Short-term financial investments	250	0	5,147
Monetary funds	260	49,948	393,809
Other circulating assets	270	0	38
	271		
TOTAL section II	290	70,171	6,028,981
BALANCE	300	71,780	30,195,470
LIABILITIES			
	Code of the tax office/statistical office		
1	2		
III.CAPITAL AND RESERVES			
Authorised capital	410	10,000	4,981,110
own shares repurchased from shareholders	411	0	0

Additional fund	420	0	14,857,284
Reserve capital	430	0	118,565
including:			
reserves formed in conformity with legislation	431	0	118,565
reserves formed in conformity with the constituent documents	432	0	0
	433		
Undistributed profit (uncovered loss)	470	6,883	1,011,464
TOTAL section III	490	16,883	20,968,423
IV. LONG-TERM LIABILITIES			
Loans and credits	510	0	4,844,863
Deferred tax liabilities			
	515	0	193,525
other long-term liabilities	520	0	110,034
Accounts payable of the suppliers and contractors	521	0	109,868
TOTAL section IV	590	0	5,148,422
V .SHORT-TERM LIABILITIES			
Loans and credits	610	0	1,060,758
Accounts payable	620	29,303	2,859,333
including:			
suppliers and contractors	621	2,176	1,378,195
debt to the personnel of the organization	622	151	143,340
debt to state and non-budgetary funds	623	32	52,080
debt under taxes and tax collections	624	7,844	202,284
other creditors	625	19,100	1,083,434
Debt to participants (founders) on revenue payment	630	0	15,576
Profit of future periods	640	0	97,744
Reserves of future expenses	650	25,594	45,214
other short-term liabilities	660	0	0
	661		
TOTAL section V	690	54,897	4,078,625
BALANCE	700	71,780	30,195,470
Information on the presence of valuable taken into account in off-balance sheet-accounts			
Leased fix assets	910	29,466	2,358,246
including on leasing	911	0	269,237
Commodity and material valubles impounded	920	0	95,994
Goods accepted for commission	930	0	0
Debt of insolvent debtors written-off as a loss	940	0	631,463
securing obligations and payments received	950	0	0
securing obligations and payments given out	960	0	155,069
depreciation of housing facilities	970	0	831
depreciation of land improvement facilities and other similar facilities	980	0	0
immaterail assets received for use	990	0	0
Registered high-security forms	1000	0	1,203
Leased fixed assets	1000	0	30,995
Property in the federal ownership	1000	0	1,296

Head _____
(signature) (print full name)

Chief Accountant _____ G.G.Savin
(signature) (print full name)

30 July, 2008

“Interregional Distribution Grid Company of South”, Joint Stock Company
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“Interregional Distribution Grid Company of South”, Joint Stock Company
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"Interregional Distribution Grid Company of South", Joint Stock Company TIN 6164266561 Profit and Loss Report For January-June 2008		Appendix to Order No 67n of the Ministry of Finance of the Russian Federation as of 22.07.2003 (in version of Order No 115n of the Ministry of Finance of the Russian Federation as of 18.09.2006) (with codes of indicators of financial accounting approved by Order of Russian State Statistics Committee No 475, Ministry of Finance of RF No102n As of 14.11.2003)			
Organiasation: "Interregional Distribution Grid Company of South", Joint Stock Company			codes		
		Form 2 under ARCMD	0710002		
		date [year, month, day]	2007	06	30
		under ARCBO TIN	80380011 6164266561		
Taxpayer Identification Number					
Activity: distribution of electric energy		under ARCEA	40.10.2		
form of incorporation \ form of ownership: open joint stock company/private ownership		under ARCFI \ ARCFO	47	16	
unit of measurement: thousand rubles		under ARCM	384		
indicator	Code	for the accounting period	for a similar period of the previous year		
1	2	3	4		
Profit and expenditure on common activities					
Receipts (net) from sale of goods, products, works and services (net of VAT, excise and similar obligatory payments),	010	4,313,866	0		
	011				
Prime cost of the goods, products, works and services sold	020	(3,754,462)	0		
	021				
gross profit	029	559,404	0		
business expenses	030	0	0		
managerial expenses	040	(118,603)	0		
profit (loss) from sales	050	440,801	0		
Other profit and expenses					
interest receivable	060	0	0		
interest payable	070	(143,373)	0		
profit from participation in other companies	080	360	0		

“Interregional Distribution Grid Company of South”, Joint Stock Company
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Head _____
(signature) (print full name)

Chief Accountant _____ G.G.Savin
(signature) (print full name)

30 July, 2008

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