



REVIEW OF STOCK MARKETS

Before the opening of trading on Friday 09 December some moderately positive external background formed on the Russian market. On Thursday the US indices DJIA and S&P500, updating their historical highs, rose by 0.2-0.3%, on Friday the main country indices of the Asia-Pacific region added on average about half a percent. The markets were supported by the ECB's decision to extend the terms of the asset repurchase program expiring in March until the end of 2017, while analysts expected its extension for only six months. This fact allowed to fully neutralize the initial negative decision from the regulator to reduce the amount of the repurchase of assets in April from the current €80 billion to €60 billion – in 2017 the total volume of the QE program was increased by €60 billion compared with the forecasts. In addition, the markets reacted positively to easing of the regulator's requirements to the term and yield of securities to be repurchased, and the ECB's statement that the QE program amount and its validity may be extended, if necessary. A positive factor for the Asian markets was good statistics from China, where the growth rate of consumer prices and producer prices exceeded forecasts in November. February Brent futures traded near the mark of \$54 per barrel, at our closing level on 08 December. Oil prices for last two days were narrow flat in anticipation of Saturday's meeting outcome of OPEC and oil producers, not OPEC, which will discuss non-OPEC cuts of oil production by 600 thousand barrels per day, of which half will come from Russia.

For most of the trading session on Friday the MICEX Index was slightly negative in the framework of profit-taking after more than 2% growth in the previous day. European markets looked a little better, continuing to play back the ECB's decision to extend the asset repurchase program until the end of 2017 – in the afternoon the Stoxx Europe 600 Index added about 0.5%. In addition, the Western markets at the end of the day were supported by strong statistics from the US, where, according to preliminary data of the University of Michigan, in December the consumer confidence index rose to a maximum of two years. Against this background the DJIA and S&P500 indices at the beginning of the trading session once again updated historical highs, the growth of the Stoxx Europe 600 Index accelerated to a percent, which, in turn, allowed the MICEX Index to close trading in positive territory.

At the end of the trading session the MicexPWR Sector Index outperformed mainly due to growth of shares of RusHydro and Mosenergo.

ELECTRIC POWER INDUSTRY NEWS

Ministry Energy proposes to introduce criminal liability for unauthorized connection to the grid

The Ministry of Energy offers to return to the idea to introduce criminal liability for unauthorized connection to electric and heat grids, but to confine measures not related to deprivation of liberty. This was announced by Deputy Minister of Energy of the Russian Federation Vyacheslav Kravchenko on 8 December.

Read full text: <http://www.bigpowernews.ru/markets/document74414.phtml>

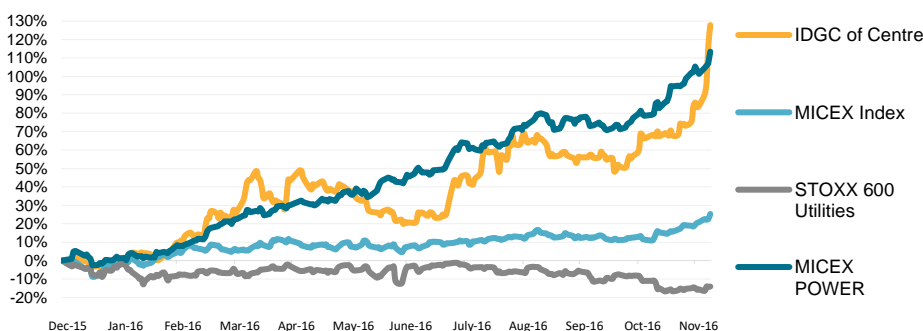
COMPANY NEWS

In the Tambov region a criminal case on theft of electricity from IDGC of Centre on a large scale opened

The Investigative Department of Russian Ministry of Internal Affairs of Municipality "Morshansky" (Tambov region) completed examination of a fact of non-metered consumption of electricity supplied by IDGC of Centre – Tambovenergo division to provide electricity to OJSC "Brewery "Morshansky", located in the city of Morshansk of the Tambov region. The check found that as a result of electricity consumption with faulty meters, OJSC "Brewery "Morshansky" inflicted material damage to Tambovenergo on a large scale in excess of eighteen million rubles.

Read full text: <https://www.mrsk-1.ru/press-center/news/company/58255/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	2 208,53	0,07%	25,39%
S&P 500	2 259,53	0,59%	10,55%
FTSE 100	6 954,21	0,33%	11,40%
DAX	11 203,63	0,22%	4,29%
DJStoxx 600	355,38	0,97%	-2,85%
STOXX Utilities	266,31	1,24%	-13,01%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	26 747,18	0,20%	2,41%
CSI300	3 493,70	0,68%	-6,36%
Bovespa	60 500,62	-0,29%	39,56%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,06	-0,45%	-13,13%
USD/RUB	63,39	-0,82%	-13,02%
Euro/RUB	68,25	-0,37%	-14,37%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 159,86	-0,93%	9,31%
Brent*, USD/bbl	54,33	0,82%	19,38%

* - February futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,4340
Capitalisation**, billion RUB	18,32
Capitalisation**, million USD	289,04

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	0,37%	114,20%
Shares of IDGC of Centre**	-2,36%	122,45%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti, ordinary shares	0,89%	183,93%
FGC UES	0,40%	243,11%
IDGC of Volga	1,55%	202,31%
MOESK	3,20%	29,07%
IDGC of Northern Caucasus	1,28%	58,00%
IDGC of Centre and Volga Reg	-2,46%	139,97%
IDGC of North-West	-0,58%	89,05%
IDGC of Urals	-1,46%	77,89%
IDGC of Siberia	-0,64%	58,20%
IDGC of South	-2,10%	64,42%
Lenenergo, ordinary shares	-0,35%	150,00%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, PJSC

127018, Moscow, 2nd Yamskaya, 4

+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

IR Division

+7 (495) 747 92 92, ext. 33-34

ir@mrsk-1.ru

Tickers

Moscow Exchange (MOEX)

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM