



REVIEW OF STOCK MARKETS

Before the opening of trading on Monday 26 September some moderately negative external background formed on the Russian market. Last Friday the US indices DJIA and S&P500 closed lower by 0.6-0.7%, on Monday the composite Asia-Pacific region index MSCI Asia Pacific lost about 0.5%. The markets were pressured by a drop in oil prices, triggered by decrease of expectations in the constructive completion of the meeting in Algeria. November Brent traded near the mark of \$46.2 per barrel, or \$0.6 less than the closing level on 23 September. On Friday oil prices fell 4% after media reports that Saudi Arabia is considering the forthcoming informal meeting in Algeria only as an opportunity to discuss the oil market stabilization, and does not expect the adoption of any decisions in terms of supply management at it.

During the day the MICEX Index mainly traded at 0.7-0.8% below Friday's closing pressured by significant deterioration in sentiment on European markets – the loss of the Stoxx Europe 600 Index in the second half exceeded 1.5%. The catalyst for sales in Europe was the problem of Deutsche Bank, whose shares updated the historical minimum on media reports that German Chancellor Angela Merkel ruled out the possibility of granting state aid to the bank from which US regulators require the payment of \$14 billion as part of the settlement of claims under the case on manipulation of prices of mortgage securities in the period before the 2008 crisis. Against this backdrop, shares of companies in the financial sector led the decline in European markets. Published during the day statistics as a whole was fairly positive, but could not provide significant support for Western markets – in Germany the index of business confidence in the country's economy in September rose to a maximum since May 2014, in the US the decline in new home sales in August was less than expected. In turn, the Russian market was kept from a more significant loss by recovery of Brent crude prices to around \$47.5 per barrel. The main driver for the oil prices changes are still expectations of the oil producers' meeting in Algeria. As noted by Bloomberg, few experts expect decisive actions at the meeting in Algeria, but informal talks, which start today, can lay the basis for a future agreement, which may be signed at the next OPEC meeting in November.

During the day the changes of the MicexPWR Sector Index was generally in line with the MICEX Index. The main contribution to the final MicexPWR reduction was made by shares of Rosseti and Yunipro.

ELECTRIC POWER INDUSTRY NEWS

Electricity consumers refused to fine "Quadra"

The energy company will not pay for being late with commissioning of power facilities, and consumers will not pay for new capacity.

Read full text: <http://www.vedomosti.ru/business/articles/2016/09/27/658562-prostili-kvadre-shtrafi>

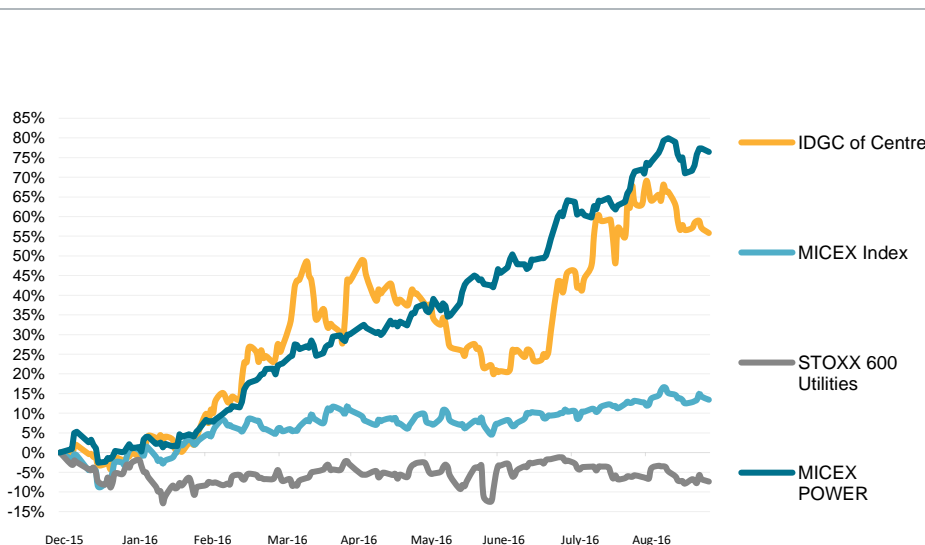
COMPANY NEWS

Kurskenergo's power engineers do active work to decrease receivables

For 8 months of this year the consumer debt to IDGC of Centre – Kurskenergo division for supplied electricity decreased by 28.4 million rubles.

Read full text: <https://www.mrsk-1.ru/press-center/news/branches/57067/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change	
		per day	fr 31.12.15
MICEX	1 997,94	-0,69%	13,43%
S&P 500	2 146,10	-0,86%	5,00%
FTSE 100	6 818,04	-1,32%	9,22%
DAX	10 393,71	-2,19%	-3,25%
DJStoxx 600	340,00	-1,55%	-7,06%
STOXX Utilities	283,56	-0,67%	-7,37%
Nikkei	16 519,29	0,00%	-13,21%
Sensex	28 294,28	-1,30%	8,33%
CSI300	3 220,28	-1,69%	-13,69%
Bovespa	58 053,53	-1,10%	33,92%

Source: Bloomberg, Company calculations

Currency rates	Value	Change	
		per day	fr 31.12.15
Euro/USD	1,13	0,24%	-7,44%
USD/RUB	63,86	0,11%	-12,37%
Euro/RUB	71,59	-0,12%	-10,18%

Source: Bloomberg, Company calculations

Raw	Value	Change	
		per day	fr 31.12.15
Gold, USD/oz	1 337,95	0,03%	26,09%
Brent*, USD/bbl	47,35	3,18%	8,15%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3040
Capitalisation**, billion RUB	12,83
Capitalisation**, million USD	200,96

Source: Central Bank of Russia, Company calculations

Russian indexes	Change	
	per day	fr 31.12.15
MICEX-Power Index	-0,49%	76,48%
Shares of IDGC of Centre**	-0,82%	55,82%

Source: Bloomberg, Company calculations

Grid companies	Change**	
	per day	fr 31.12.15
Rosseti	-1,77%	93,67%
FGC UES	0,17%	196,80%
IDGC of Volga	-2,45%	104,37%
MOESK	-0,31%	28,27%
IDGC of Northern Caucasus	3,21%	41,60%
IDGC of Centre and Volga Reg	1,08%	48,89%
IDGC of North-West	-1,85%	93,43%
IDGC of Urals	0,31%	67,89%
IDGC of Siberia	0,84%	23,57%
IDGC of South	-2,00%	57,05%
Lenenergo	-1,24%	126,20%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers
Moscow Exchange (MOEX)
Bloomberg
Reuters

MRKC
MRKC.RX
MRKC.MM