



**Minutes of meeting No.31
of annual General meeting of shareholders of open joint stock company of power
industry and electrification of Kuban region**

Full business name and location of the Company:	open joint stock company of power industry and electrification of Kuban region 2 Stavropolskaya str., Krasnodar, Russian Federation
Type of general meeting:	annual
Form of meeting holding:	meeting in the form of the presence of the shareholders
Date of the general meeting:	June 21, 2012
Place of the holding the meeting:	Kubanenergo JSC, 2 Stavropolskaya str., Krasnodar, Russian Federation
Registration start-time:	09:00 a.m.
Registration end-time:	10:50 a.m.
Starting time of meeting:	10:00 a.m.
Start time of vote counting	11:20 a.m.
End time of vote counting:	12:25 a.m.
Postal addresses for sending filled-in voting ballots:	<ul style="list-style-type: none"> ▪ Kubanenergo JSC, 2 Stavropolskaya str., Krasnodar, Russian Federation 350033; ▪ “Registrar R.O.S.T” JSC (Company’s registrar), POB 9, 18 Stromynka str., Moscow 107996
Deadline of receiving voting ballots:	June 18, 2012
Date of drawing up minutes of meeting:	June 22, 2012

Annual General meeting of Kubanenergo JSC shareholders (hereafter – the Meeting) is held upon the decision of Company’s Board of Directors dated 03.05.2012 (minutes of meeting No.133/2012 dd 05.05.2011).

According to paragraph 1 of article 56 of Federal Law “On Joint Stock Companies” and paragraph 5.1.1 of Regulation on the procedure of preparation and holding General meeting of Kubanenergo JSC shareholders the functions of ballot committee and registration of persons entitled to participate in General meeting of shareholders are fulfilled by Company’s registrar – “Registrar R.O.S.T” JSC.

By May 21, 2012 the announcement on holding the annual General meeting of Kubanenergo shareholders was sent to each person from the list of entitled to participate in annual General meeting of shareholders.

The announcement on holding the annual General meeting of Kubanenergo shareholders was published in “Kubanskiye novosti” and “Sovetskaya Adygheya” newspapers on May 16, 2012, as well as was published at website of the Company on May 12, 2012.

By May 31, 2012 voting ballots were sent to each person from the list of entitled to participate in annual General meeting of shareholders.

Date of making the list of persons entitled to participate in annual General meeting of Company's shareholders – **May 4, 2012.**

Presidium of the meeting:

Chairperson – Yurchuk Sergey Evgenievich, Chairperson of Kubanenergo Board of Directors, financial director of Holding IDGC JSC.

Presidium members:

- Sultanov Georgiy Akhmedovich – member of Kubanenergo Board of Directors, director general of Kubanenergo JSC;
- Brizhan Vitaliy Vasilievich – Head of department on fuel and energy industry of Krasnodar region;
- Zezyulin Grigoriy Ivanovich – member of the legislative assembly of Krasnodar region, Chairperson of Committee on issues of fuel and energy industry, transport and communication.

Secretary of the meeting – Russu Olga Vladimirovna – corporate secretary of Kubanenergo JSC.

Invitees: Luksha Olga Anatolievna – head of sector for fuel and energy industry at ministry of economic development and trade at Republic of Adygheya.

The Chairperson called upon **Urmanova Ye.L.**, chairperson of ballot committee, representative of “Registrar R.O.S.T” JSC, to announce the presence of quorum. The quorum on all agenda items is present and is **96.6684% from the total amount of votes of persons entitled to participate in the Meeting.** The Meeting is quorate to adopt decisions on all items of the agenda.

Chairperson reports:

As of the closing of registry of Kubanenergo JSC shareholders (May 4, 2012) there are 142 087 524 (**one hundred and forty two million eighty seven thousand five hundred twenty four**) Company's voting shares.

The Chairperson declares the meeting open.

As of the opening the Meeting registered shareholders and their representatives have in total more than half of distributed voting shares of the Company. According to article 58 of Federal Law “On Joint Stock Companies” and paragraph 11 of Company's Charter the **quorum necessary for holding the meeting is present.**

Registration of participants will end with the discussion of the last agenda item.

In accordance with paragraph 4.10 of Order of FCSM RF (Federal Commission for the Securities Market of Russian Federation) No. 17/пс dated 31.05.2002 “On approval of regulations on extra requirements to the procedure of preparation, convening and holding general meeting of shareholders” persons registered for participation in the general meeting have right to vote on all agenda items starting from the opening of the meeting and till the beginning of voting counting, as the results of voting and decisions adopted by general meeting will be announced at the meeting.

In accordance with sub paragraph 2 of paragraph 4.10 of Order of FCSM RF No. 17/пс dated 31.05.2002 “On approval of regulations on extra requirements to the procedure of preparation, convening and holding general meeting of shareholders” after the last agenda item is discussed and the voting counting has not commenced the persons that did not vote till that moment will be given time to vote.

The Chairperson called upon **Urmanova Ye.L.**, chairperson of ballot committee, representative of “Registrar R.O.S.T” JSC, to explain the procedure of voting on agenda items and filling in the ballots.

In accordance with paragraph 4 of article 66 of Federal Law “On Joint Stock Companies” elections of members of company’s board of directors should be performed in the form of cumulative voting.

In case of cumulative voting the amount of votes possessed by the shareholder should be multiplied by the amount of persons that are to be elected to company’s board of directors, and the shareholder has a right to give all votes to one candidate or to distributor the votes among two and more candidates. Candidates are considered as elected to company’s board of directors if they get the majority of votes.

Please note that cumulative voting is applied at agenda item No.5 as well as that the company’s board of directors will consist of 11 members.

Chairperson reports:

By decision of Company’s BoD dated 03.05.2012 (minutes of meeting No. 133/2012 dd 05.05.2012) the following agenda of annual General meeting of Kubanenergo shareholders was approved:

1. On approval of Company’s annual report.
2. On approval of Company’s annual accounting report, report on profit and losses.
3. On approval of Company’s distribution of losses (profit) by the results of 2011.
4. On the volume, period and form of paying the dividends by the results of 2011.
5. On election of members of Company’s Board of Directors.
6. On election of members of Company’s auditing committee.
7. On approval of Company’s Auditor.
8. On introducing changes and supplements to Company’s Charter.
9. On approval of restated Regulations of procedure of convening and holding meetings of Kubanenergo BoD.

The discussion of agenda commenced.

The first item of agenda of annual General meeting of Kubanenergo shareholders: “**On approval of Company’s annual report**”.

Sultanov Georgiy Akhmedovich, director general of Kubanenergo JSC, reports on this agenda item.

The second item of agenda of annual General meeting of Kubanenergo shareholders: “**On approval of Company’s annual accounting report, report on profit and losses**”.

Loskutova Lyudmila Vladimirovna, Chief accountant – head of Department for accounting and tax reporting of Kubanenergo JSC, reports on this agenda item.

The third item of agenda of annual General meeting of Kubanenergo shareholders: **“On approval of Company’s distribution of losses (profit) by the results of 2011”**.

Yurchuk Sergey Evgenievich, Chairperson, reports on this agenda item.

The fourth item of agenda of annual General meeting of Kubanenergo shareholders: **“On the volume, period and form of paying the dividends by the results of 2011”**.

Yurchuk Sergey Evgenievich, Chairperson, reports on this agenda item.

The fifth item of agenda of annual General meeting of Kubanenergo shareholders: **“On election of members of Company’s Board of Directors”**.

Kocherga Vitaliy Aleksandrovich, deputy director general in charge of corporate governance of Kubanenergo JSC, reports on this agenda item.

The sixth item of agenda of annual General meeting of Kubanenergo shareholders: **“On election of members of Company’s auditing committee”**.

Kocherga Vitaliy Aleksandrovich, deputy director general in charge of corporate governance of Kubanenergo JSC, reports on this agenda item.

The seventh item of agenda of annual General meeting of Kubanenergo shareholders: **“On approval of Company’s Auditor”**

Kocherga Vitaliy Aleksandrovich, deputy director general in charge of corporate governance of Kubanenergo JSC, reports on this agenda item.

The eighth item of agenda of annual General meeting of Kubanenergo shareholders: **“On introducing changes and supplements to Company’s Charter”**.

Kocherga Vitaliy Aleksandrovich, deputy director general in charge of corporate governance of Kubanenergo JSC, reports on this agenda item.

The ninth item of agenda of annual General meeting of Kubanenergo shareholders: **“On approval of restated Regulations of procedure of convening and holding meetings of Kubanenergo BoD”**.

Kocherga Vitaliy Aleksandrovich, deputy director general in charge of corporate governance of Kubanenergo JSC, reports on this agenda item.

Chairperson reports: The discussion of agenda items of annual General meeting and registration of persons entitled to participate in meeting are finished.

Dear shareholders, according to the procedure of holding the annual General meeting of Kubanenergo JSC shareholders, you have 30 minutes for voting.

Voting results:

Item 1: On approval of Company’s annual report

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	142 087 524
Number of votes participated in the meeting	137 353 735
Quorum on this item (%)	96.6684

	Amount of votes	% from participants in the voting
FOR	137 342 791	99.9920
AGAINST	0	0.0000
ABSTAINED	9 779	0.0071
Did not vote	0	0.0000

Votes in bulletins considered as invalid	1 165
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Resolution on item 1:

To approve Company's annual report for 2011

Item 2: On approval of Company's annual accounting report, report on profit and losses

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	142 087 524
Number of votes participated in the meeting	137 353 735
Quorum on this item (%)	96.6684

	Amount of votes	% from participants in the voting
FOR	137 340 586	99.9904
AGAINST	1 320	0.0010
ABSTAINED	10 664	0.0078
Did not vote	0	0.0000

Votes in bulletins considered as invalid	1 165
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Resolution on item 2:

To approve the Company's annual accounting report for 2011, including the report on profit and losses.

Item 3: On approval of Company's distribution of losses by the results of 2011

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	142 087 524
Number of votes participated in the meeting	137 353 735
Quorum on this item (%)	96.6684

	Amount of votes	% from participants in the voting
FOR	137 336 720	99.9876
AGAINST	2 566	0.0019
ABSTAINED	13 284	0.0097
Did not vote	0	0.0000

Votes in bulletins considered as invalid	1 165
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Resolution on item 3:

To approve the following distribution of losses (profit) for 2011 financial year:

	(thousand rubles)
Undistributed profit (loss):	(1 861 782)
Do distribute for: reserve fund	-
Profit for development	-
Dividends	-
Discharge of losses of previous years	-

Item 4: On the volume, period and form of paying the dividends by the results of 2011

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	142 087 524
Number of votes participated in the meeting	137 353 735
Quorum on this item (%)	96.6684

	Amount of votes	% from participants in the voting
FOR	137 334 445	99.9860
AGAINST	13 007	0.0095
ABSTAINED	5 118	0.0037
Did not vote	0	0.0000

Votes in bulletins considered as invalid	1 165
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Resolution on item 4:

It is decided not to pay dividends from ordinary shares of Company by the results of 2011.

Item 5: On election of members of Company's Board of Directors

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	1 562 962 764
Number of votes participated in the meeting	1 510 891 085
Quorum on this item (%)	96.6684

Cumulative voting results:

	Name of the candidate	Votes for the candidate			
		FOR	AGAINST	ABSTAINED	Did not vote
1.	Bannikova Valeria Vladimirovna	166 211 639	64 471	9 570	18 018
2.	Demidov Aleksey Vladimirovich	122 865 120			
3.	Kolyada Andrey Sergeevich	62 915 317			
4.	Likhov Khasan Mushtafaevich	1 106			
5.	Yugov Aleksandr Sergeevich	9 350			
6.	Gilaeв Gani Gaisinovich	149 939 535			
7.	Yemelin Aleksandr Sergeevich	9 275			
8.	Pukhalskiy Aleksandr Andreevich	149 938 760			
9.	Shvets Nikolay Nikolaevich	129 332 204			
10	Perepyolkin Andrey Yurievich	122 865 320			
11	Sultanov Georgy Akhmedovich	122 965 351			
12	Romeiko Dmitriy Igorevich	122 858 035			
13	Yurchyuk Sergey Evgenievich	115 098 521			
14	Pyatigor Aleksandr Mikhailovich	122 857 233			

15	Katina Anna Yurievna	122 857 900			
16	Kolesnik Dmitriy Grigorievich	1 214			
17	Burakov Nikolay Viktorovich	162			
18	Gurianov Denis Ivovich	1 327			
19	Lisavin Andrey Vladimirovich	267			

Votes in bulletins considered as invalid	71 390
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Resolution on item 5:

To elect the following persons to Board of Directors:

1. Bannikova Valeria Vladimirovna;
2. Gilaev Gani Gaisinovich;
3. Demidov Aleksey Vladimirovich;
4. Katina Anna Yurievna;
5. Perepyolkin Andrey Yurievich;
6. Pukhalskiy Aleksandr Andreevich;
7. Pyatigor Aleksandr Mikhailovich;
8. Romeiko Dmitriy Igorevich;
9. Sultanov Georgy Akhmedovich;
10. Shvets Nikolay Nikolaevich;
11. Yurchuk Sergey Evgenievich.

Item 6: On election of members of Company's auditing committee

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	142 085 338
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Number of votes participated in the meeting	137 353 735
Quorum on this item (%)	96.6699

	Candidate	Voting results							
		FOR		AGAINST		ABSTAINED		Invalid	
		Number of votes	%						
1.	Bogashov Aleksandr Evgenievich	110 065 949	80.1332	935	0.000 7	27 261 110	19.8474	25 741	0.0187
2.	Butrenin Andrey Andreevich	7 461	0.0054	248	0.000 2	27 261 110	19.8474	110 084 916	80.1470
3.	Melnikov Maxim Sergeevich	5 814	0.0042	935	0.000 7	27 262 275	19.8482	110 084 711	80.1469
4.	Prokhodko Sergey Vladimirovich	8 336	0.0061	248	0.000 2	27 261 110	19.8474	110 084 041	80.1464
5.	Yuriev Aleksandr Nikolaevich	7 106	0.0052	1 048	0.000 8	27 261 135	19.8474	110 084 446	80.1467
6.	Alimuradova Izumrud Aligadzhiyevna	89 234 553	64.9670	915	0.000 7	27 262 635	19.8485	20 855 632	15.1839
7.	Arkhipov Vladimir Nikolaevich	89 234 050	64.9666	1 143	0.000 8	27 262 635	19.8485	20 855 907	15.1841
8.	Kormushkina Lyudmila Dmitrievna	4 673	0.0034	0	0.000 0	27 261 110	19.8474	110 087 952	80.1492
9.	Yakubov Yakov Borisovich	89 233 770	64.9664	1 143	0.000 8	27 262 275	19.8482	20 856 547	15.1846
10.	Sinitsina Olga Sergeevna	89 237 303	64.9690	115	0.000 1	27 261 135	19.8474	20 855 182	15.1836
11.	Krotov Aleksandr Valentinovich	27 269 541	19.8535	248	0.000 2	1 070	0.0008	110 082 876	80.1455

Did not participate in voting	0
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Resolution on item 6:

To elected the following persons to Company's Auditing committee:

1. Alimuradova Izumrud Aligadzhievna;
2. Arkhipov Vladimir Nikolaevich;
3. Bogashov Aleksandr Evgenievich;
4. Sinitsina Olga Sergevna;
5. Yakubov Yakov Borisovich.

Item 7: On approval of Company's Auditor

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	142 087 524
Number of votes participated in the meeting	137 353 735
Quorum on this item (%)	96.6684

	Amount of votes	% from participants in the voting
FOR	137 341 884	99.9914
AGAINST	5 641	0.0041
ABSTAINED	5 045	0.0037
Did not vote	0	0.0000

Votes in bulletins considered as invalid	1 165
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Resolution on item 7:

To appoint "KPMG" CJSC as Company's auditor

Item 8: On introducing changes and supplements to Company's Charter

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	142 087 524
Number of votes participated in the meeting	137 353 735
Quorum on this item (%)	96.6684

	Amount of votes	% from participants in the voting
FOR	137 348 405	99.9961
AGAINST	0	0.0000
ABSTAINED	3 245	0.0024
Did not vote	0	0.0000

Votes in bulletins considered as invalid	2 085
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Resolution on item 8:

Introduce the following changes and amendments to the Charter:

1. Paragraph 11.5 of article 11 of “Kubanenergo” JSC Charter should be reworded as follows: “Announcement on General meeting of Company’s shareholders should be sent (handed in) to each person from the list of entitled to participate in General meeting of shareholders , should be published at “Kubanskiye Novosty” newspaper as well as placed at Company’s website no later than in 30 (thirty) days before the meeting”.
2. Paragraph 12.4 of article 12 of “Kubanenergo” JSC Charter should be reworded as follows: “Announcement on General meeting of Company’s shareholders held by absentee voting should be sent (handed in) to each person from the list of entitled to participate in General meeting of shareholders , should be published at “Kubanskiye Novosty” newspaper as well as placed at Company’s website no later than in 30 (thirty) days before the deadline of receiving the voting bulletins”.

Item 9: On approval of restated Regulations of procedure of convening and holding meetings of Kubanenergo BoD

Number of votes the persons, included in the list of persons entitled to participate in general meeting, had	142 087 524
Number of votes participated in the meeting	137 353 735
Quorum on this item (%)	96.6684

	Amount of votes	% from participants in the voting
FOR	137 348 200	99.9960
AGAINST	0	0.0000
ABSTAINED	4 370	0.0032
Did not vote	0	0.0000

Votes in bulletins considered as invalid	1 165
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Resolution on item 9:

To approve the restated Regulations of procedure of convening and holding meetings of Kubanenergo BoD

Annex: minutes of meeting of ballot committee on the results of voting at annual general meeting of shareholders of open joint stock company of power industry and electrification of Kuban region dated 21.06.12 on 8 pages.

Chairperson of annual General meeting

Yurchuk S.E.

Secretary of annual General meeting

Russu O.V.