

Audit Committee attached to Board of Directors of
Open joint stock company of power industry and electrification of Kuban
Annex 3 to minutes of meeting of
Audit Committee #15/2014 dated 30.04.2014

Evaluation

by Audit Committee of “Kubanenergo” JSC of auditor’s report of Closed joint stock company “KMPG” on Company’s annual accounts 2013 prepared under Russian accounting standards

In accordance with recommendations from the Corporate Conduct Code approved by order of RF Federal commission on securities market dated 04.04.2002 #421/p, from Order of Federal Service for Financial Markets “On approval of regulations on organizing of trade on securities market” dated 28.12.2010 #10-78/пз-н and Regulations on Audit Committee attached to Board of Directors of “Kubanenergo” JSC, the report of auditing company (Auditor) should be appraised by Audit Committee attached to Board of Directors of “Kubanenergo” JSC before its submission to shareholders at Annual General Meeting.

Company’s Auditor in 2013 was “KMPG” CJSC.

Location: office 3035, 18/1 Olimpiyskiy prospect, Moscow, 129110.

The Auditor is a member of self-regulatory organization: Non-profit partnership Audit Chamber of Russia, it was included in the Unified state register of self-regulatory organizations of auditors on 28.12.2009 with registry number 10301000804 and located at 3/9 Syromyatnicheskiy pereulok 3, Moscow (Certificate on membership No. 255 series A 007326, professional responsibility was insured by OSAO “Ingosstrakh (“insurance police” #433-11111/12).

The auditor prepared and submitted the following materials:

- Auditors report on annual accounts of Kubanenergo for 2013 – 4 pages;
- Annexes in 99 pages (accounting report as of the reporting period ended 31.12.2013 (accounting balance sheet, profit and loss statement, report on changes in equity, Report on cash flow, Annexes to accounting balance sheet, Explanatory note).

In this evaluation the Committee expresses its opinion on auditor’s services related to the audit of report prepared under Russian Accounting Standards, the Committee does not express its opinion on other services and works rendered to the Company by the Auditor.

Having studied the Auditor's report on Company's annual accounts 2013, the Committee states that the audit was carried out in accordance with terms of the contract between "Kubanenergo" JSC and "KMPG" JSC, with all the procedures observed.

The provided Auditors report corresponds to requirements of Federal law #307-FZ dated 30.12.2008 "Concerning Auditing Activities", federal rules (standards) of auditing activity approved by Order of RF Government dated 23.09.2002 #696, federal standards on auditing activity approved by orders of Ministry of Finance of the Russian Federation.

Audit Committee attached to
Board of Directors of "Kubanenergo" JSC

Lavrova M.A.