**Corporate action statement**

**“On decisions adopted by the Issuer’s Board of Directors”**

**(disclosure of inside information)**

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| 1. General data | |
| 1.1 Issuer’s full name | Open joint-stock company of Power and Electrification of Kuban |
| 1.2. Issuer’s short name | “Kubanenergo”, JSC |
| 1.3. Issuer’s location | 2, Stavropolskaya str., Krasnodar, Russian federation, 350033 |
| 1.4. Issuer’s PSRN | 1022301427268 |
| 1.5. Issuer’s TIN | 2309001660 |
| 1.6. Issuer’s unique code given by registering authority | 00063-A |
| 1.7. Web-page | [www.kubanenergo.ru](http://www.kubanenergo.ru)  <http://www.e-disclosure.ru/portal/company.aspx?id=2827> |
| 2. Statement content | |
| **2.1 Quorum of meeting of issuer’s BoD and results of voting on the adopted decisions:**  Number of BoD members: 11 persons  Member participated in the meeting: 8 persons  Quorum necessary for holding the meeting of Kubanenergo JSC Board of Directors is present.  Voting results:   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | |  | 8 |  |  | | |
| **Disclosure of insider information on item No.1 “1. On implementation of decision made by Company’s Board of Directors on 28.10.2010 (minutes of meeting No.98/2010 dated 01.11.2010): on selecting the source for paying the forfeit that occurred due to ill-timed performance of Company’s obligations to State corporation for construction of Olympic venues and development of Sochi as mountain resort on projects from Agreements on organization of construction (modernization) of Olympic venues of federal importance:**  **- dated 7 July 2009 #02-02/4-118476;**  **- dated 3 September 2009 #02-02/47-1258;**  **- dated 17 February 2010 #02-8/1-1676;**  **- dated 17 February 2010 #02-8/1-1682;**  **- dated 17 February 2010 #02-8/1-1677;**  **- dated 17 February 2010 #02-8/1-1678.”** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  1. To take into consideration the information of Kubanenergo JSC reaching the agreement with “Olympstroy” GK on reduction of sum of forfeit up to 37 200 000 (thirty seven million two hundred thousand) rubles on paragraphs 126, 146, 152, 154, 155, 157 of the Programme of constructing Olympic venues.  2. To decide that the forfeit on liabilities of Kubanenergo JSC in accordance with agreements dated 7 July 2009 #02-02/4-118476, dated 3 September 2009 #02-02/47-1258, dated 17 February 2010 #02-8/1-1676, dated 17 February 2010 #02-8/1-1682, dated 17 February 2010 #02-8/1-1677, dated 17 February 2010 #02-8/1-1678 in amount of 37 200 000 (thirty seven million two hundred thousand) will be paid from cash received to authorized capital of Kubanenergo JSC from other shareholders (except money from federal budget received to authorized capital) | |
| 2.3. Date of holding the meeting of Board of Directors: June 6, 2014  2.4. Date of making and number of minutes of meeting: June 9, 2014, minutes of meeting No.191/2014**.** | |
| 3. Signature | |

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| 3.1 Acting deputy director general in charge of corporate management (attorney dated 02.04.2014) |  |  | Konevets K.S. |  |
| (signature) |  |  |  |
| 3.2 Date: June 9, 2014 |  |  | | |
|  | seal |  | | |