**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 | Public joint-stock company of Power Industry and Electrification of Kuban |
| 1.2. Issuer’s short name | “Kubanenergo”, PJSC |
| 1.3. Issuer’s location | 2A, 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  Members participated in the meeting: 10 persons  Quorum necessary for holding the meeting of Kubanenergo JSC Board of Directors is present.  Voting results:   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | | **1** | **10** |  |  | | **2** | **10** |  |  | | **3** | **10** |  |  | | **4** | **10** |  |  | | **5** | **10** |  |  | | |
| **Disclosure of insider information on item No. 1 “Introduction of changes to the resolution adopted by the BoD of Kubanenergo PJSC on 09.06.2015 (minutes of meeting No.11.06.2015 No.214/2015) on agenda item: “Annual reduction of operational expenses (expenses) by at least 2-3%”.** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  Paragraph 1.2 of the resolution of the BoD dated 09.06.2015 (minutes of meeting No.11.06.2015 No.214/2015) on agenda item “Annual reduction of operational expenses (expenses) by at least 2-3%” shall be reworded as follows:  “1.2. submit for consideration at the BoD meeting the amendments of the business plan for 2015, which ensures implementation of key indicator of reduction of production losses in accordance with the RF order No.2303-П13 dated 16.04.2015 by 2-3 percent annually. Deadline: 15.10.2015;” | |
| **Disclosure of insider information on item No. 2 “Expressing of Company’s opinion on agenda items of the meetings of affiliates”.** | |
| 2.2.2. Decision adopted by issuer’s Board of Directors:  1. To approve the report on implementation of based RAS business plan of the group Kubanenergo PJSC for the 1st half of 2015, in accordance with Annex 1 to the resolution of the BoD.  2. To approve the report on implementation of based on IFRS consolidated business plan of the group Kubanenergo PJSC for the 1st half of 2015, in accordance with Annex 2 to the resolution of the BoD. | |
| **Disclosure of insider information on item No. 3 “Defining the cases (amounts) of transactions subject to prior approval by the Company’s BoD”** | |
| 2.2.3. Decision adopted by issuer’s Board of Directors:  1. To specify that according to sub-clause 38 (paragraph “d”), clause 15.1., Article 15 of the Charter of Kubanenergo PJSC the Board of Directors shall preliminary approve resolutions on the Company’s transactions for the period exceeding 5 years involving transfer of real property and electric grid facilities for temporary possession and use or temporary use, or involving acceptance of real property facilities which are not intended for electricity transfer or distribution for temporary possession and use or temporary use, if the balance value or market value of the transferred or accepted property exceeds 30 million rubles, unless accepted for temporary possession and use or temporary use:  - land plots intended for operation or construction (reconstruction) of electric power facilities as provided by the relevant investment projects, as well as land plots occupied by non-movable assets of the Company;  - electric grid facilities operated in accordance with clauses 6-8, Article 8 of the Federal Law "On Electric Power Industry" No. 35-FZ dated March 26, 2003.  2. To consider the resolution of the Board of Directors of the Company dated 28.08.2014 (Minutes of meeting No.195/2014 dd 29.08.2014) on issue No. “Defining the cases (sizes) of property-related transactions subject to prior approval by the Board of Directors of the Company” as invalid. | |
| **Disclosure of insider information on item No. 4 “Consideration of draft amended investments programme for 2015 and 2016-2020”** | |
| 2.2.4. Decision adopted by issuer’s Board of Directors:  1. To approve draft amended investment programme of the Company for 2015 and 2016-2020 in accordance with Annex 3 to the resolution of the BoD.  2. To instruct Director General:  2.1 to ensure approval of the draft amended investment programme of the Company for 2015 and 2016-2020 by executive agencies of the Russian Federation in accordance with the requirements of the legal acts of the Russian Federation regulating investment activity.  2.2 by 01.12.2015 to submit for consideration of the BoD a report on implementation of paragraph 2.1. of the resolution;  2.3 in case of next amendments of long-term investment programme of the Company to consider the possibility of including in the investment programme the expenses on investment programmes aimed at development of electricity metering with remote data collection. | |
| **Disclosure of insider information on item No. 5 “Approval of Credit plan of Kubanenergo PJSC for the 4th quarter of 2015”** | |
| 2.2.5. Decision adopted by issuer’s Board of Directors:  To approve the Credit plan of Kubanenergo PJSC for the 4th quarter of 2015, in accordance with Annex 4 to the resolution of the BoD. | |
| 2.3. Date of holding the meeting of Board of Directors: 16 October 2015  2.4. Date of making and number of minutes of meeting: 19 October 2015, minutes of meeting No.221/2015**.** | |
| 3. Signature | |

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| 3.1 Deputy director general in charge of corporate management (attorney No. 4D-1602 dated 01.07.2015) |  |  | Konevets K.S. |  |
| (signature) |  |  |  |
| 3.2 Date: 19 October 2015 |  |  | | |
|  | seal |  | | |