**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 | Krasnodar, Russian Federation |
| 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 for disclosure of information | [www.kubanenergo.ru](http://www.kubanenergo.ru)  <http://www.e-disclosure.ru/portal/company.aspx?id=2827> |
| 2. Statement content | |
| **2.1 Quorum of the meeting of the issuer’s BoD and results of voting on the proposed decisions:**  Number of BoD members: 11 persons  Members participated in the meeting: 11 persons  Quorum necessary for holding the meeting of Kubanenergo PJSC Board of Directors is present.  Voting results:   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | |  | **9** | **1** | **1** | | |
| **Disclosure of insider information on item No. 1 “On discussion of the Plan of activities for implementation of resolutions of the Board of Directors of Rosseti PJSC (minutes of meeting No.232 dated 09.06.2016) and the Plan of Development of Kubanenergo PJSC”** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  1. To take into consideration the action plan for implementation of the resolutions adopted by the Board of Directors of “Rossetti” and Plan of Development of “Kubanenergo” PJSC in accordance with Annex 1 to the present decision of the Board of Directors.  2. To note the presence of factors uncontrollable by the Company's management, that have a negative impact on the implementation of the Plan of Development of “Kubanenergo” PJSC in 2016-2017, including decrease in revenues from sales of electric power transmission services by 1.9 billion rubles, due to changes in the structure of productive supply, absence of decision on the adoption of social norms from 01.07.2016 and reconsideration of the forecast of socio-economic development of the Russian Federation in terms of the rate of growth of tariffs for electricity transmission, as well as the influence of other objective factors (increase in payments of compulsory tax, funding of priority investment projects) .  3. To instruct the General Director of the Company that while adjusting the Plan of Development of “Kubanenergo” PJSC, following the approval of tariff decisions for 2017, the Company shall take into account the implementation of the objective and subjective factors, which could affect the financial position of “Kubanenergo” PJSC, reflected in the paragraphs 2 and 3 of the present decision, as well as to ensure implementation of measures aimed at minimizing their negative impact. A report on the implementation of the order shall be submitted to the meeting of the Board of Directors.  Deadline: 01.02.2017. | |
| 2.3. Date of holding the meeting of Board of Directors at which the resolutions have been adopted: **21 December 2016**  2.4. Date of making and number of minutes of meeting of Board of Directors at which the resolutions have been adopted: **22 December 2016, minutes of meeting No.228/2016.** | |

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| 3. Signature | | |
| 3.1 Deputy Director General in charge of Corporate Governance (under power of attorney No.2-Д dated 15.12.2016) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Ivanova I.V. |
| 3.2 Date: 23 December 2016 | stamp |  |