

## QUARTERLY REPORT

“Open Joint Stock Company of Power Industry and Electrification of Kuban

Issuer’s code: 00063-A

For quarter III, 2009

Location of the Issuer: 2 Stavropolskaya st, Krasnodar,  
Russian Federation, 350033

Information contained in this quarterly report is subject to disclosure in accordance with  
the legislation of the Russian Federation on securities

Deputy General Director “IDGC of the South”, JSC

– Managing Director of “Kubanenergo”, JSC

Date: 12 February 2010

Chief Accountant

Date: 12 February 2010

\_\_\_\_\_ Pestov D. V.

signature

\_\_\_\_\_ Savin G. G.

signature

Contact person: Principal specialist of Corporate Management section

Kruglova Svetlana Anatolyevna

Telephone: (861) 212-2510

Fax: (861) 212-2709

E-mail: [kruglovasi@kuben.elektra.ru](mailto:kruglovasi@kuben.elektra.ru)

Internet website used by the Issuer for the information disclosure:

[www.kubanenergo.ru/rus/stockholders/otchet/index.shtml](http://www.kubanenergo.ru/rus/stockholders/otchet/index.shtml)

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## Introduction

Basis for the Issuer's obligation to disclose information in the form of quarterly report:

The Issuer is the joint Stock Company formed by means of privatization of state and/or municipal entities (the subdivisions); the possibility was provided to carve-out of the Issuer's shares to more than 500 acquirers or to unlimited number of persons according to privatization plan approved according to the established procedure and representing the Prospectus of shares issue of such the issuer as for the date of the approval.

The report contains additional information to be disclosed according to requirements of "Regulations on Information Policy of Kuban Open Joint Stock Company of Power Industry and Electrification" approved by decision of Board of Directors of "Kubanenergo", JSC on 03.10.2006 (Minutes No.22/2006 dated 03.10.2006). Complete text of Regulations on Information Policy of Kuban Open Joint Stock Company of Power Industry and Electrification of can be reviewed at the Internet corporate website of "Kubanenergo", JSC at: <http://kubanenergo.ru/rus/management/documents/index.shtml>.

The present quarterly report contains estimates and forecasts of the authorized management authorities of the Issuer concerning future events and/or actions, prospects of development of the economy sector in which the Issuer carries out the ordinary activity, and results of the Issuer's activity, including plans of the Issuer, probability of occurrence of certain events and fulfillment of certain actions. Investors should not fully rely on estimates and forecasts of management authorities of the Issuer as actual results of the Issuer's activity in future can differ from those predicted for many reasons. Acquisition the Issuer's securities is fraught with risks described in the present quarterly report.

I. BRIEF DATA ON THE PERSONS FORMING MANAGEMENT AUTHORITIES OF THE ISSUER, DATA ON BANK ACCOUNTS, AUDITOR, APPRAISER AND FINANCIAL ADVISER OF THE ISSUER, AS WELL AS ON OTHER INDIVIDUALS WHO SIGNED THE QUARTERLY REPORT.

1.1. Persons forming management authorities of the Issuer

List of Board of Directors of the Issuer:

Surname, First name, Patronymic	Year of birth
Airapetyan Arman Mushegovich	1978
Guryanov Denis Lvovich	1977
Zimin Aleksey Vladimirovich	1976
Katina Anna Yuryevna	1982
Kosarev Sergey Borisovich (Chairman)	1960
Kravchenko Vyacheslav Mikhaylovich	1967
Pestov Dmitry Vladimirovich	1967
Petukhov Konstantin Yuryevich	1971
Pukhalskiy Aleksander Andreevich	1957
Saukh Maksim Mikhaylovich	1979
Stavskiy Mikhail Efimovich	1961

Sole Executive Body of the Issuer

Authorities of Sole Executive Body of the Issuer are delegated to the Management Company.

Data on the Management Company which was delegated the Authorities of Sole Executive Body of the Issuer.

Full Company name: Open Joint Stock Company "Interregional Distribution Grid Company of the South", JSC

Short Company name: "IDGC of the South", JSC

Data on the license for carrying out of activity related to management of investment funds, mutual investment funds and non-state pension funds.

The license is absent.

List of Board of Directors of the Management Company:

Surname, First name, Patronymic	Year of birth
Vasilyev Sergey Vyacheslavovich	1975
Gavrilov Aleksander Ilyich	1973
Ivanov Maksim Sergeevich	1976
Ilyenko Vladimir Vasilyevich	1950
Maslov Aleksey Viktorovich	1975
Mikhaylov Sergey Anatolyevich	1957
Okley Pavel Ivanovich (Chairman)	1970
Perepyolkin Aleksey Yuryevich	1970
Popovskiy Sergey Nikolaevich	1971
Ptysin Igor Vasilyevich	1968
Shogenov Valeriy Mukhamedovich	1981

Sole Executive Body of the Management Company

Surname, First name, Patronymic	Year of birth
Gavrilov Aleksander Ilyich	1973

Collegial Executive Body of the Management Company

Surname, First name, Patronymic	Year of birth
---------------------------------	---------------

Gavrilov Aleksander Ilyich (Chairman)	1973
<u>Alayev Timur Ulyumdzhevich</u>	1971
Bibin Evgeniy Alekseevich	1964
<u>Brizhan Vitaliy Vasilyevich</u>	1974
<u>Golovakha Lyudmila Alekseevna</u>	1955
<u>Kopanev Vladimir Nikolayevich</u>	1954
<u>Kostetskiy Vyacheslav Yuryevich</u>	1974
<u>Lunev Igor Anatolyevich</u>	1969
<u>Pestov Dmitriy Vladimirovich</u>	1967
<u>Savin Grigoriy Grigoryevich</u>	1952
<u>Skorikov Sergey Vladimirovich</u>	1976
Stolyarov Mikhail Nikolaevich	1953
<u>Sultanov Georgiy Akhmedovich</u>	1954

#### Structure of Collegial Executive Body of the Issuer

Surname, First name, Patronymic	Year of birth
Gavrilov Aleksander Ilyich (Chairman)	1973
Boyko Nikolay Ivanovich	1947
Galyaev Aleksander Nikolaevich	1972
Golovakha Lyudmila Alekseevna	1955
Kocherga Vitaliy Aleksandrovich	1977
Lyashko Andrey Vladimirovich	1978
Manukalo Aleksander Vasilyevich	1950
Marichev Aleksander Anatolyevich	1950
Natkho Inver Yusufovich	1958

Pestov Dmitriy Vladimirovic	1967
Brizhan Aleksey Vasilyevich	1978
Savin Grigoriy Grigoryevich	1952
Tertishnikov Konstantin Yuryevich	1969

## 1.2. Data on bank accounts of the Issuer

### Data on credit organization

Full company name: Krasnodar (Krasnodarskiy) bank branch No.8619 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Krasnodar (Krasnodarskiy) bank branch No.8619 of South-Western bank of Sberbank of Russia (JSC)

Location: 65 Gimnazicheskaya st, Krasnodar

TIN: 7707083893

RCBIC: 040349602

Number of the bank account: 40702810330020101989

Correspondent account number: 30101810100000000602

Type of the bank account: settlement, RUB

### Data on credit organization

Full company name: Krasnodar (Krasnodarskiy) bank branch No.8619 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Krasnodar (Krasnodarskiy) bank branch No.8619 of South-Western bank of Sberbank of Russia (JSC)

Location: 65 Gimnazicheskaya st, Krasnodar

TIN: 7707083893

RCBIC: 040349602

Number of the bank account: 40702810230020101076

Correspondent account number: 30101810100000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Krasnodar (Krasnodarskiy) bank branch No.8619 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Krasnodar (Krasnodarskiy) bank branch No.8619 of South-Western bank of Sberbank of Russia (JSC)

Location: 65 Gimnazicheskaya st, Krasnodar

TIN: 7707083893

RCBIC: 040349602

Number of the bank account: 40702810630000001699

Correspondent account number: 30101810100000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: "Gazprombank" branch (Joint Stock Company) in Krasnodar

Short company name: GPB branch (JSC) in Krasnodar

Location: 302 Golovatogo st, Krasnodar

TIN: 7744001497

RCBIC: 040349781

Number of the bank account: 40702810060070000191

Correspondent account number: 30101810500000000781

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Central branch of Joint Stock Commercial Bank "Uralsib-Yugbank",  
Open Joint Stock Company

Short company name: Central branch of JSCB "Uralsib-Yugbank", JSC

Location: 152 Krasnaya st, Krasnodar

TIN: 2310042974

RCBIC: 040349713

Number of the bank account: 40702810300000001229

Correspondent account number: 30101810400000000713

Type of the bank account: settlement, RUB

#### Data on credit organization

Full company name: Central branch of Joint Stock Commercial Bank "Uralsib-Yugbank",  
Open Joint Stock Company

Short company name: Central branch of JSCB "Uralsib-Yugbank", JSC

Location: 152 Krasnaya st, Krasnodar

TIN: 2310042974

RCBIC: 040349713

Number of the bank account: 40702810300000005019

Correspondent account number: 30101810400000000713

Type of the bank account: settlement, RUB

#### Data on credit organization

Full company name: Krasnodar branch of Joint Stock Commercial Bank "Uralsib",  
(Open Joint Stock Company)

Short company name: Branch of "Uralsib", JSC in Krasnodar

Location: 12 Khakurate st, Krasnodar

TIN: 7707027313

RCBIC: 040349509

Number of the bank account: 40702810000000000404

Correspondent account number: 30101810300000000509

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: "Krasnodarskiy" Operating Office in Krasnodar of "Rostovskiy" branch in Rostov-on-Don of "ALFABANK", Open Joint Stock Company

Short company name: "Krasnodarskiy" Operating Office in Krasnodar of "Rostovskiy" branch in Rostov-on-Don of "ALFABANK", JSC

Location: Letter D, 525 Red Partisans st, Krasnodar

TIN: 7728168971

RCBIC: 046015207

Number of the bank account: 40702810326020000093

Correspondent account number: 30101810500000000207

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: "Krasnodarskiy" Operating Office in Krasnodar of "Rostovskiy" branch in Rostov-on-Don of "ALFABANK", Open Joint Stock Company

Short company name: "Krasnodarskiy" Operating Office in Krasnodar of "Rostovskiy" branch in Rostov-on-Don of "ALFABANK", JSC

Location: Letter D, 525 Red Partisans st, Krasnodar

TIN: 7728168971

RCBIC: 046015207

Number of the bank account: 40702810326020000822

Correspondent account number: 30101810500000000207

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Open Joint Stock Company "National Business Development Bank"

Short company name: "NBB",JSC

Location: bld.1, 67 Pyatnitskaya st, Moscow

TIN: 7720035987

RCBIC: 044552902

Number of the bank account: 40702810700011510600

Correspondent account number: 30101810800000000902

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Branch of Joint Stock Commercial Bank "Banque Societe Generale Vostok" (Closed joint Stock Company) in Krasnodar

Short company name: Branch of "BSGV", CJSC in Krasnodar

Location: 8/135/1 Olimpiyskaya st/Turgeneva st, Krasnodar

TIN: 7703023935

RCBIC: 040349744

Number of the bank account: 40702810189810000004

Correspondent account number: 30101810000000000744

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Southern Branch of Closed Joint Stock Company "Raiffeisenbank"

Short company name: Southern Branch of "Raiffeisenbank", CJSC

Location: 311/1 Severnaya st, Krasnodar

TIN: 7744000302

RCBIC: 040349556

Number of the bank account: 40702810426100402027

Correspondent account number: 30101810900000000556

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Closed Joint Stock Company "UniCreditBank"

Short company name: "UniCreditBank", CJSC

Location: 41 Stavropolskaya st, Krasnodar

TIN: 7710030411

RCBIC: 040349548

Number of the bank account: 40702810800233277313

Correspondent account number: 30101810400000000548

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Adygeiskiy Branch No.8620 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Adygeiskiy Branch No.8620 of South-Western Bank of Sberbank of Russia, JSC

Location: 4 Dimitrova st, building 2, Maykop

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810001000100242

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Adygeiskiy Branch No.8620 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Adygeiskiy Branch No.8620 of South-Western Bank of Sberbank of Russia, JSC

Location: 4 Dimitrova st, building 2,Maykop

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810901000101451

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: "Armavirskiy" Branch of Joint Stock Commercial Bank "Uralsib-Yugbank", Open Joint Stock Company

Short company name: "Armavirskiy" Branch of JSCB "Uralsib-Yugbank", JSC

Location: 87/1 Lenina st, Armavir

TIN: 2310042974

RCBIC: 040349713

Number of the bank account: 40702810200040011191

Correspondent account number: 30101810400000000713

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: "Armavirskiy" Branch of Joint Stock Commercial Bank "Uralsib-Yugbank", Open Joint Stock Company

Short company name: "Armavirskiy" Branch of JSCB "Uralsib-Yugbank", JSC

Location: 87/1 Lenina st, Armavir

TIN: 2310042974

RCBIC: 040349713

Number of the bank account: 40702810200040012899

Correspondent account number: 30101810400000000713

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Central branch of Joint Stock Commercial Bank "Uralsib-Yugbank",  
Open Joint Stock Company

Short company name: Central branch of JSCB "Uralsib-Yugbank", JSC

Location: 152 Krasnaya st, Krasnodar

TIN: 2310042974

RCBIC: 040349713

Number of the bank account: 40702810300000002151

Correspondent account number: 30101810400000000713

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Krasnodarskiy (Krasnodar) bank branch No.8619 of South-  
Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation  
(Open Joint Stock Company)

Short company name: Krasnodarskiy (Krasnodar) bank branch No.8619 of South-  
Western Bank of Sberbank of Russia, JSC

Location: 65 Gimnazicheskaya st, Krasnodar

TIN: 7707083893

RCBIC: 040349602

Number of the bank account: 40702810030000130319

Correspondent account number: 30101810100000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Krasnodarskiy (Krasnodar) bank branch No.8619 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Krasnodarskiy (Krasnodar) bank branch No.8619 of South-Western Bank of Sberbank of Russia, JSC

Location: 65 Gimnazicheskaya st, Krasnodar

TIN: 7707083893

RCBIC: 040349602

Number of the bank account: 40702810430000130320

Correspondent account number: 30101810100000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Labinskiy bank branch No.1851 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Labinskiy bank branch No.1851 of South-Western Bank of Sberbank of Russia, JSC

Location: 86 Konstantinova st, Labinsk

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810930290100233

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Labinskiy bank branch No.1851 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Labinskiy bank branch No.8651 of South-Western Bank of Sberbank of Russia, JSC

Location: 86 Konstantinova st, Labinsk

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810430290101839

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Ust-Labinskiy bank branch No.1815 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Ust-Labinskiy bank branch No.1815 of South-Western Bank of Sberbank of Russia, JSC

Location: 287-A Krasnaya st, Ust-Labinsk

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810630151000101

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Korenovskiy office of the Central bank branch of Joint Stock Commercial Bank "Uralsib-Yugbank", Open Joint Stock Company

Short company name: Korenovskiy office of the Central branch of JSCB "Uralsib-

Yugbank", JSC

Location: 152 Krasnaya st, Korenovsk

TIN: 2310042974

RCBIC: 040349713

Number of the bank account: 40702810664000000377

Correspondent account number: 30101810400000000713

Type of the bank account: settlement, RUB

#### Data on credit organization

Full company name: Leningradskiy bank branch No.5174 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Leningradskiy bank branch No.5174 of South-Western Bank of Sberbank of Russia (JSC)

Location: 94 Naberezhnaya st, Leningradskaya settlement

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810730390101691

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

#### Data on credit organization

Full company name: Leningradskiy bank branch No.5174 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Leningradskiy bank branch No.5174 of South-Western Bank of Sberbank of Russia (JSC)

Location: 94 Naberezhnaya st, Leningradskaya settlement

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810130390100111

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Slavyanskiy bank branch No.1818 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Slavyanskiy bank branch No.1818 of South-Western Bank of Sberbank of Russia (JSC)

Location: 68 Krasnaya st, Slavyansk-on-Kuban

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810230180100166

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Slavyanskiy bank branch No.1818 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Slavyanskiy bank branch No.1818 of South-Western Bank of Sberbank of Russia (JSC)

Location: 68 Krasnaya st, Slavyansk-on-Kuban

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810330180101450

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Central bank branch No.1806 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Central bank branch No.1806 of South-Western Bank of Sberbank of Russia (JSC)

Location: 36/A Chebrikova st, Sochi

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810730060100061

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Central bank branch No.1806 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Central bank branch No.1806 of South-Western Bank of Sberbank of Russia (JSC)

Location: 36/A Chebrikova st, Sochi

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810830060100356

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Timashevsk bank branch No.1816 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Timashevsk bank branch No.1816 of South-Western Bank of Sberbank of Russia (JSC)

Location: 153 Lenina st, Timashevsk

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40602810530160100041

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Timashevsk bank branch No.1816 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Timashevsk bank branch No.1816 of South-Western Bank of Sberbank of Russia (JSC)

Location: 153 Lenina st, Timashevsk

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810630160100498

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: Tikhoretsk bank branch No.1802 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Tikhoretsk bank branch No.1802 of South-Western Bank of Sberbank of Russia (JSC)

Location: 22-A Oktyabrskaya st, Tikhoretsk

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810330120100068

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

#### Data on credit organization

Full company name: Tikhoretsk bank branch No.1802 of South-Western Bank of Joint Stock Commercial Savings Bank of the Russian Federation (Open Joint Stock Company)

Short company name: Tikhoretsk bank branch No.1802 of South-Western Bank of Sberbank of Russia (JSC)

Location: 22-A Oktyabrskaya st, Tikhoretsk

TIN: 7707083893

RCBIC: 046015602

Number of the bank account: 40702810930120101441

Correspondent account number: 30101810600000000602

Type of the bank account: settlement, RUB

#### Data on credit organization

Full company name: "Primorskiy" branch of Joint Stock Commercial Bank "Uralsib-Yugbank", Open Joint Stock Company

Short company name: "Primorskiy" branch of JSCB "Uralsib-Yugbank", JSC

Location: 2B Suvorovskaya st, Novorossiysk

TIN: 2310042974

RCBIC: 040349713

Number of the bank account: 40702810400180007577

Correspondent account number: 30101810400000000713

Type of the bank account: settlement, RUB

Data on credit organization

Full company name: "Primorskiy" branch of Joint Stock Commercial Bank "Uralsib-Yugbank", Open Joint Stock Company

Short company name: "Primorskiy" branch of JSCB "Uralsib-Yugbank", JSC

Location: 2B Suvorovskaya st, Novorossiysk

TIN: 2310042974

RCBIC: 040349713

Number of the bank account: 40702810800180008956

Correspondent account number: 30101810400000000713

Type of the bank account: settlement, RUB

### 1.3. .Data on the auditor (auditors) of the Issuer

Auditor (auditors) who performs independent audit of financial statements and financial (accounting) reports of the Issuer on contractual basis, and auditor (auditors) approved (selected) for auditing annual financial (accounting) reports of the Issuer for the completed accounting year.

Full company name: "Nexia Pacioli" Limited Liability Company

Short Company name: "Nexia Pacioli", LLC

Location: 2 Malaya Polyanka, Moscow, 119118

TIN: 7729142599

PSRN: 1027739428716

Telephone: (495) 780-6250; (495) 785-9476

Fax: (495) 785-9461

E-mail address: [audit@pacioli.ru](mailto:audit@pacioli.ru)

Data on license for audit activity performance

Name of the authority responsible for license issue: Ministry of Finance of Russian Federation

Number: E 000733

Date of issue: 25.06.2002

License validity period: up to June 25, 2012.

Data on auditor's membership in self-regulatory auditors' organizations:

Full organization name: Non-profit partnership "Institution of Professional Auditors" ("IPAr", NPP)

Location

Moscow, Russian Federation

Additional Information

Physical address: building 1, office 812,813; 14 Nametkina st, Moscow, Russia, 117420

Telephone: (495) 332-0486, (495) 332-0487

Data on auditor's membership in collegiate bodies, associations or other professional unions (entities):

- Member of International Association of Nexia International Auditor Companies;

Year
2009

Factors that can influence the auditor independence from the Issuer, including information about substantial interests connecting the auditor (the auditor's executives)

with the Issuer (the Issuer's executives)

The amount of factors that can influence the auditor independence from the Issuer, including information about substantial interests connecting the auditor (the auditor's executives) with the Issuer (the Issuer's executives): none

Procedure for selecting auditor for the Issuer

Tender procedure for auditor selection and the main terms:

No tender was held to select the auditor.

Procedure of nominating the candidate auditor for Shareholders (Participants) Meeting approval and the Management Body taking the respective decision;

Federal Law "On Joint Stock Companies" determines that auditor of the Company is approved by General Shareholders Meeting. Although the auditor nomination procedure is not formalized in legislation yet – terms and auditor nomination process for enlisting in voting list relating the issue of candidate approval. Thus the candidate auditor proposed for approval at General Shareholders Meeting is determined by the Company's Board of Directors within the framework of issues solving relating the preparation and conveying of Annual General Shareholders Meeting. Auditor of the Issuer carries out audit of finance and business activity of the Issuer in conformity with requirements of the legislation of the Russian Federation on the basis of the signed contract on rendering auditor services.

Information on the works held by the auditor within the frameworks of special auditor tasks:

Such works were not held by the auditor within the frameworks of special auditor tasks in the accounting period

The procedure of auditor remuneration estimation is described, including the actual remuneration amount paid to the auditor by the Company followed by the results of each of five last completed financial years ended with independent audit of financial statements and financial (accounting) reports of the Issuer.

The procedure and the amount of remuneration in monetary terms to audit organizations and individual auditors for auditing process (including compulsory audit) and rendering of related services are determined by provisions of the audit services contract and cannot be contingent upon fulfillment of any requirements of the audited entities relating the conclusions of the audit.

The remuneration amount paid to the auditor of the Issuer approved by general Shareholders Meeting of the Issuer for compulsory annual audit and confirmation of financial statements is determined by the decision of the Board of Directors.

The above mentioned auditor company was first-time approved as the auditor of the Issuer by Annual General Shareholders Meeting in June 29, 2009.

The information related deferred and overdue payments for the services rendered by the auditor.

Deferred and overdue payments for the services rendered by the auditor are absent.

#### 1.4. Data on the appraiser of the Issuer

Surname, name, patronymic: Shablya Egor Yaroslavovich

The appraiser carries out the activity on the basis of labour agreement with the legal entity

Telephone: (812) 703-4090

Fax: (812) 703-3008

E-mail address: mail@ipp.spd.ru

Data on the legal entity which concluded labour agreement with the appraiser

Full company name: Limited Liability Company "Institute for Enterprise Issues"

Short company name: "Institute for Enterprise Issues", LLC

Location: Room 3-N, 11 Twelve line, Vasilyevsky Island, St-Petersburg, 199178

TIN: 7801017111

PSRN: 1027800561458

Data on appraiser's membership in self-regulatory auditors' entities:

Full entity name: All-Russian Public Entity "The Russian Society of Appraisers"

Location

21-1 Novaya Basmannaya st, Moscow, Russia, 107078

Date of appraiser registration in the Register of self-regulatory entity of appraisers:

10.01.2008

Registration Number: 02794

Information on the evaluation services rendered by the appraiser

Revaluation of fixed assets of Kubanenergo”, JSC for the purpose of transfer to RAB-based rate policy.

Surname, name, patronymic: Morina Natalya Aleksandrovna

The appraiser carries out the activity on the basis of labour agreement with the legal entity

Telephone: (495) 789-6586

Fax: (495) 789-6586

E-mail address: info@otsenka.ru

Data on the legal entity which concluded labour agreement with the appraiser

Full company name: Closed Jointed Stock Company “Otsenka-Consulting”

Short company name: “Otsenka-Consulting”, CJSC

Location: 35 Myasnitskaya st, Moscow, Russia

TIN: 7701130890

PSRN: 1027739538287

Data on appraiser’s membership in self-regulatory auditors’ entities:

Full entity name: Non-profit partnership “Self-regulatory Interregional Association of Appraisers-Specialists”

Location

Building 4, Leningradskiy prospect, Moscow, Russia 125315

Date of appraiser registration in the Register of self-regulatory entity of appraisers

14.01.2008

Registration Number: 1456

Information on the evaluation services rendered by the appraiser

Revaluation of fixed assets of Kubanenergo”, JSC for the purpose of transfer to RAB-based rate policy.

1.5. Data on the advisors of the Issuer

The Issuer did not engage advisors.

1.6. Data on other individuals who signed the quarterly report.

There are no other individuals who signed the quarterly report.

## II. BASIC INFORMATION ON FINANCIAL AND ECONOMIC CONDITION OF THE ISSUER

2.1. Financial and economic performance indicators of the Issuer

Unit of measurement - rubles

Indicator description	2008, 9 months	2009 9 months
Net assets evaluation of the Issuer	9 380 450 000	9 147 420 000
Raised funds to equity and reserves ratio, %	110.67	166.21
Short-term liabilities to equity and reserves ratio, %	59.55	76.93
Debt service payment coverage, %	10.45	0
Past due debt rate, %	5.66	15.41
Receivables turnover, number	3.71	3.23

Dividend payout ratio, %	0	0
Labour productivity, rubles/person	1 986 539.92	234 218.17
Depreciation to earnings ratio, %	5.11	5.25

Annotation for the table: "Cover of indebtedness service payments" is not mentioned due to the fact that during 9 months of the year 2009 the Company registered losses in the amount of 1 426 461 ths. rub, whereas the depreciation allocations amounted 785 026 ths. rub in the same period.

Change of Financial and economic performance indicators of "Kubanenergo", JSC for the reporting period in comparison with the similar period of the preceding year is conditioned by the following:

- decrease of "Net assets evaluation" indicator results from the unprofitability of Company activity for the 9 months of the current year has larger amount then for the similar period of the preceding year, totaling 832.7 mln. rubles;
- increase of "Raised funds to equity and reserves ratio" indicator results from borrowing larger volume of long-term debt funds, intended for investments in fixed capital assets;
- reduction of "Receivables turnover" indicator results from receivables increase caused by non-payments of power supply companies fro the provided services in power transmission;
- change of labour efficiency results from revenue increase in terms both the power transmission and technological connection.

#### 2.1.2. Information disclosed additionally in accordance with Regulations on Information Policy of

"IDGC of the South", JSC

Dynamics of revenue increase (decrease), mln rub

Item No.	Sales revenue	mln rub	Growth rate, % III quarter 2009/ II quarter 2009

1	II quarter 2009	4 254.9	137.2
2	III quarter 2009	5 824.3	

Behavior of indicators influencing financial result of the Company, rubles:

Indicator	II quarter 2009	III quarter 2009
Sales revenue	4 245,9	5 824,3
Cost of production	4 262,3	4 200,7
Net profit	-16,4	1 623,6
Pre-tax profit	-1 258,7	710,2
Net asset	-1 192,7	462,4

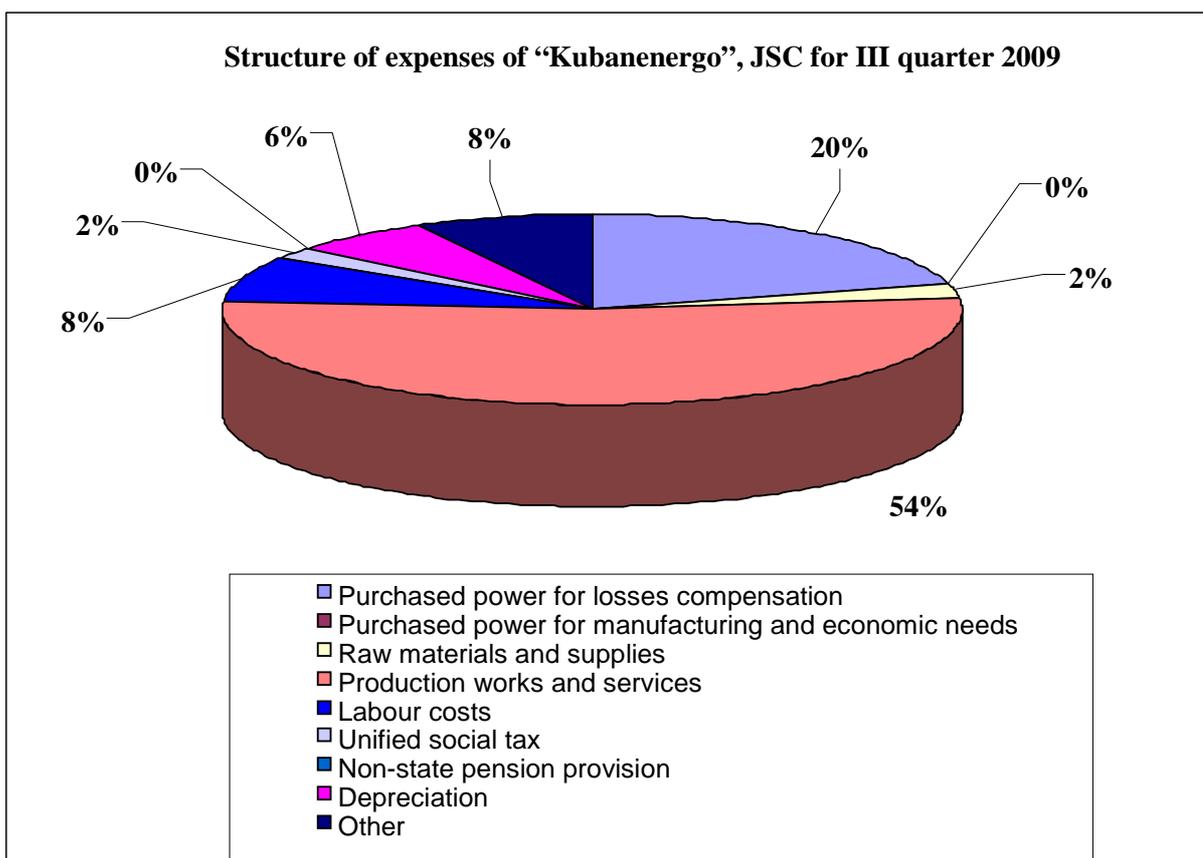
Efficiency indicators (considered as annual), %

Indicator	II quarter 2009	III quarter 2009
ROE, return of equity	-11.31	4,27
ROA, return of assets	-4.86	1,90
ROTA, return on Total Assets	-5.13	2,92

Detailed structure of expenses

Item No.	Expenditure item description	I quarter 2009	II quarter 2009	III quarter 2009
1	Tangible costs	1 619 780.1	1 025 465.9	967 739.8
	including			
1.1	Purchased power for losses compensation	1 510 226.6	911 420.2	857 661.0
1.2	Purchased power for manufacturing and economic	28 034.7	10 135.8	6 601.8

	needs			
1.3	Raw materials and supplies	81 518.8	103 909.9	103 476.9
2.	Production works and services	2 395 190.7	2 190 748.2	2 244 280.0
2.1	Transmission Companies services for power transmission	2 243 050.5	1 940 415.9	1 954 252.7
2.2	Electric power fiscal metering	127 516.6	73 661.5	131 866.5
3.	Labour costs	382 424.0	332 166.7	326 583.0
4	Unified social tax	99 985.8	84 606.3	78 987.0
5	Non-state pension provision	0.0	0.0	0.0
6	Depreciation	256 909.5	268 675.3	259 441.3
7	Other	355 359.9	360 613.3	323 715.5
	including			
7.1.	Service fee of outside organizations	124 146.9	108 636.4	90 050.7
7.2.	Management services	0.0	63 443.8	0.0
7.3.	Insurance expense	43 717.5	34 666.6	30 392.2
7.4	Taxes and receipts	34 040.2	34 088.1	33 941.9
8	Production and sales-related costs	5 109 648.0	4 262 278.0	4 200 745.0



#### Dynamics of production costs

Item No.	Sales revenue	mln rub	Growth rate, %	
			III quarter 2009/ II quarter 2009	
1	I quarter 2009	5 109.7	82.2	98.6
2	II quarter 2009	4 262.3		
3	III quarter 2009	4 200.7		

Main reason for production costs decrease in III quarter in comparison with II quarter results from cost saving related to “Purchased power for losses compensation” amounted 53 759.2 ths. rub. Relative changes of other items costs in general structure are insignificant.

#### Revenue structure by business lines

Item No.	Expenditure item description	Unit of Measurement	II quarter 2009	III quarter 2009
1	Product (service) sales revenue (net), total	ths. rub	4 245 888	5 824 298
	including:			
1.1	Main business products (services), total	ths.rub	4 245 369	5 823 793
	including			
1.1.1	- grid services form	ths. rub	4 230 732	5 805 369
1.1.1.1	power transmission and transit through the grids	ths. rub	4 040 454	4 263 580
1.1.1.2	technological connection	ths. rub	190 278	1 541 789
1.1.2	- power transmission to the internal consumers		0	0
1.1.3	- heating power		0	0
1.1.4	- other main business products (services)	ths. rub	14 637	18 424
1.2	Products (services) of non-core business	ths. rub	519	505

Accounting policies do not allow to perform revenue structuring according to business lines.

## 2.2. Market capitalization of the Issuer

Market capitalization is calculated by way of multiplying the corresponding category (class) shares amount by a share market price disclosed by Securities Market Maker and fixed in conformity with "Order of Issue Securities and Investment Units of Investment Funds Listed by Stock Market Organizers Market Price Valuation" admitted

to circulation by the decision No.03-52/ps of FSEC (Federal Securities and Exchange Commission) as of December 24, 2003.

Indicator	III quarter 2009
Market capitalization, RUB	2 170 600 876.8

Information on Securities Market Maker providing the data for market capitalization calculation, and other additional information on securities public circulation at the Issuer's discretion:

Full company name: Closed Joint Stock Company "Stock exchange MICEX"

Short company name: "SE MICEX", CJSC

Location: 13 Bolshoy Kislovskiy pereulok, Moscow, 125009

TIN: 7703507076

PSRN: 1037789012414

Telephone: (495) 234-4811, (495) 705-9616

Fax: (495) 705-9622

Licenses:

Stock Market license No.077-10489-000001 issued on 23.08.2007 by Federal Financial Markets Service.

Licence on Exchange Trade Administration on the territory of Russian Federation in goods sector: future contracts No.146 dd. 20.12.2005 issued by Federal Financial Markets Service.

Additional information regarding public circulation of the Issuer's securities:

Shares of "Kubanenergo", JSC are admitted to circulation (but not listed) by the Securities Market Makers:

- by Closed Joint Stock Company "Stock exchange MICEX" ("Stock exchange MICEX", JSC), ticker tape KUBE;
- by Open Joint Stock Company "Stock Exchange RTS" ("RTS", JSC on two

trading floors – “T+0” (ticker tape KUBEG) and “RTS Classica” (ticket tape KUBE)

Data on market capitalization of the Issuer during last five completed financial years

Period, year/ quarter	RTS (USD) (RTS Classica)		RTS (RUB) “T+0”		MICEX (RUB)	
	Capitalization	Commentary	Capitalization	Commentary	Capitalization	Commentary
2004	142 955 520.00	Calculated by the Company	2 769 763 200.00	Calculated by the Company	-	Calculated by Market Maker
2005	281 443 680.00	Calculated by the Company	5 121 381 504.00	Calculated by Market Maker	4 467 360 000.0	Calculated by Market Maker
2006	553 952 640.00	Calculated by Market Maker	13 164 260 447.79	Calculated by Market Maker	14 003 207 961.6	Calculated by Market Maker
2007	665 636 640.00	Calculated by Market Maker	16 447 984 8 38.00	Calculated by Market Maker	16 036 035 456	Calculated by Market Maker
2008	44 673 600.00	Calculated by Market Maker	1 912 030 08 0.00	Calculated by Market Maker	1 396 139 3 74.2	Calculated by Market Maker

## 2.3. Obligations of the Issuer

### 2.3.1. Accounts payable

Structure of the Issuer’s accounts payable

For 9 months of 2009

## Unit of measurement – rub

Obligations description	Maturity	
	Up to 1 year	Over 1 year
Accounts payable to suppliers and contractors	3 952 950 840.42	0
including overdue accounts	2 110 894 364.42	x
Accounts payable to the personnel of the entity	64 520 550.6	0
including overdue accounts	0	x
Accounts payable to the budget and state extrabudgetary funds,	144 199 046.57	0
including overdue accounts	975 540.8	x
Credits	809 110 487.67	6 330 612 463.37
including overdue credits	0	x
Loans	0	1 656 494 436.38
including overdue loans	0	x
including bond loans	0	1 522 583 625.74
including overdue bond loans	0	x
Other accounts payable	2 032 157 282.47	162 756 810.64
including overdue accounts	223 871 230.44	x
Total	7 002 938 207.73	8 149 863 710.39
including overdue accounts	2 335 741 135.66	x

### 2.3.2. Credit History of the Issuer

Fulfilling by the Issuer liabilities under a credit and/or loan contract valid during last 5 completed years or each completed financial year if the Issuer conducts activity less than 5 years, and valid by end date of reporting quarter, the sum of principal debt is 5 and more percents from balance sheet assets of the Issuer by the end of last completed reporting period previous to the present contract as well as other credit and/or loan contracts that the Issuer considers significant.

If the Issuer issued bonds then each of fulfilled by the Issuer obligations of bonds issue should be described, if total nominal value of bonds is 5 and more percents of costs of Issuer`s balance sheet assets by the end of last completed quarter previous to state registration of report on the results of bond issue, if bonds placement was not completed or by some reasons the state registration of report on bond issue results was not fulfilled by the end of last completed quarter previous to state registration of bonds issue.

Unit of measure: rubles.

Liability	Name of creditor (lender)	Sum of principal debt	Currency	Term of credit (loan) / term of payment	Overdue of fulfilling liabilities of paying the sum of principal debt and/or fixed interests, amount of overdue days
Long-term credit (contract liability as of 1 <sup>st</sup> of September, 2009 was transferred to "Kuban transmission grids", JSC balance in the result of reorganization of "Kubanenergo", JSC)	"FGC UES", JSC	887 671 300	RUB	01.11.2005/21.11.2007	no
Bank line	Krasnodar Branch of "Alfa-Bank", JCS	850 000 000	RUB	28.09.2006/28.06.2007	no
Bank line	Krasnodar Branch of "Alfa-Bank", JCS	2 000 000 000	RUB	31.05.2007/30.11.2007	no
Funded loan		3 000 000 000	RUB	25.07.2007/21.07.2010	no
Bank line	Kuban branch of "Raiffeisenbank", CJSC	700 000 000	RUB	18.09.2007/15.01.2010	no

Bank line	Krasnodar Branch of "Alfa-Bank", JCS	3 300 000 000	RUB	21.02.2008/21.03.2009	no
Bank line	Kuban branch of "Raiffeisenbank", CJSC	500 000 000	RUB	28.04.2008/28.07.2009	no
Bank line	"Uralsib", JSC	500 000 000	RUB	28.03.2008/27.03.2009	no
Bank line	Astrakhan branch No. 8625 Sberbank of RF	1 600 000 000	RUB	29.08.2008/26.08.2011	no
Bank line	"UniCredit Bank", CJSC	500 000 000	RUB	10.12.2008/12.02.2009	no
Bank line	Rostov Branch of "Alfa-bank", JSC	3 300 000 000	RUB	26.02.2009/31.03.2010	no
Bank line	"UniCredit Bank", CJSC	1 000 000 000	RUB	04.08.2009/06.08.2010	no

Up to IV quarter, 2005 the Issuer had no credit and/or loan contracts which sum of principal debt exceeded 5 percents of balance sheet value of Issuer's assets.

### 2.3.3. Issuer's liabilities to security provided to third party.

Unit of measure: rubles

Indicator	2009, 9 months
Total sum of Issuer's liabilities to provided securities	80 000 000
including total sum of third party's liabilities for which the Issuer provided securities to third party , including pledge and guarantee	80 000 000

Issuer's liabilities of security provided during the period from the beginning of the financial year to the end of reporting quarter to third parties. including in form of pledge and guarantee making up at least 5% from balance value of Issuer's assets for the end of last completed reporting period previous to provision of securities.

Mentioned liabilities in the reporting period did not occur.

### 2.3.4. Other Liabilities of the Issuer

There are no other liabilities that are not indicated in accounting balance and can noticeably influence the financial condition of the Issuer, liquidity, source of financing and conditions of its usage, results of activity and expenditures.

## 2.4. Purposes of issue and ways of using assets gained from placed securities

Issue of additional shares is aimed to attract investments.

Cash assets received from placing additional Issuer`s shares should be used for implementing investments projects of construction, reconstruction and technical reequipment of grid complex objects that favour the development of Sochi as mountain climatic resort and working of objects of Olympic Games 2014.

## 2.5. Risks related to acquisition of securities in process of placement or placed

Issuer`s policy in sphere of risks managing:

Investments in Issuer`s securities are exposed to a certain degree of risk, that is why potential investors before making a decision on investments should carefully study the indicated below risk factors. Each factor can negatively influence the financial condition and value of Issuer`s securities. In the chapter a detailed analysis of risk factors related to acquisition and placement of securities is drawn up, in particular:

- industry risks;
- country and regional risks;
- financial risks;
- legal risks;
- risks related to Issuer`s activity.

Issuer`s policy on risks managing is based on the following generally accepted rules of risk managing:

1. Information accumulation.
2. Risks analysis from the point of view of objective (statistics, possible risk formula) and subjective test.
3. Estimated probability of losses and comparison of possible losses to expected profit.
4. Drawing up of measures for increasing favourable possibilities and lowering thread of losses.
5. Examining of risks that are out of the Issuer competence and control of new risks appearing.

In case of appearing one or several mentioned risks "Kubanenergo", JSC should undertake all possible measures to minimize negative effects. To moderate risks the Issuer undertook number of protective measures mainly connected with implementation of productive plan of Issuer and possible actions at a risk occurring were developed. But it is necessary to mention that preplanning of appropriate to the events measures is difficult because of impossibility to clear the developments and the measures would mainly depend on peculiarities of the situation in each particular case.

"Kubanenergo", JSC cannot guarantee that the actions directed to overcome negative changes can lead to improvement of situation, because the majority of described below risk factors are out of "Kubanenergo", JSC control.

### 2.5.1. Industry Risks

As the Issuer carries out the activity aimed to domestic market the description of risks is drawn up only for domestic market.

Power industry is a branch of economy of Russian Federation that includes a complex of economical relations occurring in process of production (as well as production mode of combined generation of power and heat energy), electric energy transmission,

operational dispatching control in energetics, sale and consumption of electric energy using production and other property facilities (objects of Unified Energy System of Russia as well) belonging to power industry's entities and other persons on the basis of property right or any other basis stipulated by Federal Law. Power industry is the basis of economy and life support functioning. Proper and efficient functioning of power industry, regular supply of consumers is the foundation of gradual development of country's economy and essential factor that provides civilized conditions of citizen's life.

The expected dynamics of industry development is determined by general dynamics of socio-economic development of all sectors of Russian economy, dynamic of consumption of economy industry, home economics, also in a particular way, by climatic and weather (average annual temperature) conditions in Russia.

Most significant changes in industry, from the Issuer's point of view, are connected with sector reforms, including bringing state regulated prices (tariffs) on power energy to the level meeting the economically grounded rate of profitability of investment assets contributed in types of activities of power energy entities that implement state price (tariffs) regulation in power energy and carry in accordance with approved by Government of Russian Federation programme of changing level of state regulated prices (tariffs) in power industry.

To ensure economy and population with proper power supply was a demand of investments in the industry in amounts exceeding investment component of tariffs and state budget capacity. Along with it, borrowings from private investments were impossible without changes in basic principals of industry, i.e. formation of competitive environment and efficient system market, increase of state regulation of natural monopoly sectors of power industry. For such purposes vertically-regulated monopoly (Stock Company - energo) was reorganized and new large companies specializing in particular types of activities were created.

The basic legal acts determining the ways of reforming were Federal Laws "On Power Industry" No. 35-FZ (Federal Law) dd. March 26, 2003 and "On Peculiarities of Power Industry Functioning in Transition Period and on Introduction of Alternations in Particular Legislation of Russian Federation and Cancellation of some Legislations due to Adoption of Law "On Power Industry" No. 36-FZ (Federal Law).

The adoption of federal law "On Power Industry" determined the main principle of power industry reforming that seriously changed economic and organizational conditions of functioning and development the industry in general and in particular segments, including in distribution grid segment that is the principal activity of the Issuer.

The Issuer considers that the deterioration of situation in power industry mainly in connected to the following risks:

Operational risks:

- deterioration of fixed assets; can get into negative changes in the industry, like improper energy supply.

Actions of the Issuer to reduce the risks:

- reconstruction of present and construction of new electric grids;
- technical reequipment of fixed assets.

Production and technical risks:

- risk of shifting in operational mode of forced (allowed by emergency) flows;
- risk of one-time increase of load above planned because of natural disaster;
- technical risks related to operation of equipment with extreme deviations from normative and technical requirements; operating employees errors; disruption of shift schedule and misconduct.

Actions of the Issuer to reduce the risks:

- carrying out the analysis of possible risk situations in order to predict the production and technical risks and adoption of protective measures from risk influence;
- insurance of commercial property, hazardous industrial facilities, vehicles, public liability, personnel insurance from accidents and diseases as well as medical insurance;
- running the events of increasing safety of electric energy grid by means of constant refueling, purchasing of materials, spare parts.

Environmental risk:

- short- and long-time influencing of issuers activity on environment both at regional and global basis.

Actions of the Issuer to reduce the risk:

- Issuer adopted an Ecological Policy;
- Issuer adopted a programme of carrying out the ecological policy of open joint stock company of power industry and electrification of Kuban for 2008-2010, 2009;
- by the Company was received a certificate **CH09/041.0** dated 06.03.2009 for conformance with the requirements of international standard ISO 14001:2004 in sphere of ecological environment.

Main events directed to following the requirements of Environmental Law of Russian Federation, increase of environmental safety and resources conservation:

- control of environment protection (drawing up of projects about ill effects, organization of sanitary protection zones, emission allowances, release of pollutant, waste disposal limit);
- technological reequipment and gradual remove of service of outdated equipment with replacement by ecologically safer one;
- safe handling of production and consumption waste;
- monitoring of control over damage effect on environment (fulfilling of works on laboratory analytical control of storm discharge, laboratory researches on atmosphere air and noise pollution level in sanitary protection zones);
- development of managing system in the sphere of environment protection, carrying out Green Audit;
- education (training) of managers and specialists on the sphere of environment protection and ecological safety;
- responsibility for negative impact on the environment.

The Issuer estimated degree of abovementioned risks as moderate and supposes that negative changes in the industry cannot seriously influence the Issuer`s activity and securities liability.

Risks related to probable price change for raw materials, services used by the Issuer in the activity (separately on domestic and foreign market) and the influence on Issuers activity and fulfilling securities liability:

Being an infrastructure organization of electric power market “Kubanenergo”, JSC does not participate in process of electric energy production and transmission (except domestic purposes) and has no dependency on using any kind of raw material and material typical for converting industry after reorganization and separating from the Company generating and supply activity, and also activity of electric power transmission via supergrid.

It is necessary to mention that one of the principal activities of the Company refers to transmission of energy via grids that do not belong to Unified National Electric Grid (UNEG), i.e. lower than 220 kV.

In this regard the essential activity line of the Company is technical service of domestic electric grids with purpose to provide safe electric power transmission that has no serious dependency on any raw materials and materials.

The fulfillment the mentioned types of activity is associated with the necessity of purchasing the inventory and using services of third-party organizations. Essential prices increase for inventory and services of third-party organizations can demand updating of planned expenses and making changes in plans of implementation investment programmes.

Possible actions for reducing the mentioned risks:

- cost optimization for repair and operating needs and for capital construction;
- intensive usage of competitive environment in the sphere of material procurement, works and services.

The Issuer estimates degree of abovementioned risks as moderate and supposes that negative changes in the industry cannot seriously influence the Issuer`s activity and securities liability.

Risks related to possible changes in products cost and/or services of the Issuer (separately on domestic and foreign market), the influence on Issuer`s activity and securities liability:

Issuer`s principal profit are assets from electric power transmission services and technological connection.

As prices for Issuer`s services are regulated by tariff, there exists a risk of setting by Regional Energy Commission department of Prices and Tariffs of Krasnodar Region (RES DPR KR) new tariffs without taking into consideration necessary expenses of the Issuer.

To reduce expenses a “Cost Control Programme” was developed and implemented by the Issuer.

The Issuer works closely with Regional Energy Commission department of Prices and Tariffs of Krasnodar Region in order to set a grounded rate of tariffs.

The Issuer estimates degree of abovementioned risks as moderate and supposes that negative changes in the industry cannot seriously influence the Issuer`s activity and securities liability.

## 2.5.2. Country and Regional Risks

The Issuer is registered as taxpayer in Krasnodar.

The Issuer carries out the principal activity on the territory of Krasnodar region and Republic of Adygeya that are the parts of Southern Federal District of Russian Federation.

Krasnodar region is the most southern region of Russia. From total border length 1 540 kilometers 740 kilometers of border extends along the Sea of Azov and the Black Sea. Thanks to reach recreation resources, Kuban is one of the most popular health and tourism region of Russian Federation.

Probably the following country and regional risks can appear because of instable economy policy, political and economical situation in country:

- possibility of changes in legislative law of Russian Federation;
- changes in tax policy and conditions of state regulation that can alter the conditions of using profit.

Russian economy is not secured from market softening and slowdown in economic development in other countries as evidenced by last events related to global financial crisis.

Possible actions for reducing the negative impacts from changes in country and region on the Issuer`s activity:

In the event of political instability in Russia and the region particularly that can negatively influence on activity and profits of the Issuer, the Issuer provides several decisions on crisis managing aimed to reduce to the minimum possibility of negative impact of political situation in country on Issuer`s activity, including promptly fit activity and all the documentation to new requirements of legislative law of RF as well as reconsider terms and order of using profit.

Risks related to possible military conflicts, impose emergency rule and strikes in country and region in which the Issuer is registered as taxpayer and/or carries principle activity:

Beginning of military conflicts, imposing emergency rules, strikes and natural disasters can lead to worsening of national economy and can therefore lead to worsening of financial condition of the Issuer and negatively affect the possibility of timely and in full volume fulfillment of liabilities. Krasnodar region has common border with independent Republic of Abkhazia that is in conflict with Georgia.

At present moment population and enterprises of Krasnodar region situated in close proximity to conflict region do not suffer from serious negative influence from occurring on the territory of Abkhazia events. But it is impossible to ensure that in future as a result of escalation of Russian-Georgian conflict the emergency rules would not be imposed on Russian border territory and the territory would not be seriously damaged.

Risks relate to geographical peculiarities of country and region where the Issuer is registered as taxpayer and/or carries out principal activity, including increased danger of natural disaster, possible transport connection breakdown because of remoteness and/or inaccessibility, etc.:

There exists a probability of arising the emergency situation caused by windstorms, heavy rains with hail and windsquall, flood and overflow that can deliver material damage to population, objects of housing and public utilities and social sphere, breakdown of car-and railway services, heat and power supply of customer. To

compensate damage from emergency situations connected with natural disaster inclusively, property insurance contracts were concluded.

Sharp regional changes (ecological, political, demographical, social) are unlikely, but the appearing of such changes could influence on company's activity.

Considering level of development of region's transport infrastructure there are no risks of transport services breakdown because of inaccessibility and remoteness of the region.

Following the Issuer's opinion, the situation in the region is expected to have favourable impact on the Issuer's activity and it is groundless to expect that the regional changes will lead to default on Company's liabilities.

### 2.5.3. Financial Risks

Issuer's risk exposure is connected with interest rate changes, exchange rates in connection with Issuer's activity or hedging practiced by Issuer in order to eliminate negative consequences of the abovementioned risks:

- Risk of interest rate changes:

"Kubanenergo", JSC take short-term and long-term credits from Russian financial market. Essential increase of credits and loans interest rate can lead to rise in cost of debt service. To optimize the structure of debt portfolio and reduce costs for its service the Company tries to take short-time and long-time credits and loans with fixed interest rate, hereupon the mentioned risk decreases significantly. Development of inflation in Russian Federation can lead to general rise in interest rates, including ruble bonds that may force the Issuer to increase issued bonds rate.

- Risk of exchange rate changing:

Considering that "Kubanenergo", JSC carries out the principal activity on the territory of Russian Federation, has no investments in foreign companies which net assets value is at risk of exchange rate changes, has no revenues and expenses expressed in foreign currency risks connected with currency fluctuations are not the factor of direct influence on the Company's financial and economic activity and are estimated by the Issuer as unimportant. The Issuer does hedging in order to decrease the negative consequences of interest rate and exchange rate changes. Dependence of Issuer's financial condition, liquidity, sources of finances, results of activity, etc on exchange rate changes (currency risks).

Possible actions in the event of negative impact of exchange rate changes on Issuer's activity:

As the Issuer carries out the activity on the domestic market and the Issuer's activity does not directly depend on the foreign currencies fluctuations, the currency risks can be estimated as insignificant.

Possible actions in the event of negative impact of interest rate changes on Issuer's activity: attraction of long-term credits in order to avoid negative influence of short-term changes of interest rates and diversification of financing resources. In case of negative influence of exchange rate change, the Issuer plans to analyze risks and make proper decision in each particular case. Influence of inflation on securities payments and also critical, from Issuer's point of view, inflation rate as well as possible actions of the Issuer to reduce the mentioned risk: the issuer carries out activity on the territory of Russian federation, inflation rise can lead to increase in interest rate including ruble bonds that may force the issuer to increase issued bonds rate.

Changes in consumer price index may have impact on the level of profitability and results of financial and economic activity of the Issuer, but the Issuer does not directly depend on it. Indirect dependence of Issuer`s profitability on consumer price index is mainly caused by the fact that tariffs on electric power transmission services are fixed by state tariff authorities on the basis of grounded transmission expenses and fully or partially compensate expenditures growth of the Issuer caused by inflation. But in the period of high inflation risk of reducing the amount of compensatory component of tariffs and risk of reducing consumer`s paying capacity increases.

Taking into consideration all mentioned facts there is no assurance that possible increase of consumer prices would not lead to Issuer`s profitability recession in future. For Issuer it is impossible to estimate the critical level of inflation, because except the consumer price index it is also necessary to take into account changes in purchasing capacity of ruble, Russian and international electric power markets conditions and the future state policy of power and heat energy tariffs.

The present inflation rate does not significantly influence on the Issuer`s financial condition. Predicted inflation values should not have significant influence on the Issuer`s profitability, including security interest payments. To minimize financial risks connected with inflation and influencing on financial results of the activity the Issuer carries out a set of actions aimed to analyze financial risks, plan and evaluate the profitability of activity, to define the profitability that indicates the return level of the Issuer, regulated value of financial ratios characterizing solvency and liquidity of company that gives possibility to reveal drawbacks in company`s activity and take measures for reducing the drawbacks. Financial reporting indicators that are most of all exposed to change under the influence of mentioned financial risks, including risks, the probability and pattern of change in the reporting:

Accounts receivable indicator of the Issuer`s reporting is most of all subject to mentioned risks, it is caused by contractors` economic incapacity to pay for the Issuer`s services. Possibility of such risk appearing is low and comes from general situation in country, inflation, exchange rate fluctuations, and the effect of these factors on Russia`s economy in general. Worsening of economic situation in Russia may influence expense growth for electric power transmission via Issuer`s grids which at the present tariffs can lead to reduction of profit. There is low possibility in shortage of own financial sources that may cause borrowings increase in order to implement the investment programme. The results influencing of exchange rate changes risk on the financial reporting indicators of the Company are not indicated, because all the expenses and liabilities of the Issuer are ruble-nominated.

Interest rate change primarily affects the balance sheet indicators reflecting the credits and loans.

The lasting inflationary tendencies resulting in cost rises of material and technical resources used in principal activity may have impact on increase of total assets and net profit of the Issuer.

#### 2.5.4. Legal risks

Legal risks are among others caused by imperfections of Russian legal system and legislation that results in ambiguity in investments sphere and commercial activity. Russia is in the process of developing legal base necessary for supporting market system.

The following main risks connected with legal system, most of them do not exist in countries with more sophisticated market system, bring uncertainty in legal and business decisions:

- contradictions in laws, President and Government orders, ministry and local decisions, orders, regulations and other acts;

- contradictions between local, regional and federal rules and regulations.

To reduce the effect of the mentioned negative factors the Issuer should make all efforts to carry out each existing obligation and if necessary should use all legitimate efforts to protect own interests, including court appeals to Russian and international judicial authorities

Risks related to:

- currency exchange control:

Currency legislation changes of Russian Federation do not affect the Issuer's activity as the Issuer does not carry our activity outside the Russian Federation and consequently there are no risks related to the currency regulation.

- changes in tax legislation:

Currently Russian Government carries out the tax deduction policy for Russian taxpayers; as a result no changes in the tax legislation regarding tax rates increase are expected. The present risk is considered as minor.

In case of introducing alternations in the existing procedure and conditions of taxation the Issuer intends to plan the activity regarding the alternations.

To minimize risks of improper calculation and/or payment of taxes caused by ambiguity in interpretation of taxation laws, the Issuer carries out calculation of tax base in strict correspondence with present legislative law of Russian Federation.

- changes in rules of customs control and duties:

The Issuer carries out principal activity on the territory of Russian federation and in current year does not export the services as well as works and goods. Legal risks connected with changes in rules of customs control and duties are estimated as minimal.

- changes in requirements of licensing the principal activity of the Issuer or licensing rights for using objects limited in amount (including natural resources): According to the Federal Law "On Licensing Certain Types of Activities" No.128-FZ (Federal Law) dated 08.08.2001 the activity of power grids operation that is the principal activity of "Kubanenergo", JSC is not subjected to licensing.

In case of change and/or demands to "Kubanenergo", JSC for licensing principal activity, the Issuer should take all measures to obtain the licenses and permissions.

The Issuer has license for other activities, the information about such is given in chapter 3.2.5 of the reporting period.

The Issuer regularly extends terms of license for particular economic activities. "Kubanenergo", JSC follows the license rules, takes all necessary measures for receiving, keeping in force licenses and minimizing the events of suspension or withdrawal of license. Exposure of the issuer to the mentioned risk can be regarded as insignificant.

- changes in law on matters connected with the Issuer's activity (including license regulation) that may have negative impact on the Issuer's activity, as well as on the results of current lawsuits of the Issuer:

Participating in lawsuits as a complainant and as a defendant, "Kubanenergo", JSC is under the influence of risks related to changes of the court practice on the issues related to the Issuer's activity. The Company carries out the claim-related work on a permanent basis. Executive production is mainly carried out regarding accounts payable and receivable of "Kubanenergo", JSC. The court practice of similar issues where "Kubanenergo", JSC is involved in relatively stable and did not suffer significant changes.

"Kubanenergo", JSC always carries out monitoring of lawsuits that helps to use the information for gaining positive court decisions in favour of Company at the latter participating both as claimant and defendant. At the present moment no changes have been detected in the court practice that may have negative impact on the results of the current lawsuits with the Issuer taking part in, and consequently the results of the Issuer economic activity.

#### 2.5.5. Risks connected with Issuer's Activity

Risks connected with:

- current lawsuits of the Issuer:

During the reporting period to "Kubanenergo", JSC was advanced only one claim that could have had significant influence on financial and economical activity of the Company: "Kubanenergobyt", JSC advanced a claim of debt on the amount of 49 335 441. 08 rubles.

During the reporting quarter "Kubanenergo", JSC advanced four claims results of which may significantly influence financial and economic activity of the Issuer:

- to "Kubanenergobyt", JSC on debt recovery in amount of 397 806 300 rubles as per the service contract of electric power transmission;
- to "NESK", JSC on debt recovery in amount of 468 641 193.75 рублей по rubles as per the service contract of electric power transmission;
- to "Nemetskaya Derevnya", JSC on debt recovery in amount of 41 153 750 rubles as per the services for fee contract of technological connection;
- to "Imperial", Ltd on debt recovery in amount of 68 444 699.64 as per the services for fee contract of technological connection.

- absence of possibility to extend Issuer's license for carrying out particular activity or for using objects with limited amount (including natural resources):

The license should be extended in fixed terms. The Company should follow all requirements necessary for receiving/extending the license. Risks connected with lack of possibility to extend the license are low and cannot significantly influence on the Issuer's liabilities of placing securities.

- possible responsibility of the Issuer for third party debts, including affiliated companies ("Kubanenergo", JSC has affiliated companies with 100% participation in their authorized capital. Civil Code of RF and Federal Law "On Joint Stock Companies" No. 208-FZ (Federal Law) dd. December 26, 1995 stipulates that shareholders of Russian joint stock company do not bear responsibility for the affiliated companies

liabilities and do not bear the risk of losses related to company's activity to the extent of the value of the possessed shares, i.e. there is only a risk to lose own investments. But the mentioned regulations are not used in case if one company ("parent company") has a right to give binding orders to other company (affiliated company). At particular circumstances the parent company is jointly responsible for affiliated company's liabilities occurred as a result of fulfilling such orders, if the fulfillment of such orders causes bankruptcy of the affiliated company and a direct intention could be seen in parent company's actions then the guilt is assigned on parent company which is held vicariously liable for affiliated company's debts. So, being a parent company for affiliated companies 50% of authorized capital belongs to "Kubanenergo", JSC, the Company may bear responsibility for the debts. The responsibility may negatively influence on results of economic and financial activity of the Issuer).

- risk of losing consumers contracts with which make up at least 10% from total Issuer's revenue from production (works, services) sale: The Issuer collaborates with main consumers for a long time, so the possibility of losing main consumers is low.

Risks connected with Issuer's activity cannot seriously influence on the Issuer's securities liability.

### 2.3.2. Credit history of the Issuer.

Issuer's performance of obligations on credit and/ or loan agreements valid in the course of the last 5 completed financial years or for each completed financial year if the Issuer has been operating less than 5 years, and on current agreements as of the end date of the accounting quarter, with principal debt amount of at least 5 percent of the Issuer's balance sheet assets as of the last completed reporting quarter date preceding the corresponding agreement date, and on other credit and/ or loan agreements essential for the Issuer.

In case if the Issuer issued bonds, the Issuer's obligations performance on each bond issue is described, for bonds with total nominal value of at least 5 percent of the Issuer's balance sheet assets, as of the end date of the last completed quarter preceding state registration of report on bond issue results, in case if bond placement was not completed or if other factors prevented state registration of report on bond issue results – as of the end date of the last completed quarter preceding state registration of bond issue.

Obligation	Name of creditor (lender)	Principal debt amount	Currency	Credit (loan) term / maturity	Overdue obligation performance on principal debt

					and/ or fixed interest payment overdue time period, in days
Long-term loan (current agreement indebtedness dated 01.092006 was transferred to the balance of "Kuban transmission grids", JSC followed by restructuring of "Kubanenergo", JSC	"UES FGC", JSC (Federal Grid Company of the Unified Energy System of Russia)	887 671 300	RUB	01.11.2005/ 21.11.2007	no
Bank credit line	"Krasnodarskiy" branch of "ALFA-BANK", JSC	850 000 000	RUB	28.09.2006/ 28.06.2007	no
Bank credit line	"Krasnodarskiy" branch of "ALFA-BANK", JSC	2 000 000 000	RUB	31.05.2007/ 30.11.2007	no
Bonded loan		3 000 000 000	RUB	25.07.2007/ 21.07.2010	no
Bank credit line	Kuban branch of "Raiffeisenban	700 000 000	RUB	18.09.2007/ 15.01.2010	no

	k", ZAO				
Bank credit line	"Krasnodarskiy " branch of "ALFABANK", JSC	3 300 000 000	RUB	21.02.2008/ 21.03.2009	no
Bank credit line	Kuban branch of "Raiffeisenban k", ZAO	500 000 000	RUB	28.04.2008/ 28.07.2009	no
Bank credit line	"Uralsib", JSC	500 000 000	RUB	28.03.2008/ 27.03.2009	no
Bank credit line	Astrakhan bank branch of No.8625 of SB of RF	1 600 000 000	RUB	29.08.2008/ 26.08.2011	no
Bank credit line	"UniCreditBank ", CJSC	500 000 000	RUB	10.12.2008/ 12.02.2009	no
Bank credit line	"Rostovskiy" branch of "ALFA-BANK", JSC	3 300 000 000	RUB	26.02.2009/ 31.03.2010	no
Bank credit line	"UniCreditBank ", CJSC	1 000 000 000	RUB	04.08.2009/ 06.08.2010	no
Bank credit line	Astrakhan bank branch of No.8625 of SB of RF	2 400 000 000	RUB	27.10.2009/ 25.10.2012	no
Bank credit line	"Bank of Moscow", JSC	2 000 000 000	RUB	25.11.2009/ 24.11.2012	no
Bank credit line	"ALFA-BANK",	2 000 000 000	RUB	30.12.2009/	no

	JSC			30.12.2011	
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Until the fourth quarter of the year 2005 the Issuer had no credit agreements and/or loan agreements with the principal debt amount exceeding 5 per cents of the Issuer's balance sheet assets.

### 2.3.3. The Issuer's obligations from collateral furnished to third parties

Unit of measurement: RUB

Indicator	2009
Total amount of the Issuer's obligations from securities provided	80 000 000
Including total amount of third parties' obligations secured by the Issuer (in the form of pledge or surety, among the others)	80 000 000

The Issuer's obligations form collateral furnished to third parties for the period from the beginning date of the current financial year and to the end date of the accounting period (in the form of pledge or surety, among the others), making at least 5 percent of the Issuer's balance sheet assets as of the end date of the last completed accounting period prior to providing securities

Specified obligations did not arise in the accounting period

### 2.3.4. Other obligations of the Issuer

Other obligations (not presented in the accounting balance) which can seriously influence the Issuer's financial condition, liquidity, sources of funds and terms of their use, performance results and expenses are absent.

### 2.4. Purposes of issue and lines for application of finances obtained as a result of issue securities placement

New (additional) shares issue is aimed to attract investments.

Monetary assets obtained in the result of new shares placement will be used for investments projects implementation in construction, reconstruction and technical re-equipment of the distribution power grid facilities providing the development of Sochi as the mountain climate resort and the objects functioning of Winter Olympic Games 2014

## 2.5. Risks connected with purchase of equity securities placed or in the process of placement

Issuer's policy in the sphere of risk management:

Investments to the Issuer securities are associated with certain risk degree, therefore potential investors should thoroughly consider the hereinbelow risk factors prior to take any investment decision. Each of the factors can have a negative effect on the Issuer's financial status and securities value.

In the present section the detailed analysis of the risk factors is reviewed relating to the acquisition of equity securities placed and in the process of placement, and in particular:

- Industry risks
- Country and regional risks
- Financial risks
- Legal risks
- Risks connected with the Issuer' activity

The Issuer's policy regarding risk management is based on the following generally acknowledged principles of risk management:

1. Data accumulation.
2. Risks analysis in terms of objective (statistics, probability degree formulas) and subjective (personal experience, intuition) criteria.
3. Losses probability evaluation and comparison of the potential losses amount with expected profit.
4. Development of measures directed towards favourable opportunities increase and losses thread decrease.
5. Monitoring of risks that exist out of the Issuer's competence and control of new

## risks

Shall one or several of hereinbelow risks come to force, “Kubanenergo”, JSC will use reasonable best efforts to minimize adverse consequences. To eliminate a part of risks the Issuer took a number of protective measures mainly connected to the implementation of the Issuer’s production plan and developed the possible actions if any risk occurs. Although it should be noted that preliminary development of adequate and occurrences-driven actions will mainly depend on every other situation peculiarities.

“Kubanenergo” cannot guarantee that the actions focused on the emerged negative changes could lead to situation improvement, as far as the most part of the hereinbelow described risk factors exist out of the Issuer competence.

### 2.5.1. Industry risks

Power industry is the economic sector of the Russian Federation including economic relations emerging (happening, occurring) in the process of production (including the production in the form of combined generation of electric and thermal energy), power transmission, operational-dispatching management in power industry; sales and consumption of electric energy using production and property facilities (also reckoned among Unified Energy System of Russia), belonging to power engineering entities or other persons on the basis of the right of ownership or other rights stipulated by Federal Laws. Power industry is the foundation of economic performance and life necessities. Reliable and effective functioning of power industry and uninterrupted consumer supply is the basis of progressive advance of the economy of the country and the essential factor providing civilized conditions of life for all the citizens.

Electric power industry development must outrun growth rates of other economy branches of the Russian Federation, forming reserve and acting as a kind of driving force for further progressive advance.

As the Company at present only operates at the internal market of the Russian Federation the risks specified further are characterized singularly from the point of view of the domestic market.

The following industry risks can be distinguished:

1. Price formation. The price for the services rendered by the Company is subject to tariff regulation whereas there exist risks of confirmation of REC PRD of

Krasnodar region (Regional Energy Commission of Prices and Rates Department of Krasnodar Region) tariffs that do not respect necessary expenses of “Kubanenergo”, JSC to full extent.

Constant consultations are carried on with REC PRD KR specialists regarding approval of economically justified tariff rates.

In order to decrease expenditures the Company has elaborated and is implementing Cost Control program.

2. Risks relating to incorporation of small grid cooperating enterprises with year-to-year increasing amount.

To eliminate the hereinabove risks and to accumulate the financial assets the Company has been implementing the target strategy on abandoned grids redemption.

3. Industry risks relating to depreciation, maintenance conditions violation and critical characteristic variation of the equipment facilities. The key points are as follows:

- thread of fair fulfillment of agreements provisions on power transmission services rendering;
- degradation of economic indexes and performance criteria of power grid facilities;
- adverse ecological impact;
- accident thread followed by complete or partial shortfalls in power delivery with sequential negative social consequences
- risk of occurrence of employees industrial injuries .

In order to manage the present risks group the Company brings into action the strategies for equipment and facilities reliability control at a proper level, namely:

- accomplishment of repair programs indicators;
- implementation of technical re-equipment, reconstruction and modern construction program;
- constant optimization of structure and amount of spare parts and others.

Although the industrial risks management is carried out by means of Federal Law

compliance in the field of industrial security and is functioning on the basis of industrial control management over industrial safety enforcement within the industry facilities.

The Issuer estimates the hereinabove risks as moderate and considers that negative change occurring in the industry cannot significantly influence upon the Issuer's operation and execution of obligations under securities.

#### 2.5.2. Country and regional risks

The Issuer has a tax registration in Krasnodar.

The Issuer carries out the operating activities in Krasnodar region and the Republic of Adygeya forming part of Southern federal District of the Russian Federation.

Krasnodar region is the southernmost region in Russia. Out of 1540 kilometers of total length of borders, 740 km lies along the Azov Sea and the Black Sea. Due to rich recreational resources Kuban is rightfully considered to be one of the most popular health and touristic regions of the Russian Federation.

The following country and regional risks related to uncertainty of economic policy, political situation and economic circumstances in the country can occur:

- The probability of changes in legislation of the Russian Federation.
- Changes in taxation policy and in government regulation terms that can change the terms of profits disposition.

Russia economy is not protected against market recessions and economic decelerations occurring in other countries in the world as evidenced by the last events relating to the world financial crisis.

Expected actions of the Issuer in case of negative impact of the situation changed in the country and the region on the operation:

Shall the political situation in Russia or in the certain region destabilizes that can have a negative influence on the Issuer's operating activity and income, the Issuer will take a number of measures of anticrisis management with the purpose of maximum decrease of the negative impact of the political situation in the country and in the region on the Issuer' operating activity particularly to bring the operating activity and the documentation promptly into accordance with new legislative requirements of the Russian Federation and to revise the terms and procedures of profits distribution.

Risks connected with possible military conflicts, imposing state of emergency and strikes in the country and the region where the Issuer is registered as a taxpayer and/ or carries out the main activity:

Occurrence of military conflicts and announcement of the state of emergency, strikes, natural disasters can lead to deterioration of the whole National economy and thereby to deterioration of the financial situation of the Issuer, and can negatively reflect the Issuer's probability to satisfy and discharge the company's obligations in full in a timely manner.

Krasnodar region has a common border with the independent Republic of Abkhazia conflicting with Georgia.

Currently the population and businesses of the Krasnodar region located in the close proximity to the borders of the conflict area do not suffer significant negative effect of the actions taking place in Abkhazia. Although it is impossible to guarantee that in the result of future possible escalation of Georgian-Russian conflict, the state of emergency will not be imposed on the Russian border territories and whatsoever substantial damage will not be inflicted to the present territories.

Risks connected with geographic features of the country and the region where the Issuer is registered as a taxpayer and/ or carries out the main activities, including the heightened danger of natural disasters, possible discontinuance of transportation due to remoteness and/ or inaccessibility etc:

The probability of occurrence of states of emergency caused by hurricanes, thunderstorms with squall wind and hail, with storm waters and floods, that can result the infliction of material damage for the population, housing and community utilities and social facilities; highway and railway service was interrupted, heat and power supply of consumers was intercepted. Property insurance contracts have been concluded to ensure damage compensation caused by natural disasters.

Rapid changes within the region (ecological, political, demographic, social) are of low probability but the occurrence of the changes will undoubtedly affect the functioning of the Company.

The risks of transport services interruption due to the inaccessibility and remoteness of the region are absent considering the level of development of transport infrastructure of the region.

Following the Issuer's opinion the situation in the region will have an advantageous impact on the Issuer's activity and it's groundless to expect that the regional changes will lead to default on Company's obligations.

### 2.5.3. Financial risks

Susceptibility of the Issuer to the risks caused by interest rates, exchange rate variation in connection with the Issuer's operation or hedging practiced by the Issuer for mitigation of negative consequences of the specified risks' effects:

Risk of interest rate change:

"Kubanenergo", JSC uses short-term and long-term borrowings of the Russian financial market. The significant increase of the interest rates on credits and borrowings can result in appreciation of the Company's debt service. To improve the structure of debt portfolio and reduction of debt service charge the Company aspires to use fixed-rate credits and borrowings that will lead to significant reduction of the mentioned risk. The development of inflation in the Russian Federation can lead to common interest rate development including Issuer's ruble interest rates that can force the Issuer to increase the issued bonds rates.

Risk of exchange rate shift:

Taking into consideration the fact that the Issuer fulfills the main activities on the territory of the Russian Federation, does not have investments to foreign companies the cost of whose net assets is at risk of exchange rate shift, has no receipts or expenditure expressed in foreign currency, the risks based on exchange rate variations are not the factors of direct influence on the Issuer's financial and economic performance and are estimated by the Issuer as unimportant. The Issuer does not resort to hedging in order to decrease the negative consequences of shift of interest rate, exchange rate. The susceptibility of the Issuer's financial situation, performance results, etc to shifts in exchange rate (exchange risks).

Expected actions of the Issuer in case of negative impact of exchange and interest rate shifts on the Issuer's activity. Whereas the Issuer now carries out the activity on the domestic market and the Issuer's activity does not directly depend on the foreign currencies variations, the exchange rates can be defined as inconspicuous.

Expected actions of the Issuer in case of negative impact of interest rate shifts on the

Issuer's activity: to make long-term oriented credits in order to avoid negative influence of the short-term interest rate variations, financial sources diversification. In case of negative influence of exchange rate shift, the Issuer plans to analyze risks and take proper decision in each separate case. Influence of inflation on security interest payments and inflation levels considered critical by the Issuer, and the Issuer's expected actions on the specified risk's mitigation: The Issuer carries out the activity within the territory of the Russian Federation, inflation development in Russian Federation will lead to common interest rate development that can force the Issuer to increase on issued bonds rates.

The shift of consumer prices indicator has a definite influence on the Issuer's profitability level and the results of finance and economic activity of the Issuer, although the mentioned influence does not represent the factor of direct dependence. Indirect dependence of the Issuer's profitability on the shift of consumer prices indicator is conditioned the fact that tariffs on the power transmission services through the power grids are established by State Tariff Authorities in terms of justified transmission expenses and in whole or in part cover the expenditure increase of the Issuer caused by inflation. Although during the high inflation-rate periods the risks of compensational component reduction of the tariff and reduction of paying capacity of the Issuer's main consumers increase.

Taking into consideration everything above mentioned, no guarantees exist that the possible increase of consumer prices will lead to the Issuer profitability recession in the future. It is not possible to estimate the critical inflation rate for the Issuer because apart from consumer prices rate it is necessary to take into account the change in ruble purchasing power, Russian and international energy markets conditions and the future state policy relating power and heat energy tariffs.

The present inflation rate does not bear significant influence on the Issuer's financial condition. Inflation values as they are predicted must not have critical influence on the Issuer's solvency, including security interest payments. In order to mitigate the financial risks, inflation-related risks and risks influencing the financial activity results, the Issuer carries out the comprehensive program to analyze the financial risks, to schedule and evaluate the profitability of work already gained, to determine profitability indicators showing the Issuer's rate of return, regulation values of the financial ratios characterizing the Company solvency and liquidity that ensures the opportunity for prompt defects detection and take the elimination measures. Financial reporting

indicators which are most of all exposed to change under the influence of the specified financial risks, including risks, the probability and pattern of change in the reporting:

Accounts receivable indicator of the Issuer's reporting is most of all subject to the risks specified, it occurs as a result of contractors' economic incapacity to pay for the Issuer's services. Probability of occurrence of the risk is low and originates from overall situation in the country, inflation, exchange rate variations, and the effect of these factors on Russia's economy in general. Deterioration of the national operating environment can cause electric power transmission via the Issuer's grid expense increase, which (on retention of the present schedule charge) will lead to reduction in profits. The occurrence of low probability is the shortage of own sources of finance that may result in borrowings increase in order to implement the elaborated investment program. The influence results of currency exchange shift risk on the financial reporting indicators of the Company are not described, because all the expenses and liabilities of the Issuer are ruble-nominated.

Interest rate alteration primarily affects the balance sheet items indicators reflecting the credits and borrowings indebtedness.

The ongoing inflation development resulting the appreciation of the material and technical resources used in the main activity can influence on the increase of balance currency rate and on the Issuer's net profit.

#### 2.5.4. Legal risks

Legal risks are among others determined deficiencies peculiar to Russian legal system and Russian legislation that leads to creation of atmosphere of uncertainty regarding investments and commercial activities. Russia is continuing to develop the legal base essential for the market economy support.

The following main risks related to Russian legal system and for the majority of them not existing in the countries with more developed market economy bring the uncertainty regarding legal and business decisions carried out:

- discrepancies existing among laws, decrees of the President and orders of government, ministers and local authorities; decisions, resolutions and other statements;
- contradictions among local, regional and federal procedures and regulations.

To mitigate the effect of the hereinabove negative factors the Issuer will bring all reasonable efforts to fulfill each existing obligation to full extent and in case of necessity will use all legitimate efforts for protection of own interests including court appeals to Russian and international judicial authorities

Risks connected with:

- currency legislation changes:

Currency legislation changes of the Russian Federation do not affect the Issuer's activity as the Issuer does not operate outside the Russian Federation and consequently the risks related to the currency regulation are absent.

- tax legislation changes:

Currently the government of Russia carries out the tax deduction policy for Russian taxpayers; in this connection no changes to the tax legislation regarding tax rates increase are expected. The present risk is considered as minor.

In case of making amendments to the existing procedure and terms of taxation the Issuer is intended to plan own activities taking into consideration the present amendments.

To minimize the risks of improper tax assessment and/ or payment caused by ambiguous treatment of tax legislation, the Company continuously works on optimizing the patterns of taxation base calculation in strict adherence to the current legislation of the Russian Federation.

- changes in the rules of customs control and duties:

The Issuer carries out main activity on the territory of the Russian Federation and exports no services, works or goods outside the Russian Federation in the current year.

The legal risks related to changes in the rules of customs control and duties are estimated as minimal.

- change of requirements on the Issuer's main activity licensing or licensing the rights for objects use with limited recourse (including natural resources)

According to the Federal Law No.128-FZ dated 08.08.2001 "On licensing the certain types of activities"; the activity on power grids operation being the main activity for "Kubanenergo", JSC is not subject to licensing.

In case of change and/or claim of requirements of "Kubanenergo", JSC main activity

licensing, the Issuer will take all reasonable measures to obtain the respective licenses and permissions.

The Issuer has licenses for carrying out other types of activity which are mentioned in the cl.3.2.5 of the present Report.

The Issuer conducts regular procedures for prolongation of the licenses necessary for carrying out of economic activity. "Kubanenergo", JSC comply with all requirements of the licenses, takes all necessary measures for obtaining, keeping licenses in force and mitigating the possibility of suspension, alteration or withdrawal of licenses. The Issuer's susceptibility to the present risk may be considered as inessential.

- changes in judiciary law on matters that concern the Issuer's activity (including license regulation) which can have negative impact on the Issuer's performance, as well as the results of the current litigations of the Issuer

Taking part in the lawsuits as a complainant and as a defendant, "Kubanenergo", JSC is subject to the influence of the risks related to the changes of the court practice in the issues related to the Issuer's activity. The Company carries out the claim-related work on a permanent basis. Executive production is mainly carried out regarding accounts payable and receivable of "Kubanenergo", JSC. The court practice regarding similar issues where "Kubanenergo", JSC is involved, is relatively stable and did not suffer significant changes of some kind.

"Kubanenergo", JSC is carrying out constant monitoring of the court practice that enables to use the information to obtain the favourable court decisions for the Company when the latter acts either as a compliant or as a defender. Currently no changes have been detected in the court practice that can negatively affect the results of the ongoing lawsuits with the Issuer taking part in, and consequently the results of the Issuer economic activity.

#### 2.5.5. Risks connected with the Issuer' activity

- Current juridical disputes with the Issuer taking part in:

At present the Issuer takes part in six juridical disputes the results of which may significantly influence the financial and economic activities of the Issuer:

- lawsuit of "Kubanenergosbyt", JSC to "Kubanenergo", JSC for collection of unjust enrichment amounted 49 335 441.08 rubles.

- lawsuit of “Stroyenergokompleks”, LLC to “Kubanenergo”, JCS for indebtedness and damages recovery amounted 46 713 500 rubles according to independent work contracts.
- lawsuit of “Kubanenergo”, JSC to “NESK”, JSC for indebtedness recovery amounted 468 641 193.75 rubles according to the contract of rendering services in power transmission.
- lawsuit of “Kubanenergo”, JSC to “Nemetskaya Derevnnya (German Village)”, JSC for indebtedness recovery amounted 41 153 750 rubles according to the paid services agreement on technological connection.
- lawsuit of “Kubanenergo”, JSC to “Imperial”, LLC for indebtedness collection amounted 68 444 699.64 rubles according to the paid services agreement on technological connection.
- lawsuit of “Kubanenergo”, JSC to “Kubankapstroy”, CJSC for indebtedness collection amounted 202 608 550 rubles according to the paid services agreement on technological connection.
  - Absence of opportunity to extend the license validity term of the Issuer for carrying out certain type of activity or for using the objects with limited recourse (including natural resources):

Licenses validity term is extended in strictly established period. The Company observe all the requirements necessary for obtaining/extension of license validity term. Risks related to the absence of opportunity to extend the license validity term of the Issuer are minimal and cannot significantly influence on fulfilling obligations on securities placed.

- Possible responsibility of the Issuer for the Third parties indebtedness including Issuer’s Subsidiary Companies (“Kubanenergo”, JSC has Joint Stock Subsidiary Companies with 100% participation in the Charter capital. The Civil Code of the Russian Federation and the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies” stipulate that shareholders of Russian Joint Stock Company carry no responsibility for liabilities of the companies and bear the risk of related to the companies’ activities loss in the frameworks of own shares value that means they are exposed risk of loosing own investments only. Although the present regulations cannot be applied when a company (“The Parent Company”) is entitled to give instructions to the other company (“The Subsidiary Company”) that are subject to compulsory implementation. Under certain circumstances the

Parent Company carries joint and several liability on the Subsidiary Company's liabilities occurred in the result of such instructions fulfillment, and shall such instructions fulfillment causes the Subsidiary Company insolvency and the direct intention can be traced in the actions of the Parent Company, the responsibility of such circumstances is imposed on the Parent Company that carries the subsidiary liability for the indebtedness. Consequently as the Parent Company for the Subsidiaries with more than 50% of the Carter capital belonging to the "Kubanenergo", JSC the Company can carry the responsibility for the Subsidiaries' indebtedness. The abovementioned liabilities can have a definite negative influence on the results of finance and economic activity of the Issuer.

- Possible customers' loss with the turnover of more then 10% of total production sale revenue of the Issuer (the Issuer has the long-term partnership with the main customers. The possibility of the main customers' loss is minimal).
- Risks related to the Issuer's operating activity cannot significantly influence on the Issuer's fulfillment of liabilities on securities.

### III. Detailed information on the Issuer

#### 3.1. Incorporation history and development of the Issuer

##### 3.1.1. Data on company name (name) of the Issuer

Full company name of the Issuer: Open Joint Stock Company of Power Industry and Electrification of Kuban.

Short company name of the Issuer: "Kubanenergo", JSC

All previous company names of the Issuer throughout the Company's lifetime

The Issuer's company name has not been changed throughout the Company's lifetime.

##### 3.1.2. Data on state registration of the Issuer

Data on Primary State Registration:

State Registration Number: 127

Date of registration: 10.02.1993

Name of authority effectuated State Registration: Administration Office of Oktyabrskiy

district, Krasnodar

Data on registration of juridical entity:

Main State Registration Number of juridical entity: 1022301427268

Date of registration: 17.09.2002

Name of registering authority: Tax Inspectorate of the MTL (Ministry of Taxation) No.3 of Krasnodar

### 3.1.3. Data on the Issuer's incorporation and development

The Issuer's lifetime from the date of state registration, and the term of the Issuer's existence (in case it was established for a certain term and for certain purpose):

As the Joint Stock Company the Issuer exists 17 years. The Issuer was established without restriction to a time-limit.

Brief establishment and development history of the Issuer. Goals of the Issuer establishment, the Issuer mission (if any), and other information on the Issuer's activity which is important for taking decision on the Issuer's securities acquisition:

End of XIX century – launching of certain power stations for electric lightening of centres of population, power supply of Novorossiyskiy elevator and Ekaterinodar tram service.

Year of 1921 – establishment of Electricity Department of Kubano-Chernomorskiy Council of National Economy; the principal duties were technical management of existing power stations and the construction of the new ones.

Year of 1922 – foundation of “Vodel'tram” association consisting of municipal and community facilities on water supply, transportation (tram) and power supply.

Year of 1940 – the aggregate capacity of Kuban power stations equaled 100 MWt as a result of construction of new stations following the GOERLO (State Commission on Electrification of Russia) general plan, meantime the state substations capacity equaled 35MWt and power production for the year of 1940 amounted 394 million kWh.

Year of 1944 – following the Decree of People's Committee for Power Stations of the USSR No.66 dated March, 14 1944 Krasnodar District Energy Administration “Krasnodarenergo” (REU) was established; the principal areas of responsibility were production, distribution and sales of electric and heat energy, recovery and development of electric power system, control over power consumption and supervision over the

operation of power facilities of Kuban entities

November 1, 1988 – according to Decree of the Council of Ministers of the USSR No.812 dated 02.07.87 Krasnodar District Energy Administration "Krasnodarenergo" was abolished and Krasnodar Production Association of Power Industry and Electrification "Krasnodarenergo" (POEE) was incorporated based on the subordinate enterprises

Year of 1993 – according to the legislation of the Russian Federation on Privatization of State and Municipal Enterprises POEE "Krasnodarenergo" was reorganized to Open Joint Stock Company of Power Industry and Electrification of Kuban ("Kubanenergo", JSC) that included except for power grids entities also Krasnodar HPP (Heating Power Plant), "Energonadzor", repair and construction enterprises, training centre, recreation centre, pioneer camp in the form of affiliated companies. According to the Decree of the President of the Russian Federation No.923 dated 15.08.1992 "On Organization of Electric Energy Complex Management of the Russian Federation in the frameworks of privatization" 49% of Company's shares in 1993 were delegated in the form of payment for the Charter capital of RAO "UES of Russia", JSC and the remaining 51% of "Kubanenergo", JSC shares were purchased in the form private subscription by the Company employees and other individuals entitled to benefits according to the State Privatization Program.

"Kubanenergo", was incorporated for the purpose of profit making gained from rendering services in power supply to customers in Krasnodar region and the Republic of Adygeya (as of own production so acquired from other producers), in heat energy of own production to customers of the city of Krasnodar.

During last five years "Kubanenergo", JSC as well as whole power industry experienced large scale reforms.

Main goal of reforming of Russian electric energy is increase of enterprise efficiency within the division, arrangement of conditions for the development of the division based on the investment encouragement, providing uninterrupted power supply of the customers.

The reform of electric energy was to solve the following problems:

- division differentiation to the natural monopoly types of activity (power transmission and distribution, operational dispatch management) and competitive types of activity (power production and sales);

- development of the system of effective market relations in the competitive types of activity;
- providing non-discriminatory access to the natural monopolies services;
- efficient and reasonable state regulation of natural monopolies creating incentives for costs reduction and providing investment attractiveness of natural monopolies.

In the reform process “Kubanenergo”, JSC escaped from the service-oriented and non-specialized types of activity and from dispatch management by isolating:

- the functions of operational dispatch management were transferred to Open Joint Stock Company “System operator of the Unified Energy System”;
- Open Joint Stock Companies “Krasnodarenergoremont”, “Recreation centre “Energetik”, “Health resort “Plamya” have been established;
- Non-state non-profit educational institution “Training Centre “Kubanenergo” have been established, intended for the employees of the Company and other entities to upgrade the qualification and master new professions;
- In the year of 2006 in the result of reorganization of “Kubanenergo”, JSC the following Open Joint Stock companies were separated:
  - “Kuban generating company” with the Charter capital including generating capacities of the Company (Krasnodar HPP and small hydroelectric power plants);
  - “Kuban transmission grids” with the Charter capital formed by power grid facilities subordinate to the Unified National Electric Grid (voltage 220 kV and higher);
  - “Kuban Energy Sale Company” discharging functions of the trusted power supplier and the acquisition of the power on the wholesale market and delivery to final consumers.

The main activity of the Company is currently the transmission and distribution of power via 110 kV and lower power grids to power consumers of Krasnodar region and the republic of Adygeya. “Kubanenergo”, JSC operation on power transmission is subject to state regulation in terms of establishing tariffs for power transmission and rates for technological connection, and also providing non-discriminatory access of consumers to the power grids.

From 14.09.2007 according to the decision of Extraordinary Shareholders Meeting (Minutes No.21 dd.31.08.2007) "IDGC of the South", JSC fulfills the functions of the functions of Sole Executive Body (General Director) of the Company on the basis of the agreement on delegation of authority.

From July 1, 2008 "Kubanenergo", JSC is the Affiliated Company of "Holding IDGC", the latter obtained 49% of voting shares of the Company in terms of legal succession of RAO "UES of Russia", JSC following the reorganization of the latter.

Mission of the Issuer.

Providing the shareholders with the regular income; reliable, effective and safe power supply of the customers based on the improvement and development of the power grid complex.

The strategic goal of the Company policy consists in effective management of the Company assets, determination of optimal conditions and basic technology paths for reliable and safe power supply of the customers.

To attain the stated goal the Company meets the main challenges:

- improvement of process control of the grids and implementation of modern methods of power grids capacity expansion planning;
- renewal of fixed assets and power grid facilities through increase of efforts volume on their reconstruction and technical re-equipment;
- arrangement of conditions for implementation of new engineering solutions and innovate technologies in service, control, safety systems, information transfer and communication systems, power fiscal metering systems (including automated grid control systems);
- development of operating procedures using up-to-date diagnostic tools, technical and information-and-measuring systems;
- providing of modern high-technology level of grids by means of implementation of new engineering solutions and innovate technologies;
- enhancement of functioning efficiency of grid facilities, operation costs reduction and actual energy losses in power grids;
- improvement of Regulatory and Engineering and Procedural Provisions of the

Company activity;

- investments generating for accomplishment of main line of power grids development.

#### 3.1.4. Contact Information

Location: 2 Stavropolskaya st, Krasnodar, Russia, 350033

Location of permanent executive body

49 Bolshaya Sadovaya st, Rostov-on-Don, Russia, 344002

Postal address

2 Stavropolskaya st, Krasnodar, Russia, 350033

Telephone: (861) 268-5913

Fax: (861) 268-2493

E-mail: telet@kuben.elektra.ru

Internet website address (addresses) for information disclosure on the Issuer, the securities issued and/ or in the process of issuance: [www.kubanenergo.ru](http://www.kubanenergo.ru)

Name of the Issuer's specialized division for shareholders and investors: Sector of Corporate Relations

Location of the division: 2 Stavropolskaya st, Krasnodar, Russia, 350033

Telephone: (861) 212-24-09

Fax: (861) 212-27-08

E-mail: gurauu@kuben.elektra.ru

Internet website address: [www.kubanenergo.ru/rus/stockholders/index.shtml](http://www.kubanenergo.ru/rus/stockholders/index.shtml)

#### 3.1.5. Taxpayer Identification Number

2309001660

#### 3.1.6. Branches and regional offices of the Issuer

Changes that took place in the accounting period in the structure of branches and

regional offices of the Issuer, and data on changes (if any) of subsidiary or regional office company name, location, name, surname, patronymics of the head, validity of warrant issued by the Company

Due to the termination of employment relations with Popov Vladimir Petrovich – General Director of “Slavyanskie Power Grids” branch of the Company on 24.12.2009, Natkho Azamat Inverovich was appointed to the position of General Director of the branch on 25.12.2009. Natkho A.I. was given the respective power of attorney No.4500 on 28.12.2009

### 3.2. Main economic activity of the Issuer

#### 3.2.1. Company’s industry of the Issuer

OKVED codes
40.10.2
40.10.3
40.10.4
74.20.11
63.40
45.21
63.12.21

#### 3.2.2. Ordinary economic activity of the Issuer

Information is not indicated at the fourth accounting period

#### 3.2.3. Materials, goods (raw materials) and suppliers of the Issuer

Information is not indicated at the fourth accounting period

#### 3.2.4. Commodity markets of products (works, services) of the Issuer

Basic markets of the Issuer's operation:

The Company is the biggest power grid company operating on the territory of Krasnodar region and the Republic of Adygeya and rendering the transmission and distribution of electric power through 110 kV and lower power grids among centres of population, rural settlements and certain towns and regional centres of Krasnodar region and the Republic of Adygeya including the city of Sochi.

The Issuer carries out the ordinary activity in conditions of natural monopoly, state regulated in terms of tariffs setting for rendering services of electric power transmission and providing non-discriminatory access for consumers to the power grids. With regard to growing demand for electric power in the configuration areas, the Issuer pays special attention to development, reconstruction and enhancement of transmission capacity of the power grid facilities, expecting sales volume increase of rendered services in the future.

From 01.01.2007 "boiler" payment method for power transmission was implemented in the region, and "Kubanenergo", JSC was delivered into the charge of "the boiler holder". That implies that all power supply companies selling electric energy on the local market pay to "Kubanenergo", JSC for the services of power transmission via the grids throughout whole regional electric power system in the frameworks of power transmission agreements, and meantime "Kubanenergo", JSC is paying to regional grid companies for power transmission services.

In the accounting period the main consumers of "Kubanenergo", JSC services of power transmission were as follows:

- power supply companies – wholesale or retail markets entities, carrying out the business on selling of electric energy to the final customers connected to the power grids of the Company and of other grid organizations ("Kubanenergobyt", JSC, "Nizhnovatomenergobyt", JSC, "Dizazh M", LLC, "NESK", JSC, "MAEREM +", CJSC, "Rusenergobyt", LLC, "Rusenergoresurs", LLC, MUE (Municipal Unitary Enterprise) "Maykopskiye GES", "Kubanresurs", LLC, "RN-Energo", LLC);
- a number of independent regional power producers (isolated generating plants).

The consumers of "Kubanenergo", JSC services for technological connection to the power grids are legal persons and individuals interested in technological connection to "Kubanenergo", JSC power grids and applied for the issuance of the technical requirements for technological connection.

Factors of possible negative impact on the Issuer's product (works, services) sales and probable actions of the Issuer on mitigation of such impact:

Factors of possible negative impact on "Kubanenergo", JSC production distribution represent political risks related to the Government Decrees on the development of electric power industry in the post-transition period in terms of electric energy reforming (from July 1, 2008), and the risks related to the interrelations with local authorities, economic risks related to the government price control over the Issuer's production, financial risks related to the terms and cost of the involvement of the borrowed funds, risks related to the main equipment operation (power transmission), and other risks. Currently the Issuer does not expect the substantial deterioration of the situation in the industry. In case of substantial deterioration of the situation in the industry the Issuer is planning to analyze risks and take necessary solution in each particular situation.

### 3.2.5. Data on the Issuer's licenses

License issuing authority: Federal Service for Environmental, Technological and Nuclear Supervision

Number: ЭЭ-00-003397 (Э)

Name of activity (activities): Activity on operation of power grids (receipt, transmission and distribution of power; maintenance and repair of power grids)

Date of issue: 11.03.2005

Valid until: 11.03.2010

License issuing authority: Federal Service for Supervision in the Sphere of Communications

Number: 40946

Name of activity (activities): Services of local telephone communication, except for services of local telephone communication via public telephones and network-sharing technologies.

Date of issue: 05.04.2006

Valid until: 05.04.2011

License issuing authority: North-Caucasus Interregional Directorate for Technological and Ecological Supervision

Number: 57-OT-0000010

Name of activity (activities): Activity on hazardous waste management

Date of issue: 20.12.2004

Valid until: 20.12.2009

License issuing authority: Russian Federation Ministry of Natural Resources

Number: КРД № 03378

Name of activity (activities): License for the right of ground waters extraction (fresh ground waters extraction for utility-and-drinking and process water supply in Krasnodar)

Date of issue: 17.07.2007

Valid until: 20.07.2014

License issuing authority: Administration of FSB (Federal Security Service) of Russia in Krasnodar region

Number: 735

Name of activity (activities): Implementation of works using the information classified as State Secret

Date of issue: 04.03.2008

Valid until: 04.03.2013

License issuing authority: Administration of FSB (Federal Security Service) of Russia in Krasnodar region

Number: 203

Name of activity (activities): Implementation of activities and (or) rendering services for State Secret Protection

Date of issue: 16.02.2000

Valid until: 31.10.2011

License issuing authority: Administration of FSB (Federal Security Service) of Russia in Krasnodar region

Number: 735/1

Name of activity (activities): Implementation of activities and (or) rendering services regarding State Secret Protection related to the functioning of cryptographic center. The license competence covers the operation of encryption equipment assigned for protection of the information classified as State Secret

Date of issue: 20.03.2008

Valid until: 20.03.2013

License issuing authority: Ministry of Regional Development of the Russian Federation

Number: ГС-3-23-02-1027-0-2309001660-020237-5 серия К № 037229

Name of activity (activities): Construction and installation works and performing the owner/developer functions

Date of issue: 26.11.2008

Valid until: 20.08.2012

The Issuer has all the licenses necessary for carrying out economic activity. The licenses mostly are subject to withdrawal in case of failure to fulfill the license requirements, if taxes and duties are not paid in time, if regular failure to submit information takes place or any other obligations stipulated by the licenses are not observed.

The Issuer fulfills license requirements, takes all the necessary actions to obtain, keep in force and renew licenses, as well as minimize the probability of license suspension, change or withdrawal. Consequently, the Issuer does not expect any complications in license renewal related with the Issuer's activities.

3.2.6. Joint activity of the Issuer

Joint activity participant	Amount of investment, thous. RUB	Investment purpose (profit gaining, other purposes)	Financial result of the accounting quarter
"Kuban", JSC	20 403	Construction of stoneware production plant on brick and tile manufacture with subsequent profit gaining	Construction was not completed. The profit was not gained during last completed fiscal year and last completed accounting period

### 3.3. Plans for future activity of the Issuer

Plans of the Issuer regarding new production organization: The Issuer does not plan to organize new production.

Plans of the Issuer regarding expansion and decrease in production:

Development of power grid facilities of the Company is carried out according to the approved schedule of prospective development of power grids and to the requirements of technical conditions for arrangement of technical connection of consumers to the Company's power grids.

Plans of the Issuer regarding the elaboration of new production items: the Issuer does not plan the elaboration of new production items.

Plans of the Issuer regarding modernization and fixed assets reconstruction:

For the ahead years the Issuer is expecting the construction and reconstruction of the overhead cable lines, substations and other power facilities principally aimed at uninterrupted power supply of the customers in the Krasnodar region coast of Black Sea and Azov Sea, in Krasnodar being the social and cultural centre and especially in Sochi power district being the mountain climate resort of the future Winter Olympic Games 2014.

Plans of the Issuer regarding possible change of main activity: the issuer does not plan to change the main activity

### 3.4. Participation of the Issuer in industrial, bank and financial groups, holdings, concerns and associations.

Name of group, holding, concern or association: "Holding IDGC", JSC

Year of participation beginning: 2008

Role (place) and functions of the Issuer in the entity:

From July 1, 2008 "Kubanenergo", JSC is the affiliated company of "Holding IDGC", JSC and the latter obtained 49% of the Company voting shares from RAO "UES of Russia", JSC as a successor in the result of reorganization of the latter.

Functions of the Issuer in the specified holding: carrying out of power industry in Russia in terms of distribution grid complex.

Results of the Issuer's finance and economic activity depend considerably on other participants of industrial, bank, finance group, holding, concern, associations.

Detailed description of dependence type of the Issuer's finance and economic activity on other participants of industrial, bank, finance group, holding, concern, associations:

Results of the Issuer's finance and economic activity depend on the policy carried out by "Holding IDGC", JSC controlled by the Government of the Russian Federation.

The Issuer's activity is considered to be naturally monopolistic, state-controlled; tariffs on services in electric power transmission through distribution grids as well as fee amount for technological connection to electrical grids are regulated by State Tariff Body – Regional Energy Commission of Prices and Rates Department of Krasnodar region – REK DCT of Krasnodar region.

### 3.5. The Issuer's subsidiaries and affiliated companies

Full company name: Open Joint Stock Company "Health Complex "Plamya"

Short company name: "Health Complex "Plamya", JSC

Location

2 Novomikhaylovskiy settlement, Tuapse District, Krasnodar region, 352856

TIN: 2365000589

PSRN: 1042330761274

Subsidiary: Yes

Affiliated company: Yes

Basis for company's recognition as the Issuer's subsidiary or affiliated company:  
Prevailing participation of the Issuer in the Company's Charter capital

Stake held by the Issuer in the Charter capital of the subsidiary, %: 100

Percentage of ordinary shares of the subsidiary owned by the Issuer, %: 100

Stake held by the subsidiary in the Charter capital of the Issuer, %: 0

Percentage of ordinary shares of the Issuer owned by the subsidiary, %: 0

Description the company's main activity. The company's importance for the Issuer's activity:

Recreation and health improvement arrangements for children and adults providing accommodation, food, health improvement, holding of training practice sessions and sport teams competitions of high and average grade of sportsmanship, arrangement and holding of seminars and conferences.

Structure of the company's Board of Directors

Surname, name, patronymics	Year of birth	Stake of the subsidiary's participation in the Issuer's authorized capital, %	Stake of the Issuer's ordinary shares held by the subsidiary, %
Golovakha Lyudmila Alekseevna (Chairman)	1955	0	0
Pestov Dmitriy Vladimirovich	1967	0	0
Kocherga Vitaliy Aleksandrovich	1977	0	0
Chekalyan Sarkis Mikhaylovich	1949	0.0002	0.0002
Storchay Margarita Aleksandrovna	1982	0	0

Sole executive authority of the company

Surname, name, patronymics	Year of	Stake of the	Stake of the
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	Birth	subsidiary's participation in the Issuer's authorized capital, %	Issuer's ordinary shares held by the subsidiary, %
Chekalyan Sarkis Mikhaylovich	1949	0.0002	0.0002

Structure of collegial executive authority of the company

Collegial executive authority is not stipulated

Full company name: Open Joint Stock Company "Recreation Centre "Energetik"

Short company name: "Recreation Centre "Energetik", JSC

Location

4 Pionerskaya, Divnomorskoye village, Gelendzhik, Krasnodar region, 352815

TIN: 2304041820

PSRN: 1042301876495

Subsidiary: Yes

Affiliated company: Yes

Basis for company's recognition as the Issuer's subsidiary or affiliated company:

Prevailing participation of the Issuer in the Company's Charter capital

Stake held by the Issuer in the Charter capital of the subsidiary, %: 100

Percentage of ordinary shares of the subsidiary owned by the Issuer, %: 100

Stake held by the subsidiary in the Charter capital of the Issuer, %: 0

Percentage of ordinary shares of the Issuer owned by the subsidiary, %: 0

Description the company's main activity. The company's importance for the Issuer's activity:

Recreation and health improvement arrangements for children providing accommodation, food, health improvement, holding of training practice sessions and sport teams competitions of high and average grade of sportsmanship, arrangement and holding of seminars and conferences..

## Structure of the company's Board of Directors

Surname, name, patronymics	Year of birth	Stake of the subsidiary's participation in the Issuer's authorized capital, %	Stake of the Issuer's ordinary shares held by the subsidiary, %
Golovakha Lyudmila Alekseevna (Chairman)	1955	0	0
Pestov Dmitriy Vladimirovich	1967	0	0
Kocherga Vitaliy Aleksandrovich	1977	0	0
Kuryshkin Konstantin Mikhaylovich	1980	0	0
Lebedev Aleksandr Borisovich	1956	0	0

## Sole executive authority of the company

Surname, name, patronymics	Year of Birth	Stake of the subsidiary's participation in the Issuer's authorized capital, %	Stake of the Issuer's ordinary shares held by the subsidiary, %
Lebedev Aleksandr Borisovich	1949	0.0002	0.0002

## Structure of collegial executive authority of the company

Collegial executive authority is not stipulated

Full company name: in Russian: Open Joint Stock Company

"Krasnodarelektrosetremont"

Short company name: "Krasnodarelektrosetremont", JSC

Location

47 Novorossyiskaya st, Krasnodar, Russia 350080

TIN: 2312118241

PSRN: 1052307175876

Subsidiary: Yes

Affiliated company: Yes

Basis for company's recognition as the Issuer's subsidiary or affiliated company:  
Prevailing participation of the Issuer in the Company's Charter capital

Stake held by the Issuer in the Charter capital of the subsidiary, %: 100

Percentage of ordinary shares of the subsidiary owned by the Issuer, %: 100

Stake held by the subsidiary in the Charter capital of the Issuer, %: 0

Percentage of ordinary shares of the Issuer owned by the subsidiary, %: 0

Description the company's main activity. The company's importance for the Issuer's activity:

Activities on design, assembly, adjustment, routine maintenance and operation of equipment, buildings and facilities of power and heat supply grids, lifting devices, primarily power grid facilities of the Issuer.

Structure of the company's Board of Directors

Company's Board of Directors is not stipulated

Sole executive authority of the company

Surname, name, patronymics	Year of Birth	Stake of the subsidiary's participation in the Issuer's authorized capital, %	Stake of the Issuer's ordinary shares held by the subsidiary, %
Dunaevskiy Serygey Mikhaylovich	1956	0	0

Structure of collegial executive authority of the company

Collegial executive authority is not stipulated

3.6. Composition, structure and cost of the fixed assets of the Issuer, information on plans for fixed assets purchase, replacement, retirement, as well as on all facts of the Issuer's fixed assets charging

3.6.1. Fixed assets

Is not included in the fourth accounting period

IV. Data on financial and economic activities of the Issuer

4.1. Results of financial and economic activities of the Issuer

4.1.1. Profit and loss

Is not included in the fourth accounting period

4.1.2. Factors that influenced on change of the Issuer' sales revenue from goods, products, works, services and the change of the Issuer's profit (loss) on main activity.

Is not included in the fourth accounting period

4.2. Issuer's liquidity, capital and current assets adequacy

Is not included in the fourth accounting period

4.3. Issuer's capital and current assets amount and structure

4.3.1. Issuer's capital and current assets amount and structure

Is not included in the fourth accounting period

4.3.2. Financial investments of the Issuer

Is not included in the fourth accounting period

4.3.3. Intangible assets of the Issuer

Is not included in the fourth accounting period

#### 4.4. Data on policy and expenditures of the Issuer in the field of scientific and technical development, concerning licenses and patents, new development and research

Information on the Issuer's policy in the field of scientific and technical development during the accounting period including disclosure of the expenses for carrying out of scientific and technical activity on the Issuer's expenses.

During the fourth accounting period "Kubanenergo", JSC did not carry out large scale Research and Development works. The Company's policy regarding scientific and technical development is directed to the increase of reliability of power equipment operation, economic efficiency, environmental safety in terms of basic power facilities of the Company.

Data on the Issuer's establishment and receipt of legal protection of main objects of intellectual property (including the information on issuance date and validity terms of patents for invention, for useful model and for design; information on state registration of trademarks and service marks, the place of goods origin.

The Issuer did not carry out legal protection of intellectual property objects.

Basic areas and the results of implementation of main objects of the Issuer's intellectual property:

The Issuer does not implement the intellectual property objects.

Risk factors related to the possible expiration of validity terms for the Issuer's main patents and trademark licenses:

Risks related to the expiration of the validity terms for the Issuer's main patents and trademark licenses are absent.

#### 4.5. Analysis of development trends related to the Issuer's ordinary activity

Significant increase of power consumption is caused by development of infrastructure of Krasnodar region and the Republic of Adygeya, construction of oil-and-gas and chemical industry facilities, transfer terminals, transportation networks of the region, maritime ports reconstruction, development of resort business on the shores of Black Sea and Azov Sea.

The recovery of economy of Kuban region from financial recession can cause the increase of risks of reliability degradation in consumers' power supply and thread of power system steady operation due to power transmission lines and transformers (autotransformers) overload in regular and post-emergency conditions.

The positive factors and conditions influencing the Issuer's activity can be referred to:

- increase of power consumption;
- payment discipline increase carried out by power supply companies;
- increase of capacities and service objects brought into operation.

The negative factors and conditions influencing the Issuer's activity can be referred to:

- issuer's capital equipment deterioration;
- controversy in the decisions taken regarding tariffs setting in power transmission in terms of investment component.

In terms of sales of power transmission services the Issuer is subject to influence of the following factors:

- understating of processing loss included in tariff as standard loss in comparison with the loss established according to the production estimates;
- whereas the processing loss calculation is designed for the regular network layout (i.e. in routine mode of operation), all variations in characteristic and configuration reflect the amount of actual power loss (the necessity of load redistribution related to prevention of grids emergency operation situations in "Kubanenergo", JSC grids and in allied power entities grids; the technological necessity driven by regional dispatch management).

Forced alterations of regular network layout lead to significant increase of actual processing loss of power both at the expense of power loss occurring in power transformers and occurring in the result of transmission of extra power generated by launched spare power transformers and therefore increased network receipt.

- absence of sufficient amount of technical calculation devices does not provide the possibility to analyze network modes with adequate efficiency for the purpose of mitigating of power technical loss;
- increase of active power loss spent on cable lines heating due to absence of correct adjustment of reactive power to the consumers.

General estimate of the Issuer's activity results in the industry; conformity assessment of the Issuer's activity results to the trends of industry development; the reasons justifying the actual activity results of the Issuer (satisfactory or non-satisfactory results on the Issuer's discretion):

Basic result of the Issuer's activity in power industry is ensuring the reliable and uninterrupted power supply of consumers, stage-by-stage implementation of investment projects on construction and reconstruction of overhead cable lines, substations and other power facilities primarily oriented for the providing of uninterrupted power supply of Krasnodar region shore of Azov Sea and Black Sea, of the city of Krasnodar as a social and cultural centre and especially of Sochi power district as a mountain resort in terms of Winter Olympic Games 2014.

Successful solution of the problems set for the Company in the frameworks of industry reforming by the efforts of "Kubanenergo", JSC management contributes to achieve the hereinabove results.

Views of the Issuer's Management Authorities regarding the stated information coincide.

Board of Directors members and Collegial Executive Body (management Board) members has no special opinion regarding the information stated in the Minutes of meeting of Board of Directors reviewing the respective issues.

#### 4.5.1. Analysis of factors and conditions influencing the Issuer's activity

Estimate 31.12.2009, "Kubanenergo", JSC is one of the largest and vigorously developing power companies of the Southern Federal District.

Rapid development of the regional infrastructure in the Company's service area, various objects construction, transit terminals, regional transportation networks; maritime terminals and river harbors reconstruction, recreation business development on the seaside of the Black Sea and Azov Sea are followed by intensive growth of electric energy consumption.

Situation occurs when substantial risks of consumers reliability supply emerge; safe and stable operation of the power system is endangered by transmission lines and transformers overload in normal and post-emergency conditions. Power equipment deterioration makes the situation more complicated as well.

In the framework of performing the state regulated activity, state regulation of tariff becomes the basic Issuer's operation influencing factor.

The most significant factors influencing the Issuer's activity and the results are as follows: changes in the industry legal basis and in the RF in general, and plans for regional economic development of Russia worked out by the Government of the RF and

the Ministry of economic development and trade of the RF for the accounting year, the following years and the perspective of 3, 5 and 10 years.

Forecast concerning the mentioned factors and conditions' duration

In response to of the Issuer's monopolistic business activity (rendering the services in electric power transmission), in the nearest future no changes are expected as concerns to authority for electric power transmission tariff regulation. Regarding the index of tariff limit levels, the Issuer does not predict acute fluctuations of this index to either side anytime soon/ in the next while.

Significant events/ factors which can improve the results of the Issuers' performance:

- electric energy consumption increase in the Company's service areas;
- stage-by-stage transfer to RAB tariff regulation;
- investment program assimilation that enables operational efficiency enhancement.

Significant events/ factors which can have the utmost negative effect on the Issuer's future possibility to show similar or better results compared to the last accounting period:

- decrease in electric power consumption because of production recession and, correspondingly, incurrence of Issuer's income deficiency;
- power equipment deterioration;
- increase of inflation rate (when actual growth exceeds the predicted level);
- change of tariffs for rendering the services in electric power transmission;
- probability of transfer of consumers load to sources of power supply through higher voltage transmission lines (for example, from MV-1 to HV), which will cause the change of productive output structure and decrease in transmission profitability
- emerging of rival power grid companies, consolidation of grid enterprises (establishing a number of smaller grid companies instead of several big ones);
- occurrence of uncovered expenditures for translation of electric power purchase or loss price;

- risk of cancelling of “FGC UES”, JSC equipment sublease agreements (“last mile” agreements);
- risk of subjective tariff-rating decisions by Ministry of Energy, Federal Tariff Service of Russia, Regional Tariffs Service of Russia, including decisions on electric power losses;
- appreciation of credit resources because of the world financial crisis.

The methods implemented by the issuer and the methods which the Issuer plans to implement in the future in order to reduce the negative impact of factors and conditions influencing the Issuer’s activity.

- optimization the structure of operational expenditures;
- reconstruction the existing power grids and construction of new grids;
- technical re-equipment of fixed assets;
- elaboration and implementation of medium-term investment program;
- implementation of medium-term leasing program
- elaboration and implementation medium-term program on decreasing technological loss in the Company’s grid
- adoption of new management methods based on IT technologies’ development
- initiating the process of forming tariff decisions on the basis of parity ratio of federal and regional parameters
- transfer to tariff regulation based on invested capital profitability estimate (RAB management).

In order to decrease probable risks of operation in fall and winter period of 2009/2010 and provide accident-free performance of power facilities in the Company’s responsibility zone, the programs on preparation to fall and winter period have been initiated by the Company.

Preliminary checks of technical availability of “Kubanenergo”, JSC branches were carried out, followed by reports of branches technical heads, and additional activities were scheduled for eliminating current risks of operation in 2009/2010 fall and winter period.

It’s also worth mentioning that in the period of technological connection of new

applicants the power deficiency in supplying stations that leads to the necessity of their reconstruction or new construction; in case of incompetence of tariff approved by Regulatory Body, the grid Company is forced to use banks' borrowed funds for technological connection of the applicants' objects. The crisis situation in economic, increase in credit interest rates bring to agreements failure of technological connection risks, that consequently causes the funding gap of investment program objects.

Summarizing it may be added that the investment program implementation would have a positive impact on perspectives of infrastructure development of regional power grids, enable to increase the reliability of power supply of consumers. In perspective power grids branches development will offer the opportunity to connect a number of investment and socially important objects that will be the opportunity to receive some extra branch revenues from energy sales for future projects fulfillment.

#### 4.5.2. Business competitors of the Issuer

"Kubanenergo", JSC carries out the activity in terms of natural monopoly, providing services in power transmission to consumers connected the allied entities grids, therefore shall consumers shift from one power supply company to another the volume of Company's services is not to be changed.

V. Detailed data on members of management authorities of the Issuer, authorities of the Issuer undertaking control over financial and economic activities, and brief data on the staff (employees) of the Issuer

#### 5.1. Data on structure and competence of the Issuer's management authorities

Full description of the structure of the Issuer's Management Authorities and the competence according to the Charter (articles of association) of the Issuer:

According to the Charter of "Kubanenergo", JSC Management Authorities of the Company are as follows:

- General Shareholders meeting;
- Board of Directors;
- Management Board (Collegial and Executive Body of the Company);

- General Director (Sole Executive Body of the Company).

General Shareholders Meeting is the Supreme Management Authority.

Board of Directors carries out general management of the Company's activities.

General Director and Management Board administrate day-to-day operations of the Company.

According to the decisions of Company's Extraordinary General Shareholders Meeting (Minutes No.21 dd. 31.08.2007) and Company's Board of Directors (Minutes No.43/2007 dd.10.09.2007), the Company and "IDGC of the South", JSC concluded the agreement on delegation of authority of Sole Executive Body (General Director) of "Kubanenergo", JSC to the Management company "IDGC of the South", JSC. Further more according to the agreement, such conclusion is not followed by the change of the Charter of the Company in terms regarding the Sole Executive Body powers, and the term "Sole Executive Body" definition providing that the Provisions of the Charter of the Company assigned to Sole Executive Body (General Director) can be applied only towards the Management company during the agreement validity term.

The principal goal of the Management company is the Company's receiving of profit.

The main problems of the Management company are achievement and implementation of key performance indicators by the Company, and carrying out of the activity types, determined in the Charter of the Company

In the process of performing all rights and obligations the Management company is acting to the benefit of the Company to fulfill all rights and obligations regarding the Company honestly and reasonably. The Management company is functioning on behalf of the Company without power of attorney. Herewith the Management company exercises the rights and discharges functions for the management of Company date-to-date operations through the Sole Executive Body (General Director). Other individuals act on behalf of the Company only on the basis of powers of attorney issued by the General Director of the management company according to the provisions of cl.185 of Civil Code of the Russian Federation within the power specified in the powers of attorney.

Issues related to the competence of General Shareholders Meeting of the Company according to the Charter:

According to the Charter of "Kubanenergo", JSC the following issues are within the

competence of General Shareholders Meeting:

- i. making amendments and annexes to the Charter or approval the restated Charter;
  - ii. company reorganization;
  - iii. company liquidation, assignment of liquidation commission and approval of liquidation interim and closing balance-sheet;
  - iv. determination of amount, principal value, category (type) of the authorized shares and the rights provided by the shares;
  - v. increase of the Charter capital of the Company by means of increase of share principal value or by means of additional shares issuance;
  - vi. reduction of the Charter capital of the Company by means of reduction of share principal value, by means of acquisition of the Company a portion of shares for the purpose of total amount decrease, and by means of retirement of acquired or bought out shares by the Company;
  - vii. split-up and consolidation of the Company shares;
  - viii. decision taking on convertible bonds placement by the Company and other convertible securities;
  - ix. election of Board of Directors members and early termination of the powers;
  - x. election of Audit Committee members and early termination of the powers;
  - xi. approval of the Company's auditor;
  - xii. decision taking on delegation of authority of sole executive body of the Company to the Management company (to Executive Director);
  - xiii. approval of Annual Reports; Annual financial statements, including Profit and Loss reports (profits and losses accounts) of the Company, and distribution of profit (including the payment (declaration) of dividends, except the profit distributed as dividends following the results of the first accounting quarter, six-month, nine-month of the fiscal year) and loss of the Company following the results of the fiscal year;
- 13.1) payment (declaration) of dividends following the results of the first accounting quarter, half-year, nine months of the fiscal year;
- 14) determination of the procedures of General Shareholders Meeting holding;
- 15) decisions taking on transactions approval in cases stipulated by cl.83 of the Federal

Law “On Joint Stock Companies”;

- 16) decisions taking on major transactions approval in cases stipulated by cl.79 of the Russian Law “On Joint Stock Companies”;
- 17) decision taking on participation in financial and industrial groups, associations and other unions of commercial entities;
- 18) approval of internal documents regulating the functioning of the Company authorities;
- 19) decision taking on the payment of remunerations and (or) compensations to the members of Auditing Committee of the Company;
- 20) decision taking on the payment of remunerations and (or) compensations to the members of Board of Directors of the Company;
- 21) other problems solution stipulated by the Federal Law “On Joint Stock Companies”.

Issues related to the competence of Board of Directors of the Company according to the Charter of the Issuer:

According to the Charter of “Kubanenergo”, JSC the following issues are within the competence of Company Board of Directors:

- 1) determination of priority areas of Company activity;
- 2) convocation of Annual and Extraordinary General Shareholders Meetings of the Company except for the cases stipulated by cl.14.8 of article 14 of the Charter, and the announcement of the convocation date of new General Shareholders Meeting in substitution of the cancelled in the absence thereof quorum;
- 3) agenda approval of the General Shareholders Meeting;
- 4) election of the Secretary of the General Shareholders Meeting;
- 5) determination of persons listing date eligible to the participation in the General Shareholders Meeting; estimated charges adoption for the holding of General Shareholders Meeting and other issues solution related to preparation and convocation of General Shareholders Meeting;
- 6) introducing issues stipulated by cl.2,5,7,8,12-20 of item 10.2 of article 10 of the Charter for the debates of General Shareholders Meeting, and reduction of the Share capital by means of reduction of shares principal value;

- 7) placement of bonds and other issued securities of the Company, except for the cases specified in Federal Law "On Joint Stock Companies" and in Charter;
- 8) approval the decision on securities issue, the Prospectus issue and securities issue report, approval of reports of shares acquisition from the Company shareholders, report of retirement of shares, reports of submitting by the Company shareholders the request of redemption of owned shares;
- 9) evaluation the price (monetary value) of property, placement and redemption of issued securities in cases stipulated by the Federal Law "On Joint Stock Companies", also in issues solving specified in cl.21,38 of item 15.1 of the Charter;
- 10) acquisition of the shares placed by the Company, bonds and other securities in cases stipulated by the Federal Law "On Joint Stock Companies";
- 11) carve-out (off-load) of Company shares transferred to Company's ownership in the result of acquisition or redemption from the Company shareholders, and in other cases stipulated by the Federal Law "On Joint Stock Companies";
- 12) election of General Director of the Company and early termination of the powers including the decision taking on early termination of the labor contract;
- 13) election of Board of Management members, determination of the amount of remunerations and benefits, early termination of the powers including the decision taking on early termination of the labour contracts;
- 14) recommendations to the General Shareholders Meeting regarding the amount of the remunerations and compensations paid to the members of Auditing Committee of the Company and determination of the amount payable to the Auditor
- 15) recommendations on the amount of shares dividends and the terms of payment.
- 16) approval of the Company internal documents specifying the procedure of organization and use the Company's funds;
- 17) decision taking on the use of Company funds; approval of estimates for the use of assets for special-purpose funds and consideration the results of fulfillment of estimates for the use of assets for special-purpose funds;
- 18) approval of the Company internal documents except for Internal Documents considered by the General Shareholders Meeting, also of any other documents referred to the competence of the Company executive authorities;
- 19) approval of business-plan (business-plan as amended) and the results of completion

report, the approval (amendment) of the list and values of check indicators of cash flows movement of the Company, and consideration of the corrections of cash flows movement of the Company revised by the Company Management Board;

20) company subsidiaries incorporation and start-up of representation offices, and the liquidation;

20.1) amendments to the Charter of the Company related to the Company subsidiaries incorporation, start-up of representation offices (including the alteration of names and locations of the Company subsidiaries and representation offices) and the liquidation;

21) Company's participation in the other entities (including the coordination of the Articles of Association); change of participation stake (amount of shares, scale of interests, stakes), charge of shares (stakes) and suspension of Company's participation in other entities, including the following regulations:

- decision taking on one or several interrelated carve-out transactions closed by the Company, pledge deposit or other charge over shares and stakes of Subsidiary and Affiliated Companies. Herewith the latter shall not be occupied in production, transmission, dispatching, distribution and sales of power and heat energy in the event that the amount of shares or stake in Charter capital exceed 25% of the shares total amount or Charter capital of the Subsidiary and Affiliated Company, or the market value of negotiable shares or stakes determined according to the independent appraiser evaluation, exceeds 15 million rubles, and in other cases (amount) specified by certain decisions of Board of Directors.

22) elaboration of Company credit policy in terms of Company lending, credit and loan agreements conclusion, warrantees issuance, acceptance the obligations ensuing from the bill (ordinary bill and bill of exchange); putting the property into the pledge and the decisions taking on the specified transactions closed in the cases when the decision-making procedure is not stipulated by the Company credit policy, and taking the decisions in terms stipulated by the credit policy of the Company regarding bringing the debt position in line with the limits stated by the Company credit policy;

23) approval of major transactions stipulated by chapter XI of the Federal Law "On Joint Stock Companies";

24) transactions approval specified in chapter XI of the Federal Law "On Joint Stock

Companies”;

- 25) assignment of the Company registrar, terms and conditions of the agreement, and termination of the agreement;
- 26) election of the Chairman of the Company Board of Directors and early termination of the powers;
- 27) election of the Deputy Chairman of Board of Directors of the Company and the early termination of the powers;
- 28) election of Corporate Secretary of the Company and the early termination of the powers;
- 29) preliminary approval of the decisions on the transactions closed by the Company related to the transfer without compensation of the Company property or property rights to the Company or Third party; related to the deliverance from the property liability against the Company or Third Party; related to the voluntary rendering of services (carrying out of works) to Third party in cases (in the amount) stipulated by certain decisions by Board of Directors of the Company, and the decisions taking on the transactions closed by the Company providing that the hereinabove cases (amounts) are not specified;
- 30) amendments making to the general structure of the executive authorities of the Company
- 31) decision making on the powers suspension of the Management company (Administrartor);
- 32) decision making on the assignment of the acting General Director of the Company and bringing to the disciplinary responsibility;
- 33) bringing to the disciplinary responsibility of the members of the Management Board of the Company and the remuneration according to the labour legislation of the Russian Federation;
- 34) considering the reports of the General Director of the Company regarding the Company functioning (particularly on the fulfillment of the administrative duties by General Director); regarding the implementation of the decisions of General Shareholders Meeting and Board of Directors of the Company;
- 35) approval of the cooperation procedures between the Company and the entities related to the Company’s activities;

36) determination a stand of the Company (Company's representatives) on the following matters of the agenda for General Shareholders Meetings (participants) and the Meetings of Board of Directors of the Subsidiary and Affiliated Companies (hereinafter referred to as SAC) particularly the instructions of possible participation in the voting regarding the matters of the agenda, whether to vote affirmatively, negatively, or abstain in terms of voting for:

- a) determination of the agenda for General Shareholders Meeting (participants) of SAC;
- b) reorganization, liquidation of SAC;
- c) determination of the numerical composition of Board of Directors of SAC, nomination and election the members, early termination of the powers;
- d) determination of the amount, principal value, category (type) of the declared SAC shares and the rights provided by the shares;
- e) increase of Charter capital of SAC by means of increase of shares principal value or placement of additional shares;
- f) placement of SAC securities convertible to ordinary shares;
- g) split-up and consolidation of SAC shares;
- h) approval of major transactions closed by SAC;
- i) participation of SAC in other entities (entering to the operating company or new company incorporation) and further acquisition, carve-out and charge over shares and stakes in Charter capitals of the entities related to SAC functioning; change of participation stake in the Charter capital of the respective entities;
- j) transactions closed by SAC (including several interrelated transactions) related to the property alienation or the probability of property alienation consisting of fixed assets, intangible assets, facilities under the process of construction, with the purpose of exploitation to be production, transmission, dispatching, distribution of power and heat energy in cases (in the amount) stipulated by approved by Board of Directors interaction procedures between the Company and the entities related to the Company activity;
- k) making of amendments and alterations to the Articles of Association of SAC;
- l) determination of terms and conditions of remuneration payments to the members of Board of Directors and Auditing Committee of SAC;

37) determination a stand of the Company (Company's representatives) on the following matters of the agenda for the Meetings of Board of Directors of SAC (particularly the instructions of possible participation in the voting regarding the matters of the agenda, whether to vote affirmatively, negatively, or abstain in terms of voting for:

a) determination a stand of the SAC representatives on the following matters of the agenda for General Shareholders Meetings (participants) and Meetings of Board of Directors of the entities being Subsidiary and Affiliated with regard to SAC, on the issues of transactions closing (approval) or several interrelated transactions related to the property alienation or the probability of property alienation consisting of fixed assets, intangible assets, facilities under the process of construction, with the purpose of exploitation to be production, transmission, dispatching, distribution of power and heat energy in cases (in the amount) stipulated by approved by Board of Directors interaction procedures between the Company and the entities related to the Company activity;

b) determination a stand of the SAC representatives on the following matters of the agenda for General Shareholders Meetings (participants) and Meetings of Board of Directors of the entities being Subsidiary and Affiliated with regard to SAC carrying out production, transmission, dispatching, distribution and sales of power and heat energy; reorganization, liquidation, increase of Charter capital of such entities by means of increase of shares principal value or placement of additional shares, placement of securities converted to ordinary shares.

38) preliminary approval of transaction decisions by the Company with regard to:

a) transactions of Company non-current assets in the amount exceeding 10 (ten) percent of the balance-sheet value of the Company non-current assets as per date of taking decision on such transaction;

b) transactions (including several interrelated transactions) related to the property alienation or the probability of property alienation consisting of fixed assets, intangible assets, facilities under the process of construction, with the purpose of exploitation to be production, transmission, dispatching, distribution of power energy in cases (in the amount) stipulated by the certain decisions of the Company Board of Directors;

39) assignment of the Company representatives to participation in the Supreme Management Authorities of the entities of either form of legal incorporation where the

Company is involved;

40)decisions taking on the Company's nominating of the candidates for election to the position of Sole Executive Body, to other Management and Control Bodies, and further the Auditor candidature to the entities of either form of legal incorporation where the Company is involved;

41)determination of issues with regard to providing the insurance coverage of the Company particularly the assignment of Company's Insurer;

42)approval of the candidature of the independent appraiser (appraisers) for value determination of shares, property and other Company assets in cases stipulated by the Federal Law "On Joint Stock Companies", by the present Charter and likewise by certain decisions of Company Board of Directors;

43)preliminary approval of labor contract, agreements concluded by the Company in the frameworks of regulating of social and labour relations;

44)candidature approval of the financial advisor invited according to the Federal Law "On Securities Market" and likewise the candidatures approval of Securities Issuance Makers and transactions advisors directly associated with the obtaining of funds in the form of public borrowings;

45)preliminary approval of transactions which may result in occurrence of liabilities in the form of foreign currency (or liabilities with the amount depending on the foreign currency) in cases and in the amount stipulated by certain decisions of Company Board of Directors and likewise when the mentioned cases (the amount) are not specified by the Company Board of Directors.;

46)determination of the Procurement Policy in the Company particularly the approval of Regulations on the procedure of regulated purchases of goods, works, services; the assignment of the Head of Central Procurement Authority of the Company and the members; approval of the yearly procurement comprehensive program and other decisions taking according to the existing documents regulating the procurement activity;

47)approval of the target values (revised values) of key efficiency indicators (KEI) of the Company and the completion reports;

48)decision taking on bringing the General Director of the Company for the nomination for state reward;

49) preliminary approval of transactions related to the property alienation or the probability of property alienation consisting of fixed assets, intangible assets, facilities under the process of construction, with the purpose of exploitation not to be transmission, dispatching, distribution of power energy in cases (in the amount) stipulated by the certain decision of Company Board of Directors by means of approval of the respective property assets registry

50) determination of the housing policy of the Company in terms of providing the corporate support to the Company's employees with regard to improvement of living conditions in the form of a subsidy, recovery of expenses, interest-free loans and the decision taking on providing the mentioned support by the Company in the cases determined by the housing policy of the Company;

51) determination of the Company policy in terms of increase of reliability of distribution power grid complex and other power facilities, particularly the approval of Company strategic programs on the increase of reliability, development and security of power grid complex.

52) other issues related to the competence of Board of Directors according to the Federal Law "On Joint Stock Companies" and the Charter.

Issues related to the competence of Management Board of the Issuer according to the Charter of the Company:

According to the Charter of "Kubanenergo", JSC the following issues are within the competence of Company Management Board:

- 1) problems solutions related to the competence of the Supreme Management Authorities of the economic companies with either 100 (one hundred) percent of Charter capital or all voting shares belonging to the Company (considering cl.36 of item 15.1 of article 15 of the Charter);
- 2) preparation and carrying over for consideration of Board of Directors the reports regarding financial and economic activities of the economic entities with either 100 (one hundred) percent of Charter capital or all voting shares belonging to the Company;
- 3) to develop and submit for consideration of Board of Directors the prospective plans for implementation of Company's main areas of business;

- 4) preparation of business-plan (business-plan as amended) and the completion results report, the approval and amendment of cash flows movement according to approved by Board of Directors list and values of check indicators of cash flows movement of the Company (with mandatory further submit to Company Board of Directors);
- 5) preparation of the report of financial and economic activities of the Company, of implementing by the members of Management Board the decisions of General Shareholders Meeting and Board of Directors;
- 6) approval the schedules and activities on education and qualification development for the Company employees;
- 7) determination of social benefits and guarantees to the Company's employees;
- 8) taking the transaction decisions relating to property, services and works with total cost from 1 to 25 percent of the balance-sheet asset value of the Company as per the date of transaction decision (except for the cases stipulated by cl.38 item 15.1 article 15 of the Charter);
- 9) consideration the reports of Deputies General Director of the Company, Heads of Structural Subdivision of the Company concerning the results of fulfillment of plans, programs, instructions; consideration of the reports, documents and other information related to the activity of the Company and the Subsidiary and Affiliated Companies;
- 10) other issues solving related to the management of Company's current activities according to the decisions of General Shareholders Meeting, Board of Directors of the Company and likewise the issues submitted for consideration of Management Board by General Director of the Company.

Issues related to the competence General Director of the Issuer according to the Charter of the Company:

According to the Charter of "Kubanenergo", JSC the competence of General Director of the Company includes all Management issues of the current activities of the Company, except for the matters related to the competence of General Shareholders Meeting, Board of Directors and Management Board.

General Director of the Company is acting on behalf of Company without power of attorney particularly considering the restrictions stipulated by the existing legislation, by

the Charter and by the decisions of Board of Directors of the Company:

- provides the fulfillment of business operation plans of the Company that are essential for solving Company's main problems;
- arranges the accounting records maintenance and the financial statements in the Company;
- is in charge of the Company's property, makes transactions on behalf of the Company, issues powers of attorney, opens settlement and other accounts of the Company in banks, other credit institutions (and likewise in the cases stipulated by law – in entities acting as professional participants of the Securities Market);
- issues the decrees, approves (takes) instructions, local regulatory acts and other internal documents of the Company in terms of the competence, gives the instructions of compulsory implementation by every employee of the Company;
- approves Regulations on Subsidiaries and Representation offices of the Company;
- approves the general structure of the Company Executive Authorities;
- approves the personnel schedule and the official salary of the Company employees according to the general structure of the Company Executive Authorities
- carries out rights and obligations of the employer towards the Company employees according to the labour legislation;
- performs functions of the Chairman of Management Board;
- distributes the duties among Deputies of General Director;
- submits for consideration of Board of Directors the completion reports of financial and economic activity of the Subsidiary and Affiliated Companies with the shares (stakes) owned by the Company, and likewise the data on the other entities where the Company takes part in, except for the cases stipulated by cl.2 of item 22.2 of article 22 of the Charter;
- carries over for consideration the Annual Report, accounting balance sheet, profit and loss account of the Company, distribution of profits and losses of the Company - not later than 45 (Forty five) days prior to the holding of Annual General Shareholders Meeting of the Company;
- administrates other issues related to the current Company's activity, except for the matters related to the competence of General Shareholders Meeting, Board of

Directors and Management Board;

- carries the responsibility for providing the secrecy order throughout the Company, particularly for enciphered communication arrangement;
- carries personal responsibility for selection of individuals admitted for the Information classified as State Secret and likewise for arrangement of conditions providing that the Company employees only concern the Information classified as State Secret and to the extent which is necessary to perform the duties (administrative duties) according to the legislation of the Russian Federation.

The Issuer has approved (adopted) the Corporate Conduct Code or other similar document.

The data on Corporate Conduct Code or any other similar document:

For the purpose of transparency of the Issuer's Management, compliance of Appropriate Corporate Management standards, Board of Directors of the Company approved the Corporate Management Code on 30.10.2006

Webpage address where full text is available in free access:  
[kubanenergo.ru/rus/management/documents/index.shtml](http://kubanenergo.ru/rus/management/documents/index.shtml).

Webpage address where full text of the Issuer's Charter (current revision) and internal documents regulating activity of the Issuer's bodies are available in free access:  
[www.kubanenergo.ru/rus/management/documents/index.shtml](http://www.kubanenergo.ru/rus/management/documents/index.shtml)

## 5.2. Data on members of the Issuer's management authorities

### 5.2.1. List of members of Board of Directors (Supervisory Body) of the Issuer

Surname, name, patronymics: Airapetyan Arman Mushegovich

Year of birth: 1978

Education

Higher Education: Rostov State Economical Academy, Rostov State University;

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period	Entity	Position
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from	up to		
2002	2005	“Rostovenergo”, JSC	Leading legal adviser of the Section for Project Implementation of Power System Reorganization; Head of Section for Joint Stock Activity Reformation and Capital Management; Head of Reform Control Centre
2005	2005	“FGC UES”, JSC	Head of Section for Organizational Development and Corporate Management
2006	2006	“FGC UES”, JSC	Head for Division of Organizational Development and Regulatory Support
2007	2008	“FGC UES”, JSC	Head for Division of Reformation and Regulatory Support Management
2007	now	“Tyumenenergo”, JSC; “Yantarenergo”, JSC	Member of Board of Directors
2008	2009	“IDGC” Holding”, JSC	Deputy Head for Strategy and Development Centre
2008	2009	“IDGC of the Northern Caucasus	Member of Board of Directors
2009	now	“TDC”(Tomsk Distribution Company), JSC; “Kubanenergo”, JSC; “Chechenenergo”, JSC	Member of Board of Directors
2009	now	“Olympstroy”, State Committee	Head of Department for Interaction with Executors in Charge

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Guryanov Denis Lvovich

Year of birth: 1977

Education

Higher Education: Peoples' Friendship University of Russia

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2001	2006	RAO "UES of Russia", JSC	Chief specialist of the Corporate Policy Department; Head of

			Section for Organization and Control of Representatives Activity in Management Bodies of Subsidiary and Affiliated Companies of Corporate Relations Management of Business Item 1; Deputy Head of Division for Corporate Events Management of Business Item 1
2006	2008	“FGC UES”, JSC	Head of Division for IDGC Corporate Relations
2008	now	“IDGC” Holding”, JSC	Head of Department; First Deputy Head of Department for Corporate Management and Shareholders interaction
2008	now	“Yantarenergo”, JSC; “Bureyagesstroy”, JSC; “Real Estate of Southern Power Investment Centre”, JSC	Member of Board of Directors
2009	now	“Kubanenergo”, JSC; “Sevkavkazenergo”, JSC	Member of Board of Directors

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Zimin Aleksey Vladimirovich

Year of birth: 1976

Education

Higher Education: Moscow State Law Academy

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2002	2008	RAO "UES of Russia", JSC	Deputy Head of Juridical Department
2008	now	"IDGC" Holding", JSC	Deputy Head of Legal Support Department
2009	now	"Kubanenergo", JSC, "RDC (Research and Development Centre) of Volga Region", JSC; "IDGC of Northern Caucasus", JSC	Member of Board of Directors

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Katina Anna Yuryevna

Year of birth: 1982

Education

Higher Education: Moscow University of Humanitarian Sciences

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2004	2004	"Nevinomysskaya SPDS (State Power District Station)", JSC	Specialist, II category, Corporate Management Section
2004	2005	"Vladimirskaya Power Supply Company", JSC	Member of Board of Directors

2004	2005	“Yuzhnouralskaya SPDS (State Power District Station)”, JSC	Member of Board of Directors
2004	2008	RAO “UES of Russia”, JSC	Leading Specialist, Chief Specialist, Leading Expert, Chief expert of Department for Corporate Management and Interaction with Corporate Centre Shareholders
2005	2006	“Ryazan Power Supply Company”, JSC; High-Voltage Company of Khakassiya”, JSC; “Siberian Research Centre”, JSC	Member of Board of Directors
2006	2008	“Yarenergoremont-holding”, JSC	Member of Board of Directors
2007	2008	“Novgorod Power Supply Company”, JSC; Research and Development Centre of Power Energy	Member of Board of Directors
2008	now	“IDGC” Holding”, JSC	Head of Department for Corporate Management and Interaction with Shareholders
2008	2008	“Real Estate of Southern Power IC (Investment Centre)”, JSC	Member of Board of Directors
2009	now	“Kubanenergo”, JSC; “Real Estate of Investment Centre of UES”, JSC; “Kalmenergosbyt”, JSC; “VNIPIenergoprom”, JSC; “IDGC of Volga Region”,	Member of Board of Directors

		JSC; “Ekaterinburgenergosbyt”, JSC	
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Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Kosarev Sergey Borisovich

(Chairman)

Year of birth: 1960

Education

Higher Education: Nekrasov State Teachers’ Training Institute of Kostroma;

Doctorate Candidacy: International University, Postgraduate study of Yaroslavl State University;

Degree: Candidate of Science (History)/ Ph.D. in History

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2004	2008	RAO "UES of Russia", JSC	Head of Department for Property Issues Management
2008	2009	"IDGC" Holding", JSC	Member of Board of Directors, Deputy General Director for Corporate Management and Property Issues
2009	now	"IDGC of Siberia", JSC; "Real Estate Investment Centre of Volga Region Power Industry", JSC "IDGC" of Center", JSC	Member of Board of Directors
2009	now	"Kubanenergo", JSC	Member of Board of Directors
2009	2009	"IDGC" Holding", JSC	Adviser of General Director
2009	now	State Corporation "Rosnanotech"	Director of Legal Support Department

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields

of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Kravchenko Vyacheslav Mikhaylovich

Year of birth: 1967

Education

Higher Education: Lomonosov Moscow State University;

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2004	2006	Ministry of Industry and Energy of Russia	Deputy Director of Department for Structural and Investment Policy in Industry and Power Sector,
2006	2007	Ministry of Industry and Energy of Russia	Director of Department for Structural and Tariff Policy in Natural Monopoly Holders
2007	2008	Ministry of Industry and Energy of Russia	Director of Power Industry Department
2008	now	“RN- Energo”, LLC	General Director
2009	now	“IDGC Holding”, JSC; “TSC (Tomsk Distribution Company)”, JSC;	Member of Board of Directors

		“Kubanenergo”, JSC; “Kubanenergobyt”, JSC; “Kuban High-Voltage Grids”, JSC; “Kuban Generating Company”, JSC; “Tomskenergobyt”, JSC; “Tomsk high-Voltage Grids”, JSC; “Tomskenergoremont”, JSC; “Tomskenergoretremont”, JSC; “Irkutskenergo”, JSC; “Rostoprom”, JSC	
2009	now	Non-Profit Partnership “Administrator for Trade System of Wholesale Power market of Unified Energy System”	Representative of Russian Federation Government in Supervisory Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in

periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Pestov Dmitriy Vladimirovich

Year of birth: 1967

Education:

Higher Education: Kuban State University of Technology

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2005	2006	“Adygeya Power Grids” branch of “Kubanenergo”, JSC	Managing Director of “Republic of Adygeya” territory – Director for “Adygeya Electric Grids”
2006	2007	“Timashevsk Electric Grids” branch of “Kubanenergo”, JSC	Branch Director
2007	now	“IDGC of the South”, JSC	Deputy CEO of “IDGC of the South”, JSC – Managing Director
2007	now	“Kubanenergo”, JSC	Deputy CEO - Managing Director
2008	2009	“Krasnodarenergosetremont”, JSC	Member of Board of Directors
2008	now	“Kubanenergo” branch of “IDGC of the South”, JSC	Deputy CEO of “IDGC of the South”, JSC – Branch Director
2008	now	“Kubanenergo”, JSC	Member of Board of

			Directors, member of Management Board
2008	now	“OK “Plamya” JSC, “Recreation centre“ Energetik” JSC	Member of Board of Directors
2008	now	“IDGC of the South”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person held the position of member of Board of Directors of “Krasnodarenergosetremont”, JSC in the period of adjudication order by the decision of Arbitration Court of Krasnodar Region followed by the warrant in bankruptcy proceedings on 22.01.2009.

Surname, name, patronymics: Petukhov Konstantin Yuryevich

Year of birth: 1971

Education:

Higher Education:

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2002	2006	"IDGC of Center and Northern Caucasus", JSC	Head of Section for Analysis and Optimization of Power Losses of Department for Market Entities Interaction
2006	2008	"IDGC of Siberia", JSC	Head of Transportation and Power Industry Department; Deputy CEO for Development and Service Sales Department; member of Management Board
2008	now	"IDGC Holding", JSC	Director for Development and Service Sales
2008	2008	"Tyvaenergosbyt", JSC	General Director (part-time)
2009	now	"Kubanenergo", JSC; "TDC (Tomsk Distribution Company)", JSC; "Vnippienergoprom", JSC	Member of Board of Directors

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's

management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Pukhalskiy Aleksander Andreevich

Year of birth: 1957

Education:

Higher Education: Northern-Caucasus Mining and Metallurgical Institute

Post graduate Course of Omsk State Technological University, Academy of National Economy of the Russian Federation Government

Degree: Candidate of Science (Engineering)/ Ph.D. in Technical Sciences

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2003	2006	"Samotlorneftegaz", JSC	Head of Chief Power Engineer Section
2006	2008	"TNK-VR Management", JSC	Regional Manager of Power Industry management; Director for Production Department
2008	now	"NK "Rosneft", JSC	Director for Power Industry

			Development
2009	now	"Kubanenergo", JSC; "Kubanenergobyt", JSC; Kuban High-Voltage Grids", JSC; "Kuban Generating Company", JSC; "RN-Energo", LLC; "Tomskenergoremont", JSC; "Tomsenergoretremont", JSC; "Tomsk High-Voltage Grids", JSC; "Tomsk Power Supply Company", JSC	Member of Board of Directors

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Saukh Maksim Mikhaylovich

Year of birth: 1979

Education:

Higher Education: Saint-Petersburg Trade-Unions University of Humanitarian Sciences

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job;

Period		Entity	Position
from	up to		
2004	2008	RAO "EUS of Russia", JSC	Leading Expert, Chief Expert, Head of Department for Corporate Management and Interaction with Shareholders
2008	now	"IDGC Holding", JSC	Senior Project Manager of the Rights Enforcement Group of Shareholders of Project Centre for Restructure Completion of RAO "UES of Russia", JSC; First Deputy Head of Department for Corporate Management and Interaction with Shareholders
2008	now	"Real Estate of UES Investment Centre", JSC	Member of Board of Directors
2009	now	"Kubanenergo", JSC; "IDGC of Volga", JSC; "NWPMC (North-West Power managing Company)", JSC; "Enin", JSC; "Kabbalkenergo", JSC; "Svet", CJSC; "TDC (Tomsk Distributional company)", JSC	Member of Board of Directors

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Stavskiy Mikhail Efimovich

Year of birth: 1961

Education:

Higher Education: Ufa Oil Institute

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job;

Period		Entity	Position
from	up to		
2004	2004	"Siberian Oil Company", JSc	Vice-President for Production
2008	2005	"Sibneft-Noyabrskneftegaz", JSC	General Director, Vice-President (part-time)
2005	now	"Oil Company "Rosneft", JSC	Vice-President

2009	now	“Kubanenergo”, JSC; “Kubanenergobyt”, JSC; Kuban High-Voltage Grids”, JSC; “Kuban Generating Company”, JSC;	Member of Board of Directors
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Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Issuer did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Additional data disclosed according to Regulations of the Information Policy of “Kubanenergo”, JSC

All members of Board of Directors of “Kubanenergo”, JSC are citizens of the Russian federation.

Data on transactions closed in the accounting period between the Issuer and persons forming the structure of Management Authorities of the Issuer in the accounting period:

such transactions were not closed in the accounting period.

Data on education of members of Board of Directors at the Issuer's expense in the accounting period: members of Board of Directors did not have education at the company's expense.

Data on the structure of the Committees attached to Board of Directors of the Issuer:

Reliability Committee of Board of Directors of "Kubanenergo", JSC was established in September, 15 2006 following the decision of Company Board of Directors (Minutes of Meeting No. 21/2006 dd.18.09.2006).

Main objective of establishment of Reliability Committee is the ensuring of effective functioning of Board of Directors of the Company with regard to solving of issues related to its competence.

Main task of the Committee is elaboration and providing with recommendations (conclusions) to Board of Directors of the Company relating to the following issues:

- 1) appraisal of investment programs and plans for power facilities repair, analysis of the implementation in terms of complex reliability ensuring;
- 2) examination of fullness and completeness of elimination measures following the accidents and large technological violations; and likewise the execution supervision;
- 3) control and activity evaluation of technical Support Service in terms of:
  - ensuring the complex reliability of functioning of grid and generating equipment;
  - maintenance of normal condition of fixed assets and the anticipation of functioning reliability risks;
- 4) analysis of measures on fulfillment of commercial and economic mechanisms of reliability management.

List of members of Reliability Committee is not formed.

Audit Committee of Board of Directors of "Kubanenergo", JSC was established in October, 16 2009 following the decision of Board of Directors (Minutes No.80/2009 dd.16.09.2009).

Main objective of establishment of the Committee is the ensuring of effective functioning of Board of Directors of the Company with regard to solving of issues related to its competence:

- ensuring supervision over carrying out of Annual Independent Audit of accounting and financial statements of the Company;
- selection of candidatures of the Company Auditors, the qualification and quality of work rating and evaluation of meeting all requirements of independency; submitting the auditors candidatures for the consideration of Board of Directors, evaluation the Auditor candidatures recommended by Third Party;
- estimate of efficiency of internal control procedures of the Company and offering the suggestions for the improvement;
- other issues solving following the order by Board of Directors of the Company.

#### List of members of Audit Committee of Board of Directors

Chairman of the Committee Kosarev Sergey Borisovich	- Chairman of Board of Directors of "Kubanenergo", JSC
Guryanov Denis Lvovich	- First Deputy Head of Department for Corporate management and Interaction with "IDGC Holding", JSC Shareholders
Petukhov Konstantin Yuryevich	- Director for Development and Service Sales of "IDGC Holding", JSC

#### 5.2.2. Information on Sole Executive Body of the Issuer

Authorities of Sole Executive Body of the Issuer are delegated to the Management Company

Data on the Management Company which was delegated the Authorities of Executive Body of the Issuer

Full company name of the Issuer: Open Joint Stock Company "Interregional Distribution Grid Company of the South"

Short company name of the Issuer: "IDGC of the South", JSC

Reasons for delegation the Authorities: Decision of General Shareholders Meeting of the Company (Minutes No.21 dd.31.08.2007) on Authorities Delegation of Sole Executive Body of "Kubanenergo", JSC to the Management Company "IDGC of the South", JSC; decision of Board of Directors of the Company (Minutes No.43/2007 dd. 10.09.2007), agreement No.407/30-1143/26 dd.14.09.2007 between the Company and "IDGC of the

South”, JSC.

Location: 49 Bolshaya Sadovaya st., Rostov-on-Don, Russia, 344002

Postal address

49 Bolshaya Sadovaya st, Rostov-on-Don, 344002

TIN: 6164266561

PRSN: 1076164009096

Telephone: (861) 279-8777

Fax: (861)279-88-09

E-mail: office@mrsk-yuga.ru

Data on the license for carrying out the activity for management of investment funds, mutual investment funds and non-State investment funds

The mentioned license is absent

List of members of Board of Directors of the Management Company:

Surname, name, patronymics: Okley Pavel Ivanovich

(Chairman)

Year of birth: 1970

Education

Omsk Engineering Institute of Railroad Transportation;

Professional retraining according to program “Company development management” in the Academy of National Economy under the Government of the Russian Federation

Moscow Power Engineering Institute, post-graduate course

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity	Position
from	up to		
2005	2008	“FGC UES”, JSC	Deputy Director of Management Center of

			IDGC, Director of Management Center of IDGC
2007	now	“IDGC of the South”, JSC	Member of Board of Directors
2007	now	“Tyumenenergo”, JSC	Member of Board of Directors
2008	now	“IDGC Holding”, JSC	Member of Board of Directors
2009	now	“IDGC of Centre and Volga Region”; JSC “IDGC of Siberia”; JSC; “IDGC of Volga”, JSC	Member of Board of Directors
2009	now	“Energy Forecasting Agency” (EFA), CJSC	Member of Board of Directors
2009	now	“MOESK”, JSC	Chairman of Reliability Committee under Board of Directors
2009	now	“INVEL” Non-profit Partnership	Member of Supervisory Board
2009	now	“Lenenergo”, JSC	Member of Board of Directors, Member of Audit Committee, Member of Reliability Committee, Member of Personnel and Remuneration Committee attached to Board of Directors
2009	now	“IDGC Holding”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymic: Vasilyev Sergey Vyacheslavovich

Year of birth: 1975

Education:

Lomonosov Moscow State University

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2003	2008	RAO "UES of Russia", JSC	Head of Legal Department

2007	now	"IDGC of the South", JSC	Member of Board of Directors
2008	now	"IDGC Holding", JSC	Director for Legal Issues, Head of Legal Department
2009	now	"Tyumenenergo", JSC	Member of Board of Directors
2009	now	"IDGC Holding", JSC	Member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Gavrilov Aleksander Ilyich

Year of birth: 1973

Education:

Kuban State University;

Kuban State University of Technology;

Degree: Candidate of Science (Economics)/ Ph.D. in Economics

Applicant for the Degree of Doctor of Science, Economics at the Chair of World Economics of Kuban State University

Additional Education: State Educational Institution: "State Academy of Professional Retraining and Development"

All positions held by the person within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2005	Krasnodar Region Administration	Deputy Head for Industry, Transport and Energy of Krasnodar Region Administration, third class actual state councilor of Krasnodar Region
2005	2005	"Krasnodargazstroy", JSC	Deputy CEO for Prospective Development
2005	2006	"Kubanenergo", JSC	Executive Director
2006	2007	"Kubanenergo", JSC	Director General
2006	2009	"Kubanenergo", JSC	Member of Board of Directors
2006	now	"Kubanenergo", JSC	Chairman of Management Board
2007	2008	"OK "Plamya", JSC "Rostovenergo", JSC, "Krasnodarenergosetremont",	Chairman of Board of Directors

		JSC	
2007	2008	“Volgogradenergo”, JSC	Member of Board of Directors
2007	now	“IDGC of the South”, JSC	CEO, Member of Board of Directors
2008	now	“IDGC of the South”, JSC	Chairman of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Ivanov Maksim Sergeevich

Year of birth: 1976

Education:

Sergo Ordzhonikidze State Academy

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity Name	Position
from	Up to		
2004	2006	“Moscow Distillery Cristall”, JSC	Adviser of CEO
2006	2007	“SGC – TGC-8”, JSC	Adviser of CEO, Director for Internal Audit Department
2006	2009	“Promregion Holding”, CJSC	Adviser of CEO
2009	now	“Management Consulting” LLC	Adviser of CEO
2009	now	“IDGC of the South”, JSC	Member of Board of Directors, Member of Personnel and Remuneration Committee, Member of Committee for Strategy, Development, Investments and Reform attached to Board of Directors

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Ilyenko Vladimir Vasilyevich

Year of birth: 1950

Education:

Krasnodar Institute of Technology

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2002	now	“SO UES”, JSC branch of UDC of the South	CEO
2008	now	“IDGC of the South”, JSC	Member of Board of Directors

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic

activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Maslov Aleksey Viktorovich

Year of birth: 1975

Education:

Bauman Moscow State Technical University;

Finance Academy under Government of the Russian Federation

Degree: Candidate of Science (Economics)/ Ph.D. in Economics

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2003	2006	“Sevzapelektrosetstroy”, JSC; “Septsetstroy”, JSC	Member of Board of Directors
2005	2007	“FGC UES”, JSC	Member of Management Board, Director for Assets and Investments Management
2005	2007	“UES Energosetstroynabkomplekt”, JSC	Member of Board of Directors

2007	2008	“IDGC of the South”, JSC	Member of Board of Directors
2007	2008	“FGC UES”, JSC	Member of Management Board, Director for Engineering and Construction Management, Manager for Centre of Engineering and Construction Management
2008	now	“CECM UES”, JSC	Director General
2008	now	“FGC UES”, JSC	Member of Management Board
2009	now	JSC “IDGC of the North Caucasus”, “CECM UES”, JSC	Member of Board of Directors
2009	now	“IDGC of the South”, JSC	Member of Board of Directors
2010	now	“RusHydro”, JSC	Managing Director for Capital Construction

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Mikhailov Sergey Anatolyevich

Year of birth: 1957

Education:

Dzerzhinsky Military Academy;

Leninsk branch of Moscow Aviation Institute;

Post graduate military course of Dzerzhinsky Military Academy;

Degree: Candidate of Science (Engineering)/ Ph.D. in Technical Sciences.

Additional Professional Education: Interindustry Institution of Advanced Training and Development for Executives and Experts of Plekhanov Russian Academy of Economics

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2001	now	"Management-Consulting" Limited Liability Company	CEO
2002	now	"Consulting Group", Close Joint Stock Company	CEO
2003	2007	Non-State pension fund "First Pension Fund", non-profit partnership "Non-State Pension Fund " Pension Capital"	Chairman of the Fund
2003	2008	"RosT.S" Close Joint Stock	Member of Board of

		Company	Directors
2003	2008	"Management Group" CJSC	Chairman of Board of Directors
2003	2009	"Managing company "Management Centre", CJSC	Chairman of Board of Directors
2003	now	"Management Group" CJSC; "ASVT" JSC, Oil Company "LUKOIL" JSC	Member of Board of Directors
2003	now	"National League of Managers" Non-profit Partnership	Chairman of Board of Directors
2004	2005	"TV-express" . JSC	Member of Board of Directors
2004	2006	"IFD Kapital Unified Sales System", Limited Liability Company ("IFD Kapital USS", LLC)	Member of Board of Directors
2004	2009	Joint Stock Company "Oil Fund of Industrial Reconstruction and Development"	Member of Supervisory Board
2004	now	"Football Club "Spartak-Moscow" JSC, Bank "Petrocommerce", JSC	Member of Board of Directors
2004	now	"Russian Mediagroup" CJSC, "Kapital" Managing Company, Unit Investment Funds", LLC	Member of Board of Directors
2005	2006	"Southern Generating Company – TGK-8", JSC ("SGC TGK-8", JSC)	Chairman of Board of Directors
2005	2008	"Promregion Holdong", Close Joint Stock Company	Member of Board of Directors
2005	now	"IFD Kapital" CJSC, "Izvestiya" Newspaper Office", JSC	Executive Director

2006	2009	Reserve Invest Holding (Cyprus) Limited	Chairman of Board of Directors
2008	2009	"Kapital" Investment group", CJSC	Chairman of Board of Directors
2008	now	"Globalstroy-Engineering" JSC, "GSE" JSC, "Oktyabr" Training Sport and Health-Improving Complex" JSC, "Kapital" Managing Company", LLC"	Member of Board of Directors
2008	now	Formation Fund of Specific Capital for Social Programs Support.	Member of Board of the Fund
2008	now	"Kapital" Asset Management", CJSC	Chairman of Board of Directors
2009	now	"All-Russian Research, Design-and-Engineering Institute of Economy, Information and Automated Systems Control for Fishing Industry", Open Joint Stock Company"	Independent Director
2009	now	"Finpol" Publishing-and-Polygraphic Centre" JSC, "Prosvescheniye Publishing Office" LLC, Interregional Public Entity "The Russian Managers Association"	Member of Board of Directors
2009	now	"Radio Alliance" Limited Liability Company	Chairman of Board of Directors
2009	now	"IDGC of the South", JSC	Member of Board of Directors

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the

person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Perepelkin Aleksey Yuryevich

Year of birth: 1970

Education:

Bauman Moscow State Technical University

Moscow State Law Academy

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2005	2006	"Gazoil", LLC	Deputy CEO for Legal Issues

2006	2007	Federal Tax Service of Russia	Head of Consolidated Analytical Management
2007	2009	Ministry of Defence of Russian Federation	Adviser of Minister, Head of Chief Legal Department
2009	2009	"IDGC Holding", JSC	Director for Corporate Policy
2009	now	"IDGC Holding", JSC	Deputy CEO for Property and Corporate Management
2009	now	"Lenenergo" JSC, "MOESK" LSC	Member of Committee for Strategy and Development attached to Board of Directors
2009	now	"IDGC Holding", JSC	Member of Management Board
2009	now	"IDGC of the South", JSC	Member of Board of Directors

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction)

for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Popovskiy Sergey Nikolaevich

Year of birth: 1971

Education:

Krasnoyarsk Institute of Nonferrous Metals

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2005	2006	“Administrator of Trading System for wholesale electric energy market of Unified Power System”, Non-Profit Partnership (“ATS”, NP)	Head of the Financial Estimates Department
2006	2007	“Administrator of Trading System for wholesale electric energy market of Unified Power System”, Non-Profit Partnership (“ATS”, NP)	Deputy Chairman of Management Board for Finance and Estimates
2007	2008	“Administrator of Trading System for wholesale electric energy market of Unified Power System”, Non-Profit Partnership (“ATS”, NP)	Deputy Chairman of Management Board for Financial Estimates for wholesale electric energy (capacity) market.

2008	2008	“Administrator of Trading System”, JSC (“ATS”, JSC)	Member of Management Board – Deputy Chairman of Management Board for Financial Estimates for wholesale electric energy (capacity) market.
2009	now	“Market Council”, Non-Profit Partnership	Member of Management Board - Deputy Chairman of Management Board
2009	now	“IDGC of Centre” JSC, “IDGC of the North-West” JSC, “IDGC of Urals” JSC, “IDGC of Centre and Volga Region” JSC, “IDGC of the North Caucasus” JSC, “IDGC of Volga”, JSC	Member of Board of Directors
2009	now	“IDGC of the South”, JSC	Member of Board of Directors

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Ptitsyn Igor Vasilyevich

Year of birth: 1968

Education:

“Sign of Honor” Order Saratov Economy Institute

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2004	“Tolyatti Transformator”, LLC	First Deputy General Director
2004	now	“Tolyatti Transformator”, LLC	General Director
2009	now	“IDGC of the South”, JSC	Member of Board of Directors

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Shogenov Valeriy Mukhamedovich

Year of birth: 1981

Education:

Moscow International University;

Degree: Candidate of Science (Economics)/ Ph.D. in Economics

Additional Education: Russian Academy of the Public Administration under the President of the Russian Federation

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity Name	Position
from	up to		
2004	2008	Federal Energy Agency	Deputy Head of Division, Head of Division
2008	now	Ministry of Energy of the Russian Federation	Deputy Director for Department of Economic Regulation and Property Relations in Fuel-and-Energy Complex

2008	now	JSC "Real Estate Engineering Centre of Volga", JSC "North-West Real Estate Engineering Centre", "Real Estate Engineering Centre of South", JSC "Real Estate Engineering Centre of Siberia", JSC " VNIPlenergoprom Real Estate", JSC "Real Estate Engineering Centre of Urals", JSC "Real Estate Engineering Centre of UES" "	Member of Board of Directors
2009	now	"IDGC of the Urals" JSC, "IDGC of North-West" JSC, "IDGC of Siberia" JSC, "Glavsetservis" of Unified National Electric Grids" JSC, "DESP" JSC, "IDGC of Northern Caucasus" JSC, "Moscow United Electric Grid Company" JSC, "IDGC of Centre and Volga Region" JSC, "Russian Fuel Company "Rostoprom" JSC, "Stavropolneftegeofizika" JSC, "Krasnodarneftegeofizika" JSC, "Mobile Energy" JSC, Altayenergobyt" JSC, "Central geophysical expeditions" JSC , "Moscow neftemaslozavod", JSC	Member of Board of Directors
2009	now	"Moscow United Electric Grid Company", JSC	Member of Reliability Committee
2009	now	"IDGC of the South", JSC	Member of Board of Directors

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Sole Executive Body of the Management Company

Surname, name, patronymics: Gavrilov Aleksander Ilyich

Year of birth: 1973

Education:

Kuban State University;

Kuban State University of Technology;

Degree: Candidate of Science (Economics)/ Ph.D. in Economics

Applicant for the degree of Doctor of Science, Economics at the chair of World Economics of Kuban State University

Additional Education: State Educational Institution: "State Academy of Professional Retraining and Development"

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2005	Krasnodar Region Administration	Deputy Head for Industry, Transport and Energy of Krasnodar Region Administration, third class actual state councilor of Krasnodar Region
2005	2005	“Krasnodargazstroy”, JSC	Deputy CEO for Prospective Development
2005	2006	“Kubanenergo”, JSC	Executive Director
2006	2007	“Kubanenergo”, JSC	Director General
2006	2009	“Kubanenergo”, JSC	Member of Board of Directors
2006	now	“Kubanenergo”, JSC	Chairman of Management Board
2007	2008	“OK “Plamya” JSC, “Rostovenergo” JSC, “Krasnodarenergosetremont”, JSC	Chairman of Board of Directors
2007	2008	“Volgogradenergo”, JSC	Member of Board of Directors
2007	now	“IDGC of the South”, JSC	CEO, Member of Board of Directors
2008	now	“IDGC of the South”, JSC	Chairman of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the

person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Collegial Executive Body of the Management Company

Surname, name, patronymics: Gavrilov Aleksander Ilyich  
(Chairman)

Year of birth: 1973

Education:

Kuban State University;

Kuban State University of Technology;

Degree: Candidate of Science (Economics)/ Ph.D. in Economics

Applicant for the degree of Doctor of Science, Economics at the chair of World Economics of Kuban State University

Additional Education: State Educational Institution: "State Academy of Professional Retraining and Development"

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2005	Krasnodar Region Administration	Deputy Head for Industry, Transport and Energy of Krasnodar Region Administration, third class actual state councilor of Krasnodar Region
2005	2005	“Krasnodargazstroy”, JSC	Deputy CEO for Prospective Development
2005	2006	“Kubanenergo”, JSC	Executive Director
2006	2007	“Kubanenergo”, JSC	Director General
2006	2009	“Kubanenergo”, JSC	Member of Board of Directors
2006	now	“Kubanenergo”, JSC	Chairman of Management Board
2007	2008	“OK “Plamya” JSC, “Rostovenergo” JSC, “Krasnodarenergosetremont” JSC	Chairman of Board of Directors
2007	2008	“Volgogradenergo”, JSC	Member of Board of Directors
2007	now	“IDGC of the South”, JSC	CEO, Member of Board of Directors
2008	now	“IDGC of the South”, JSC	Chairman of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Brizhan Vitaliy Vasilyevich

Year of birth: 1974

Education:

Kuban State University: Department of Law and Department of Economics

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
From	up to		
2004	2006	"Regional Gas Sale Company of Krasnodar", LLC	Deputy CEO for Customers Services,

			Head of Gas Record Department
2006	2006	“Krasnodargorgaz”, JSC	Deputy CEO for Gas Sales and Customer Service
2006	2007	“Kubanenergo”, JSC	Deputy CEO for Law Support and Corporate Relations
2006	2008	“Kubanenergo”, JSC	Member of Management Board
2007	2008	“Rostovenergo”, JSC	Member of Board of Directors
2007	now	“IDGC of the South”, JSC	Deputy CEO for Corporate Management
2008	2009	“Kubanenergo”, JSC	Member of Board of Directors
2008	now	“IDGC of the South”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction)

for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Golovakha Lyudmila Alekseevna

Year of birth: 1955

Education:

Kuban State University – Professional Advanced Training in the sphere of Higher Professional Education according to the programmes: Jurisprudence, State and Municipal Management.

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2002	2006	“Regional Gas Sale Company of Krasnodar”, LLC.	Chief engineer for administrative services
2006	2006	“Kubanenergo”, JSC	Head of Administrative Procurement Service
2006	2007	“Kubanenergo”, JSC	Director for General Issues
2007	2009	“IDGC of the South”, JSC	Business Manager
2007	now	“Kubanenergo”, JSC	Business Manager
2007	now	“OK “Plamya” JSC, “Recreation centre “Energetik” JSC	Chairman of Board of Directors
2007	now	“Kubanenergo”, JSC	Member of

			Management Board
2008	now	"IDGC of the South", JSC	Member of Management Board
2009	now	"IDGC of the South", JSC	Deputy CEO for Administrative Issues

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Pestov Dmitriy Vladimirovich

Year of birth: 1967

Education:

Kuban State University of Technology

All positions held by the person at the Issuer Company and other entities within the last

five years and now, including part-time job

Period		Entity name	Position
from	up to		
2005	2006	“Adygeya Electric Grids” branch of “Kubanenergo”, JSC	Managing Director of “Republic of Adygeya” territory – Director of “Adygeya Electric Grids””
2006	2007	“Timashevsk Electric Grids” branch of “Kubanenergo”, JSC	Branch Director
2007	now	“IDGC of the South”, JSC	Deputy CEO of “IDGC of the South”, JSC – Managing Director
2007	now	“Kubanenergo”, JSC	Deputy CEO - Managing Director
2008	2009	“Krasnodarenergosetremont”, JSC	Member of Board of Directors
2008	now	“Kubanenergo” branch of “IDGC of the South”, JSC	Deputy CEO of “IDGC of the South”, JSC – Branch Director
2008	now	“Kubanenergo”, JSC	Member of Board of Directors, member of Management Board
2008	now	“OK “Plamya” JSC, “Recreation centre“ Energetik” JSC	Member of Board of Directors
2008	now	“IDGC of the South”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person held the position of member of Board of Directors of "Krasnodarenergosetremont", JSC in the period of adjudication order by the decision of Arbitration Court of Krasnodar Region followed by warrant in bankruptcy proceedings on 22.01.2009

Surname, name, patronymics: Savin Grigoriy Grigoryevich

Year of birth: 1952

Education:

All-Union Distance Learning Institute of Finance and Economics of Moscow

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2003	2006	Department of Fuel and	Head of Division of Economic

		Energy Complex of Krasnodar Region	Analisis, Accounting and Information Support, third class State Councilor of Krasnodar Region
2006	2006	Department of Fuel and Energy Complex of Krasnodar Region	Head of Department of Economy, Fuel and Energy Complex Branches Development, Head of Economic Analysis and Accounting Section
2006	now	"Kubanenergo", JSC	Chief Accountant
2006	now	"Kubanenergo", JSC	Member of Management Board
2007	2008	"OK "Plamya" JSC, "Recreation centre "Energetik", JSC	Member of Board of Directors
2007	2008	"IDGC of the South", JSC	Chief Accountant
2008	now	"IDGC of the South", JSC	Chief Accountant - Head of Accounting and Tax Department
2008	now	"IDGC of the South", JSC	Member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Alayev Timur Ulyumdzhinovich

Year of birth: 1971

Education:

“Red Banner of Labour” Order Sergo Ordzhonikidze Polytechnical Institute of Novocherkassk;

All-Union Institute for Advanced Training of Electric Power Industry Specialists.

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2005	2006	“Energosbyt” branch of “Kalmenergo”, JSC	Deputy Director for Technical Issues
2006	2006	“Kalmenergosbyt”, JSC	Deputy CEO for Technical Issues
2006	2006	“Kalmenergo”, JSC	First Deputy CEO – Chief Engineer
2006	2007	“Kalmenergo”, JSC	First Deputy Managing Director – Chief Engineer
2007	2008	“Kalmenergo”, JSC	Deputy CEO for

			Technical Issues- Chief Engineer
2008	2008	“Kalmenergo” branch of “IDGC of the South”, JSC	Deputy Director for Technical Issues – Chief Engineer
2008	now	“Kalmenergo” branch of “IDGC of the South”, JSC	Deputy CEO - Director of branch
2009	now	“IDGC of the South”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Kopanev Vladimir Nikolayevich

Year of birth: 1954

Education:

Kuban State University

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity Name	Position
form	up to		
2002	2005	Krasnodar Region Administration	Assistant for Deputy Head of Krasnodar Region, achieved qualification category of third-class councilor of Krasnodar Region Administration
2005	2005	Krasnodar Region Chief Department of "RGS-Yug" branch, LLC	Director for Corporate Sales Management
2005	2007	"Kubanenergo", JSC	Adviser of CEO - Deputy CEO for Human Resources, Authorities and Mass Media Relations
2006	2008	"Kubanenergo", JSC	Member of Management Board
2007	2008	"Kalmenergo" JSC, "Kalmenergosbyt", JSC	Chairman of Board of Directors
2007	now	"IDGC of the South", JSC	Deputy CEO for Security and Controlling
2008	now	"IDGC of the South", JSC	Member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Kostetskiy Vyacheslav Yuryevich

Year of birth: 1974

Education:

Institute of the Economy, Law and Natural Specialties of Kuban State University

Kuban State University of Technology

Additional Education: Professional retraining in Bauman Moscow State Technical University according to Management programme in the sphere "Company Controlling"

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		

2004	2005	Krasnodar Region Administration	Assistant of Deputy Head of Krasnodar Region Administration, achieved qualification category of third-class State Councilor of Krasnodar Region
2005	2005	"Krasnodargazstroy", JSC	Deputy Head of Law Division of Department for Property Management and Legal Support
2005	2006	"Kubanenergo", JSC	Director for Prospective Development
2006	2007	"Kubanenergo", JSC	Deputy CEO for Prospective Development - Deputy CEO for Prospective Development and Technological Connection
2006	2008	"Kubanenergo", JSC	Member of Management Board
2007	now	"IDGC of the South", JSC	Deputy CEO for Development and Service Sales
2008	2009	"Kubanenergo", JSC	Member of Board of Directors
2008	now	"IDGC of the South", JSC	Member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's

management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Lunev Igor Anatolyevich

Year of birth: 1969

Education:

Kuban State University;

Open University of Great Britain;

Degree: Doctor of Science, Economics

Additional Education: Accelerated course under The Academy of National Economy (Moscow) and Carnegie Mellon University (USA) according to programme "Industrial Administrating"

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2005	2005	"Independent Power Distribution Company", JSC	Deputy CEO for Economy and Finance
2005	2005	"Gelios", LLC	Deputy CEO for Economy and Finance

2005	2005	“KubanInvest”, LLC	Financial Director
2005	2006	“Kubanenergoby”, JSC	Deputy Director for Sales, Deputy CEO for Sales
2006	2007	“Kubanenergo”, JSC	Deputy CEO for Economy and Finance
2006	2008	“Kubanenergo”, JSC	Member of Management Board
2007	2008	“Astrakhanenrgo” JSC	Member of Board of Directors, Chairman of Board of Directors
2007	now	“IDGC of the South”, JSC	Deputy CEO for Economy and Finance
2008	2009	“Kubanenergo”, JSC	Member of Board of Directors
2008	now	“IDGC of the South”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Sultanov Georgiy Akhmedovich

Year of birth: 1954

Education:

Krasnodar Polytechnic Institute

Degree: Doctor of Engineering

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2002	2005	"Municipal Electric Grids Entity "Krasnodarelektro", JSC	CEO
2005	2005	UPK YUGENERGO", LLC	CEO, Managing Director in Management Department
2006	2006	"Krasnodar Municipal Grids" branch of "Independent Power Distributing Company of Krasnodar Region, JSC"	Branch Director
2006	2007	"Kubanenergo", JSC	Technical Director
2007	2008	"IDGC of the South", JSC	Deputy CEO for Technical Issues
2007	2008	"Rostovenergo JSC, "Volgogradenergo", JSC	Member of Board of Directors

2007	2008	“Kubanenergo”, JSC	Member of Management Board
2008	2009	“Kubanenergo”, JSC	Member of Board of Directors
2008	now	“Volgogradsetremont”, JSC	Chairman of Board of Directors
2008	now	“IDGC of the South”, JSC	Deputy CEO for Technical Issues – Chief Engineer
2008	now	“IDGC of the South”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Skorikov Sergey Vladimirovich

Year of birth: 1976

Education:

Novocherkassk State University of Technology

Professional retraining at the State Educational Institution of Higher Professional Education "The Academy of National Economy under the RF Government"

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2003	2007	"Donelektrosetstroy", JSC	Deputy CEO
2007	2007	"Southern Power Construction Company", CJSC	CEO
2007	2008	"Rostovenergo", JSC	Deputy CEO of "IDGC of the South", JSC – Managing Director
2008	23.11.2009	"Rostovenergo" branch of "IDGC of the South", JSC	Deputy CEO – Director of Branch
23.11.2009	now	"Rostovenergo" branch of "IDGC of the South", JSC	First Deputy Branch Director – Deputy Director for Capital Construction
2008	03.02.2010	"IDGC of the South", JSC	Member of Board of Management

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Trunin Vitaliy Nikolaevich

Year of birth: 1976

Education

Volgograd State University

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2003	2007	"Volgogradenergосervis", Open Joint Stock Company"	Deputy CEO for Economy and Finance
2007	2007	Branch of Closed Joint Stock Company "Vitkor"	Deputy Director for Economy and Finance
2007	2009	Branch of Closed Joint Stock Company "Vitkor"	Branch Director

07.10.2009	now	“Volgogradenergo” branch of “IDGC of the South”, JSC	Deputy CEO – Director of Branch
25.12.2009	now	“IDGC of the South”, JSC	Member of Board of Management

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

### 5.2.3. List of members of Collegial Executive Body of the Issuer

Surname, name, patronymics: Gavrilov Aleksander Ilyich

(Chairman)

Year of birth: 1973

Education:

Kuban State University;

Kuban State University of Technology;

Degree: Candidate of Science (Economics)/ Ph.D. in Economics

Applicant for the degree of Doctor of Science, Economics at the chair of World Economics of Kuban State University

Additional Education: State Educational Institution: "State Academy of Professional Retraining and Development"

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2005	Krasnodar Region Administration	Deputy Head for Industry, Transport and Energy of Krasnodar Region Administration, third class actual state councilor of Krasnodar Region
2005	2005	"Krasnodargazstroy", JSC	Deputy CEO for Prospective Development
2005	2006	"Kubanenergo", JSC	Executive Director
2006	2007	"Kubanenergo", JSC	Director General
2006	2009	"Kubanenergo", JSC	Member of Board of Directors
2006	now	"Kubanenergo", JSC	Chairman of Management Board
2007	2008	"OK "Plamya" JSC, "Rostovenergo" JSC, "Krasnodarenergosetremont" JSC	Chairman of Board of Directors
2007	2008	"Volgogradenergo", JSC	Member of Board of

			Directors
2007	now	"IDGC of the South", JSC	CEO, Member of Board of Directors
2008	now	"IDGC of the South", JSC	Chairman of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Boyko Nikolay Ivanovich

Year of birth: 1947

Education:

Higher Education: State Teachers' training University, Kuban State University

All positions held by the person at the Issuer Company and other entities within the last

five years and now, including part-time job

Period		Entity name	Position
from	up to		
1971	2007	State Service in International Affairs Agencies	
2007	now	“Kubanenergo”, JSC	Deputy General Director for Security and Controlling
2008	2009	“Krasnodarenergosetremont”, JSC	Member of Board of Directors
2008	now	“Kubanenergo”, JSC	Chairman of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person held the position of member of Board of Directors of

“Krasnodarenergosetremont”, JSC in the period of adjudication order by the decision of Arbitration Court of Krasnodar Region followed by the warrant in bankruptcy proceedings on 22.01.2009.

Surname, name, patronymics: Galyaev Aleksander Nikolaevich

Year of birth: 1972

Education:

Higher Education: Kuban State University

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2000	2005	“Alfa-Bank”, JSC	Chief economist of “Krasnodarskiy” branch of “Alfa-bank”, JSC
2005	2008	“Southern Construction and communication Company”, LLC	Chief Securities Specialist; Deputy General Director for Financial Markets and Investments
2008	2009	“Kubanenergo”, JSC	Deputy General Director for Economy and Finance
2008	now	“Kubanenergo”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Kocherga Vitaliy Aleksandrovich

Year of birth: 1977

Education:

Higher Education: Kuban State University

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2002	2006	State inspection of Krasnodar Region for Supervision over Technical Condition of Mechanical Vehicles and other types of machines	I Category Specialist, Leading Specialist; Head of Section for Legal and Personnel Support
2006	now	"Kubanenergo", JSC	Chief Legal Adviser, Head of Legal Section; Deputy General Director for Corporate Management

2008	now	“Kubanenergo”, JSC	Member of Management Board
2008	2009	“Krasnodarenergosetremont”, JSC	Member of Board of Directors
2008	now	“Health Complex “Plamya”, JSC; “Recreation Centre “Energetik”, JSC	Member of Board of Directors

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person held the position of member of Board of Directors of “Krasnodarenergosetremont”, JSC in the period of adjudication order by the decision of Arbitration Court of Krasnodar Region followed by the warrant in bankruptcy proceedings on 22.01.2009.

Surname, name, patronymics: Lyashko Andrey Vladimirovich

Year of birth: 1978

Education:

Higher Education: Kuban State University of Agriculture

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2001	2005	“Krasnodarelektro”, CJSC thereupon “Krasnodarelektro”, JSC	Engineer for Power Service Sales
2005	now	“Kubanenergo”, JSC	Head of Section for Technological Connections Agreements Support, thereupon Deputy Head of Section – Head of Sector of Section for Technological Connection Agreements of TA (Territorial Administration) branch “Energosbyt”; Deputy Head of Section – Head of Sector of Section for Technological Connection Agreements; Head of Prospective Development Department – Head of Prospective Development Service; Deputy General Director for Development and Service Sales
2008	now	“Kubanenergo”, JSC	Member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Manukalo Aleksander Vasilyevich

Year of birth: 1950

Education:

Higher Education: Krasnodar Polytechnic Institute

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
1980	now	"Kubanenergo", JSC	Deputy Director for General Issues; Deputy Director – Director of "South-Western

			Power Grids” branch
2006	now	“Kubanenergo”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Marichev Aleksander Anatolyevich

Year of birth: 1950

Education:

Higher Education: “Red Banner of Labour” Order Sergo Ordzhonikidze Polytechnical Institute of Novochoerkassk

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
1997	now	“Kubanenergo”, JSC	Engineer, Head of Substations and Power Stations Sector; Head of Electrotechnical Service; Director of Power Grids and Stations Maintenance Directorate, Deputy Director of Grids Maintenance; Deputy Chief Engineer for Electrotechnical Issues; Deputy Chief Engineer for Maintenance and Repair Services; Deputy General Director for Engineering Issues – Chief Engineer
2006	now	“Kubanenergo”, JSC	Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction)

for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Natkho Inver Yusufovich

Year of birth: 1958

Education:

Higher Education: "Red Banner of Labour" Order Kuban Institute

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
1998	2005	"Kubanenergo", JSC	Director of "Adygeiskye Power Grids" branch, First Deputy General Director – Technical Director
2005	2005	"FGC UES", JSC	Adviser of general Director
2005	now	"Kubanenergo", JSC	Branch Director of Krasnodar Power Grids, Director of "Adygeiskie Power Grids" branch
2006	now	"Kubanenergo", JSC	Member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: 0.001%

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Pestov Dmitriy Vladimirovich

Year of birth: 1967

Education:

Higher Education: Kuban State University of Technology

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2005	2006	"Adygeya Electric Grids" branch of "Kubanenergo", JSC	Managing Director of "Republic of Adygeya" territory – Director of "Adygeya Electric Grids"
2006	2007	"Timashevsk Electric Grids"	Branch Director

		branch of "Kubanenergo", JSC	
2007	now	"IDGC of the South", JSC	Deputy CEO of "IDGC of the South", JSC – Managing Director
2007	now	"Kubanenergo", JSC	Deputy CEO - Managing Director
2008	2009	"Krasnodarenergosetremont", JSC	Member of Board of Directors
2008	now	"Kubanenergo" branch of "IDGC of the South", JSC	Deputy CEO of "IDGC of the South", JSC – Branch Director
2008	now	"Kubanenergo", JSC	Member of Board of Directors, member of Management Board
2008	now	"OK "Plamya" JSC, "Recreation centre" Energetik" JSC	Member of Board of Directors
2008	now	"IDGC of the South", JSC	Member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields

of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person held the position of member of Board of Directors of "Krasnodarenergosetremont", JSC in the period of adjudication order by the decision of Arbitration Court of Krasnodar Region followed by warrant in bankruptcy proceedings.

Surname, name, patronymics: Brizhan Aleksey Vasilyevich

Year of birth: 1978

Education:

Higher Education: Kuban State University of Technology

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
From	up to		
2000	2007	"Knauf Marketing Krasnodar", LLC	Manager of Sector for Advertising and informational Support; Head of Publicity Sector
2007	2009	"Kubanenergo", JSC	Deputy Director for Economy and Finance of Krasnodar Power Grids branch; Director of "Leningradskie Power Grids" branch; Director of "Armavirskie

			Power Grids” branch
2009	now	“Kubanenergo”, JSC	Director of “Sochinskie Power Grids” branch, Member of Management Board

Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person is a brother of Brizhan Vitaliy Vasilyevich, a member of Management Board of the Issuer’s Management Company “IDGC of the South”, JSC

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Savin Grigoriy Grigoryevich

Year of birth: 1952

Education:

Higher Education: All-Union Distance Learning Institute of Finance and Economics of Moscow

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2003	2006	Department of Fuel and Energy Complex of Krasnodar Region	Head of Division of Economic Analysis, Accounting and Information Support, third class State Councilor of Krasnodar Region
2006	2006	Department of Fuel and Energy Complex of Krasnodar Region	Head of Department of Economy, Fuel and Energy Complex Branches Development, Head of Economic Analysis and Accounting Section
2006	now	"Kubanenergo", JSC	Chief Accountant
2006	now	"Kubanenergo", JSC	Member of Management Board
2007	2008	"OK "Plamya" JSC, "Recreation centre "Energetik", JSC	Member of Board of Directors
2007	2008	"IDGC of the South", JSC	Chief Accountant
2008	now	"IDGC of the South", JSC	Chief Accountant - Head of Accounting and Tax Department
2008	now	"IDGC of the South", JSC	Member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Tertishnikov Konstantin Yuryevich

Year of birth: 1969

Education:

Higher Education: "Red Banner of Labour" Order Krasnodar Politechnical Institute, Moscow State University of Commerce

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
From	up to		
2001	2008	Department for Fuel and Energy Industry of Krasnodar Region	Head of Section for Coordination of Functioning Activity of Power Factories,

			Deputy General Director, third class state councilor of Krasnodar Region, Deputy Head, third class actual state councilor of Krasnodar Region,
2008	now	"Kubanenergo", JSC	First Deputy General Director, member of Management Board

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Golovakha Lyudmila Alekseevna

Year of birth: 1955

Education:

Kuban State University – Professional Advanced Training in the sphere of Higher Professional Education according to the programmes: Jurisprudence; 2. State and municipal management

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2002	2006	“Regional Gas Sale Company of Krasnodar”, LLC.	Chief engineer for administrative services
2006	2006	“Kubanenergo”, JSC	Head of Administrative Procurement Service
2006	2007	“Kubanenergo”, JSC	Director for General Issues
2007	2009	“IDGC of the South”, JSC	Business Manager
2007	now	“Kubanenergo”, JSC	Business Manager
2007	now	“OK “Plamya” JSC, “Recreation centre “Energetik” JSC	Chairman of Board of Directors
2007	now	“Kubanenergo”, JSC	Member of Management Board
2008	now	“IDGC of the South”, JSC	Member of Management Board
2009	now	“IDGC of the South”, JSC	Deputy CEO for Administrative Issues

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

### 5.3. Data on amount of remuneration, benefits and/ or reimbursement of expenses of each management authority of the Issuer

Data on the amount of remuneration to each management authority of the Issuer (except for the physical person functioning as sole executive authority of the Issuer). All kinds of remuneration are specified, including wages, bonuses, awards, benefits and (or) reimbursement of expenses, and other property advancements discharged by the Issuer for the last completed financial year:

Unit of measurement: rub

Board of Directors

Remuneration,	1 819 852
Wages	0
Bonuses	0
Awards	0
Benefits	0

Reimbursement for expenses	0
Other property advancements	0
Other	0
TOTAL	1 819 852

Data on current agreements about such payments in the financial year:

Payment of remunerations and compensations to members of Board of Directors is made in accordance with Regulations on Payments to Members of Board of Directors of Open Joint Stock Company "Interregional Distribution Grid Company of the South" of Remunerations and Compensations (new revision) approved by decision of Annual General Shareholders Meeting of "Kubanenergo", JSC (Minutes No.1 dd. 04.06.2008).

According to p. 4.1 of hereinabove Regulations, for participation in meeting by correspondence (by way of filling in a questionnaire), a member of Board of Directors is paid the remuneration equivalent to eight minimum tariff rates of 1st category worker established by the sectoral tariff agreement of the RF electric energy complex (further referred to as Agreement) as of the date of Board of Directors meeting, indexed in conformity with the Agreement, within one month from the date of Board of Directors meeting.

For participating in Board of Directors meeting in the form of joint presence, a member of the Company's Board of Directors is paid the remuneration equivalent to ten minimum tariff rates of 1st category worker fixed in the sectoral tariff agreement of the RF electric energy complex (further referred to as Agreement) as of the date of Board of Directors meeting, indexed in conformity with the Agreement, within one month from the date of Board of Directors meeting.

Amount of remuneration paid in accordance with p. 4.1 of the Regulations to the Chairman (Deputy Chairman) for each meeting where he fulfilled functions of Chairman of Board of Directors is increased by 50%.

According to p. 4.2 of the Regulations, members of Board of Directors of "Kubanenergo", JSC are paid extra remunerations for net profit indicator of the Company on the annual balance sheet approved by the Company's General Shareholders Meeting.

Amount of remuneration to hereinabove body following performance results for the last

completed financial year, set (approved) by the Issuer's authorized management body but not actually paid as of the end of the accounting period:

Facts specified are absent

Management Company

Remuneration,	1 312 127 927
Wages	0
Bonuses	0
Awards	0
Benefits	0
Reimbursement for expenses	0
Other property advancements	0
Other	0
TOTAL	1 312 127 927

Amount of remuneration to hereinabove body following performance results for the last completed financial year, set (approved) by the Issuer's authorized management body but not actually paid as of the end of the accounting period:

Facts specified are absent

Collegial executive authority:

Remuneration	0
Wages	0
Bonuses	0
Awards	0
Benefits	0
Reimbursement for expenses	0

Other property advancements	0
Other	0
TOTAL	0

Data on current agreements about such payments in the financial year:

Members of Management Board belong to the category of top managers of the Company.

According to labour contracts concluded between the Company and members of Management Board, remuneration to a member of Management Board is paid in amount and in order specified by Regulations "On Material Motivation of Top Managers of "Kubanenergo", JSC (new revision) approved by decision of Company's Board of Directors on 19.05.2008 (Minutes No.13/2008 dd 22.05.2008) with changes to Regulations of material incentives of top managers of "IDGC of the South", JSC approved by decision of Company's Board of Directors on 10.11.2009 (Minutes of Meeting No.36/2009 dd. 10.11.2009).

Members of Management Board are motivated through:

- paying monthly remuneration equal to 5 (five) monthly wages of 1st category worker established by the sectoral tariff agreement of the Russian Federation electric energy complex;
- paying quarterly and annual remuneration to members of Management Board as top managers for achieving target values of key performance indicators.

Based on the decisions of Board of Directors of "Kubanenergo", JSC (Minutes No.13/2008 dd. 19.05.2008, Minutes No.20/2008 dd. 28.11.2008, Minutes No.22/2009 dd. 09.02.2009, Minutes No.38/2009 dd. 25.12.2009) on determining quantitative structure of Management Board of the Company and electing members of the Company's Management Board, and in accordance with clause 21 of the Charter of "IDGC of the South", JSC and articles 15 and 57 of the Labour Code of the RF, additional agreements to the labour contracts are concluded with members of Management Board of the Company on exercising powers of members of Collegial executive body of the Company - Management Board.

From the date of establishing "Kubanenergo", JSC Management Board (19.05.2008), members of Management Board are paid monthly remunerations in the amount of 5

(five) minimum tariff rates of first category worker fixed in the sectoral tariff agreement of the RF electric energy complex.

Amount of remuneration to the body following performance results for the last completed financial year, set (approved) by the Issuer's authorized management body but not actually paid as of the end of the accounting period:

Facts specified are absent

#### 5.4. Data on structure and competence of authorities undertaking control over the Issuer's financial and economic activities

Full description of structure and competence of authorities undertaking control over the Issuer's financial and economic activities is provided hereinbelow according to the Charter (constituent documents) of the Issuer:

For auditing financial and economic activity of the Company, Auditing Committee of the Company is elected by General Shareholders Meeting of "Kubanenergo", JSC for the period until the following Annual General Shareholders Meeting.

Should Auditing Committee is elected by Extraordinary General Shareholders Meeting, members of Auditing Committee are considered to be elected for the period until the date of Annual General Shareholders Meeting of the Company.

Quantitative structure of Auditing Committee of the Company includes 5 (five) persons.

By decision of General Shareholders Meeting, powers of all or several members of Auditing Committee of the Company can be subject to early termination.

According to p.24.3 of clause 24 of the Company's Charter, Auditing Committee's competence includes the following:

- confirmation of reliability of data contained in the annual report, annual accounting statements, profit-and-loss account of the Company;
- analysis of financial condition of the Company, revelation of reserves improving the financial condition of the Company and working-out of recommendations for the Company's management bodies;
- development and implementation of a check (audit) of financial and economic activity of the Company, namely:

- check (audit) of the financial, accounting, payment-and-calculation and other documents of the Company related to execution of the Company's finance and business activities concerning the compliance to the legislation of the Russian Federation, the Charter, internal and other documents of the Company;
- control over safety and handling of fixed assets;
- control over observing of the established order of writing-off debts of insolvent debtors on the Company's losses;
- control over expenditure of monetary assets of the Company, according to the approved business plan and the Company's budget;
- control over developing and utilizing reserve and other special funds of the Company;
- check of accuracy and timeliness of distribution and payments of dividends on Company's equity issues, percentage on bonds and income under other securities;
- check of existing instructions fulfillment on elimination of violations and drawbacks revealed during previous checks (audits);
- accomplishment of other actions (activities) regarding check of the Company's financial and economic activities.

Order of the Issuer's Auditing Committee proceedings is determined by Regulations on the Audit Committee of Open Joint Stock Company "Interregional Distribution Grid Company of the South" approved by decision of General Shareholders Meeting of "IDGC of the South", JSC – Management Board of RAO "UES of Russia", JSC (Minutes No.1751np/4 dd. 05.10.2007).

Auditing Committee according to the check (audit) decision has a right to involve specialists of the corresponding branches of legislation, economy, finance, accounting, management, economic security and others, including specialized entities.

Check (audit) of the Issuer's financial and economic activity is divided into scheduled and unscheduled. Scheduled check of the Company's financial and economic activity is held according to approved Annual Activity plan of Auditing Committee. Unscheduled check of the Company's financial and economic activity may be performed at any time following the initiative of Auditing Committee of the Issuer, decision of General Shareholders Meeting, Board of Directors of the Issuer or upon demand of a

shareholder (shareholders) of the Issuer owning in aggregate at least ten percent of the Issuer's voting shares.

Text of Regulations on Auditing Committee of "Kubanenergo", JSC is available on Internet website at: [www.kubanenergo.ru/rus/management/documents/index.shtml](http://www.kubanenergo.ru/rus/management/documents/index.shtml).

On the basis of check results of the Company's financial and economic activity, Auditing Committee is making a report that shall include:

- confirmation of reliability of the information contained in reports and other financial documents of the Company;
- information on facts of the Company's violation of accounting order and financial reporting stated in the legal acts of the Russian Federation, and also violation of legal acts of the Russian Federation on performing the Company's financial and economic activity.

Order and terms of drawing up of conclusion based on Company's financial and economic activity check results are defined by legal acts of the Russian Federation and internal documents of the Company.

The Issuer has established Internal Audit Service

Operation term of internal audit/ internal control service and the key specialists:

For the purpose of effective functioning of the internal control system the Department of Internal Control and Audit has been established in the Company which consists of Internal Audit Service, the Internal Control Section and Methodology and Risks Section.

Department of Internal Control and Audit (DICA) is subordinate to the Company's Deputy CEO for Security and Controlling. Head of Department of Internal Control and Audit is Shmakov Igor Vladimirovich, Deputy Head of Department of Internal Control and Audit – Head of Internal Audit Service is Romanenko Anna Vladimirovna, Head of Internal Control Section is Evdokimov Pavel Vladimirovich.

DICA personnel is functioning according to duty regulations.

The Department's executives do not depend in their work on the Issuer's executive authorities and management of the branches and structural units under audit.

Basic functions of Internal Audit Service; subordination of Internal Audit Service, cooperation with the Issuer's executive management authorities and Board of Directors (supervisory board) of the Issuer:

#### Basic functions of Internal Audit Service:

- planning, arrangement and conducting checks (full-scope, audit, topical etc) with the purpose of conformance control of financial and economic operations to the Company's interests;
- analysis of certain business processes as for conformance to the current Company policies and regulations, requirements of regulatory documents;
- selective checks of validity, completeness and timeliness of economic and financial facts' representation in financial statements and reports, as well as the reliability of disclosing financial and management information to users;
- control and efficiency estimate of the existing internal control system, processes and procedures of internal control;
- auditing security and effective use of assets, cash flows
- independent estimation and analysis of financial situation of the Company and the subsidiaries and dependent entities;
- carrying out of special investigations of certain cases of malversation, authority abuse etc;
- participation in the working process of the Company's Auditing Committees, subsidiaries and dependent entities as committee members and involved specialists
- monitoring and effective control over activities schedule on eliminating the violations following the audit check results;
- cooperation with outside auditors, representatives of tax and other controlling authorities
- consulting the corresponding services and sections on the issues of legislation conformance regarding accounting and reporting regulation, taxation and other issues of DICA competence

Cooperation with executive bodies of the Issuer's management and Board of Directors (supervisory board) of the Issuer: cooperation is carried out according to current Issuer's Regulations on Department of Internal Control and Audit.

Coordination of Internal Audit Service and outside Auditor of the Issuer: not stipulated by the Issuer's internal documents.

The Issuer has adopted (approved) internal document regulating rules of preventing service (insider's) information use

Data on documents preventing service (insider's) information use.

Control of insider information use is fulfilled in the Company on the basis of Regulations of Insider's Information of "IDGC of the South", JSC approved by decision of Board of Directors of "Kubanenergo", JSC (Minutes No.2/2007 dd. 03.09.2007).

Internet website where full text of Regulations on Insider's Information of Open Joint Stock Company "Interregional Distribution Grid Company" (current revision) is available in free access: [kubanenergo.ru/rus/management/documents/index.shtml](http://kubanenergo.ru/rus/management/documents/index.shtml).

#### 5.5. Data on members of authorities undertaking control over the Issuer's financial and economic activities

Name of authority undertaking control over the Issuer's financial and economic activities: Auditing Committee of "Kubanenergo", JSC elected by decision of Annual General Shareholders Meeting of "Kubanenergo", JSC on 19.06.2009 (minutes No.2 dd. 22.06.2009).

Surname, name, patronymics: Kormushkina Lyudmila Dmitrievna  
(chairperson)

Year of birth: 1956

Education:

Far Eastern State Academy of Economy and Management

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
form	up to		
2004	2008	RAO "UES of Russia", JSC	Senior Expert
2008	now	"IDGC Holding", JSC	Head of Section for Organizing and Conducting Audit of Internal Audit Department

			of "IDGC Holding", JSC
2009	now	"Tyumenenergo", JSC; Open Joint Stock Company "Moscow United Electric Grid Company", Nongovernmental Pension Fund of Electric Power Industry	Member of Audit Committee

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Matyunina Lyudmila Romanovna

Year of birth: 1950

Education:

All-Russia Distance-Learning Finance and Economics Institute

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2008	Corporate Centre of RAO "UES of Russia", JSC	First Deputy Head of Internal Audit Department
2005	now	Open Joint Stock Company "Moscow United Electric Grid Company"	Member of Audit Committee
2006	now	"IDGC of the Centre", JSC	Member, Chairman of Audit Committee
2009	now	"IDGC Holding", JSC	First Deputy Head of Internal Audit Department
2009	now	"IDGC of the Centre and Volga Region", JSC; "Tyumenenergo", JSC	Member of Audit Committee
2009	now	Nongovernmental Pension Fund of Electric Power Industry	Chairman of Audit Committee

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Mikhno Irina Vasilyevna

Year of birth: 1957

Education:

1 Krasnoyarsk Polytechnical Institute;

2 Krasnoyarsk Architectural and Construction Academy

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2008	RAO "UES of Russia", JSC	Deputy Head of Internal Audit Department – Head of Section for Investment Activity Check
2008	now	"IDGC Holding", JSC	Deputy Head of Internal Audit Department – Head of Section for Investment Activity Check
2009	now	Open Joint Stock Company "Moscow United Electric Grid Company", "IDGC of the Centre and Volga	Member of Audit Committee

		Region”JSC, “IDGC of the Centre” JSC, “IDGC of the Northern Caucasus”, JSC	
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Stakes in the Issuer’s authorized capital/ ordinary shares held: no

Amount of the Issuer’s shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies’ options held by the person.

The Company did not issue options

Stake of the person in the Issuer’s SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer’s management authorities and /or authorities auditing the Issuer’s financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Stepanova Maria Dmitrievna

Year of birth: 1982

Education:

Lomonosov Moscow State University

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period	Entity name	Position
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from	up to		
2006	2008	RAO "UES of Russia", JSC	Senior Expert of Section for Cooperation with Shareholders and Supporting Liquidity Activities.
2008	now	"IDGC Holding", JSC	Head of Section for Cooperation with Shareholders of the Department for Corporate Management and Cooperation with Shareholders
2009	now	"Kalmenergosbyt", JSC, Open Joint Stock Company "Special Design Bureau of Heat and Power Equipment VTI", "Real Estate of VNIPlenergoprom", JSC	Member of Board of Directors

Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction)

for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

Surname, name, patronymics: Shmakov Igor Vladimirovich

Year of birth: 1974

Education:

Kuban State University

All positions held by the person at the Issuer Company and other entities within the last five years and now, including part-time job

Period		Entity name	Position
from	up to		
2004	2008	"Kubanenergo", JSC	Deputy Head of Budget Control and Internal Audit Section, Head of Controlling and Internal Audit Service
2008	2008	"A.A. Grechko Agriculture Enterprise" JSC, "Holiday hotel "Energetik" JSC; "Recreation centre "Energetik" JSC, "Krasnodarenergosetremont", JSC"	Chairman of Audit Committee
2008	now	"IDGC of the South", JSC	Head of Internal Control and Audit Department
2009	now	"Astrakhanelektrostremont"	Member of Audit

		JSC, "Volgogradsetremont", JSC	Committee
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Stakes in the Issuer's authorized capital/ ordinary shares held: no

Amount of the Issuer's shares of each category (kind) that can be acquired by the person on fulfilling rights on the companies' options held by the person.

The Company did not issue options

Stake of the person in the Issuer's SAC authorized (share) capital (share fund).

The person holds no such stakes

Data on character of any family relations with other members of the Issuer's management authorities and /or authorities auditing the Issuer's financial and economic activities.

The person has no such relations

Data on bringing the person to administrative responsibility for breach of law in the fields of finance, taxes and duties, securities market, or to criminal responsibility (conviction) for crimes in the sphere of economy or crimes against the state:

The person was not brought to such kinds of responsibility

Positions held by the person in management authorities of commercial entities in periods when the entities were prosecuted for insolvency and/ or /insolvency proceedings were started in conformity with legislation of the RF:

The person did not hold such positions

5.6. Data on amount of remuneration, benefits and/ or reimbursement of expenses of authority undertaking control over the Issuer's financial and economic activities

Data on the amount of remuneration to each authority undertaking control over financial and economic activity. All kinds of remuneration are specified, including wages, bonuses, awards, benefits and (or) reimbursement of expenses, and other property advancements discharged by the Issuer for the last completed financial year:

Unit of measurement: RUB

Name of the authority undertaking control over the Issuer's financial and economic activity: Auditing Committee of "IDGC of the South", JSC elected by decision of Annual General Shareholders Meeting of the Issuer on 19.06.2009 (Minutes No.2 dd.

22.06.2009).

Remuneration	533 100
Wages	0
Bonuses	0
Awards	0
Benefits	0
Reimbursement for expenses	0
Other property advancements	0
Other	0
TOTAL	533 100

Data on current agreements about such payments in the financial year:

Payment of remuneration to members of Auditing Committee of the Issuer is carried out according to the revised Regulations on Payment of Remuneration and Compensation to Members of Auditing Committee of Open Joint Stock Company "IDGC of the South" approved by decision of Annual General Shareholders Meeting of "IDGC of the South", JSC (Minutes No.1 dd. 4.06.2008).

According to cl. 3.1 of the Regulations, for participation in financial and economic activity check (audit), a member of Auditing Committee of the Company receives lumpsum remuneration in the amount equivalent to five minimum monthly tariff rates of the first category worker established by the sectoral tariff agreement in electric energy complex of the Russian Federation (further on referred to as Agreement) for the period of carrying out the check (audit), indexed in conformity with the Agreement. Payment of the compensation specified in cl. 3.1 of the Regulations shall be made within one week term after drawing up the report following the results of the check (audit) held. According to clause 3.3 of the Regulations, the amount of remunerations paid to Chairman of Audit Committee increases by 50 %.

According to clause 3.2 of the Regulations, extra fee can to be paid for each financial and economic activity check in amount not exceeding twenty minimum monthly tariff rates of the first category worker, indexed in conformity with the Agreement. The procedure and terms of such payment are defined by Board of Directors of the

Company.

According to clause 2.1 of the Regulations, charges related to participation in the Company's Auditing Committee meeting and carrying out of a check are compensated to members of the Company's Audit Committee according to norms of compensation of travelling and living expenses of the Company actual by the moment of carrying out the meeting or the check,.

Besides, members of Auditing Committee of "IDGC of the South", JSC holding staff positions in the Company at the same time are paid wages according to their positions in the staff schedule and Regulations on Payment for Labour.

Remuneration payment to the employees of Internal Control and Audit Department of "IDGC of the South", JSC was made in 2008 according to the terms of their labour contracts.

No additional agreements were made with members of Auditing Committee as well as with employees of Internal Control and Audit Department of "IDGC of the South", JSC concerning payments by the Issuer.

Amount of remuneration to hereinabove mentioned authority following performance indicators for the last completed financial year stated (approved) by the authorized management authority of the Issuer but not actually paid as of the end of the accounting period:

Facts specified are absent

#### 5.6. Data on the Amount of Remuneration, Benefits and/ or Refund of Charges of Authority Undertaking Control over the Issuer's Financial and Economic Activities

Data on the amount of remuneration to each authority controlling the financial and economic activity. All kinds of remunerations should be indicated, including wages, bonuses, awards, benefits and (or) refund of charges and other property payments discharged by the Issuer for the last completed financial year:

Authority controlling financial and economic activity of the Issuer:

Auditing Committee

Remuneration, rubles	847 060
Wages, rubles	0
Bonuses, rubles	0
Awards, rubles	0

Benefits, rubles	0
Refund of charges, rubles	0
Other property payments, rubles	0
Other, rubles	0
TOTAL, rubles	847 060

Information about current agreements on such kinds of payments in the financial year:

According to the Regulation on Payments to Members Auditing Committee of "Kubanenergo", JSC remunerations and compensations approved by decision of Annual General Shareholders Meeting (Minutes No. 23 dd. 06.06.2008) the remuneration of Audit Committee members at the present moment is twenty minimum tariff rates of first-class worker, including indexation fixed by industrial tariff agreement in electro energetic complex of Russian Federation.

The amount of remuneration to the Auditing Committee according to financial year results stated (approved) by authorized management body of the Issuer but as of the reporting period was not actually paid out:

Such situations did not appear

5.7. Data on headcount and generalized data on education and structure of the Issuer's employees (staff members), and also on headcount change of the Issuer

Unit of measurement: rubles

Indicator	3 quarter 2009
Full-time equivalent employees, persons	6 376
Employees with higher education, %	35.3
Amount of money for labour remuneration	376 896 600
Amount of money for social security	5 672 600
Total amount of expended assets	382 569 200

Changes in headcount did not significantly influence financial and economic activity of the Issuer.

Information about employees effecting financial and economic activity of the Issuer (key employees): there aren't such employees.

Issuer's employees founded a trade union.

5.8. Data on any obligations of the Issuer to employees (staff members) concerning possibility of their participation in the authorized (share) capital (share fund) of the Issuer

The Issuer has no liabilities to employees dealing with the possibility of capital subscription in authorized (share) capital (unit fund) of the Issuer.

VI. Data on participants (shareholders) of the Issuer and on the Issuer's interested parties transactions

6.1. Data on the total amount of shareholders (participants) of the Issuer

Total number of persons indicated in the register of shareholders of the Issuer as of the expiration date of the last accounting quarter: 1 828

Total number of nominee shareholders of the Issuer: 7

6.2. Data on participants (shareholders) of the Issuer holding at least 5 percent of authorized (share) capital (share fund) or at least 5 percent of ordinary shares, as well as data on participants (shareholders) of the bodies holding at least 20 percent of authorized (share) capital (share fund) or at least 20 percent of ordinary shares

Participants (shareholders) of the Issuer holding at least 5 percent of the Issuer's authorized (share) capital (share fund) or at least 5 percent of ordinary shares

Shares are recorded in shareholders register for nominee holder-name

Information on nominee holder:

Full company name: Limited Liability Company "Depositary and Corporate Technologies"

Short company name: "DCT", LLC

Location

Building 1, 17 Ramenki st, Moscow, 119607

TIN: 7729520219

PSRN: 1057746181272

Telephone: (495) 641-3031, (495) 641-3032; (495) 641-3033

Fax: (495) 641-3031

E-mail address: [dkd@depotech.ru](mailto:dkd@depotech.ru)

Data on license of professional participant of the securities market

Number: 177-11151-000100

Date of issue: 03.04.2008

Valid until:

Without limitation of validity period

License issuing authority: FSEC (FFMS) of Russia

Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 8 756 025

Shares are recorded in shareholders register for nominee holder-name

Information on nominee holder:

Full company name: Closed Joint Stock Company "Depository Clearing Company

Short company name: "DCC", CJSC

Location

Building B 31 Shabolovka St., Moscow, Russia 115162

TIN: 7710021150

PSRN: 1027739143497

Telephone: (495) 956-0999

Fax: (495) 232-6804

E-mail address: [dcc@dcc.ru](mailto:dcc@dcc.ru)

Data on license of professional participant of the securities market

Number: 177-06236-000100

Date of issue: 09.10.2002

Valid until:

Without limitation of validity period

License issuing authority: FSEC (FFMS) of Russia

Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 2 031 394

Shares are recorded in shareholders register for nominee holder-name

Information on nominee holder

Full company name: Closed Joint Stock Company "National Depository Centre"

Short company name: NDC

Location

Building 4 1/13 Kislovskiy pereulok, Moscow, Russia

TIN: 7706131216

PSRN: 1027739097011

Telephone: (495) 956-2659

Fax: (495) 956-0938

E-mail address: info@ndc.ru

Data on license of professional participant of the securities market

Number: 177-03431-000100

Date of issue: 04.12.2000

Valid until:

Without limitation of validity period

License issuing authority: FSEC (FFMS) of Russia

Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 1 478 034

Shares are recorded in shareholders register for nominee holder-name

Information on nominee holder:

Full company name: Closed Joint Stock Company "Investment Company Rikon"

Short company name: "Investment Company "Rikon", CJSC

Location

60 Bolshaya Gruzinskaya st, building 1, Moscow, Russian Federation 123056

TIN: 7710429492

PSRN: 1027739255060

Telephone: (495) 226-5464

Fax: (499) 230-1729

E-mail address: n/a

Data on license of professional participant of the securities market

Number: 077-08734-000100

Date of issue: 22.11.2005

Valid until:

Without limitation of validity period

License issuing authority: FSEC (FFMS) of Russia

Number of ordinary shares of the Issuer registered in the Issuer's list of shareholders under the name of the nominal holder: 4 692 192

6.3. Data on state or municipal unit stake in authorized (share) capital (share fund) of the Issuer, availability of special right ("golden share")

Stake of the Issuer's authorized (share) capital (fund) in federal ownership, %:

Specified stake is absent

Stake of the Issuer's authorized (share) capital (fund) owned by constituent entities of the Russian Federation, %:

0.0025

Person managing the stake

Full company name: Regional State Specialized Agency "State Property Fund of Krasnodar Region"

Stake of the Issuer's authorized (share) capital (fund) in municipal ownership:

Specified stake is absent

Availability of special right for participation of the Russian Federation, constituent entities of the Russian Federation, municipal units in management of the Issuer - Joint Stock Company ("golden share"), validity term of the special right ("golden share")

Specified right is not stipulated

6.4. Data on restrictions for participation in the authorized (share) capital (share fund) of the Issuer

There are restrictions to participation in authorized (share) capital (share fund) of the Issuer.

6.5. Data on changes in composition and amount of participation of shareholders (participants) of the Issuer holding at least 5 percent of authorized (share) capital (share fund) or at least 5 percent of ordinary shares

Structure of the Issuer's shareholders (participants) who held at least 5 percent of the Issuer's authorized (share) capital (at least 5 percent of the Issuer's ordinary shares – for Issuers representing joint stock companies) as of the date of drawing up the list of the persons entitled to participate in each General Shareholders Meeting for the 5 latest completed financial years prior to the termination date of the accounting period, or for each completed financial year preceding the termination date of the accounting period in case the Issuer has been functioning less than 5 years; and for the last quarter according to the list of the persons who had a right to participate in each of such meetings.

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 11.05.2004

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Open Joint Stock Company "Oil Company "Yukos"

Short company name: "Oil Company "Yukos", JSC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Full company name: Nam Holdings Limited

Short company name: Nam Holdings Limited

Stake of the person in the Issuer's authorized capital, %: 11.09

Stake of the Issuer's ordinary shares held by the person, %: 11.09

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 19.04.2005

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Open Joint Stock Company "Oil Company "Yukos"

Short company name: "Oil Company "Yukos", JSC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Full company name: Craftex LTD

Short company name: Craftex LTD

Stake of the person in the Issuer's authorized capital, %: 14.6

Stake of the Issuer's ordinary shares held by the person, %: 14.6

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 16.09.2005

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Open Joint Stock Company "Oil Company "Yukos"

Short company name: "Oil Company "Yukos", JSC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Full company name: Craftex LTD

Short company name: Craftex LTD

Stake of the person in the Issuer's authorized capital, %: 16.35

Stake of the Issuer's ordinary shares held by the person, %: 16.35

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 15.11.2005

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Open Joint Stock Company "Oil Company "Yukos"

Short company name: "Oil Company "Yukos", JSC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Full company name: Craftex LTD

Short company name: Craftex LTD

Stake of the person in the Issuer's authorized capital, %: 16.35

Stake of the Issuer's ordinary shares held by the person, %: 16.35

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 12.04.2006

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Open Joint Stock Company "Oil Company "Yukos"

Short company name: "Oil Company "Yukos", JSC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Full company name: Craftex LTD

Short company name: Craftex LTD

Stake of the person in the Issuer's authorized capital, %: 16.35

Stake of the Issuer's ordinary shares held by the person, %: 16.35

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders

(participants) Meeting: 16.08.2006

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Open Joint Stock Company "Oil Company "Yukos"

Short company name: "Oil Company "Yukos", JSC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 26.04.2007

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Open Joint Stock Company "Oil Company "Yukos"

Short company name: "Oil Company "Yukos", JSC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders

(participants) Meeting: 17.07.2007

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Limited Liability Company "Neft-Aktiv"

Short company name: "Neft-Aktiv", LLC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 10.12.2007

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Limited Liability Company "Neft-Aktiv"

Short company name: "Neft-Aktiv", LLC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders

(participants) Meeting: 17.04.2008

List of shareholders (participants)

Full company name: Russian Joint Stock Company of Power and Electrification "UES of Russia"

Short company name: RAO "UES of Russia", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Limited Liability Company "Neft-Aktiv"

Short company name: "Neft-Aktiv", LLC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 17.12.2008

List of shareholders (participants)

Full company name: Open Joint Stock Company "Interregional Distribution Grid Companies Holding"

Short company name: "IDGC Holding", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Limited Liability Company "Neft-Aktiv"

Short company name: "Neft-Aktiv", LLC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders

(participants) Meeting: 20.05.2009

List of shareholders (participants)

Full company name: Open Joint Stock Company "Interregional Distribution Grid Companies Holding"

Short company name: "IDGC Holding", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Limited Liability Company "Neft-Aktiv"

Short company name: "Neft-Aktiv", LLC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

Date of drawing up the list of persons eligible to participate in the Issuer's Shareholders (participants) Meeting: 17.06.2009

List of shareholders (participants)

Full company name: Open Joint Stock Company "Interregional Distribution Grid Companies Holding"

Short company name: "IDGC Holding", JSC

Stake of the person in the Issuer's authorized capital, %: 49

Stake of the Issuer's ordinary shares held by the person, %: 49

Full company name: Limited Liability Company "Neft-Aktiv"

Short company name: "Neft-Aktiv", LLC

Stake of the person in the Issuer's authorized capital, %: 26.26

Stake of the Issuer's ordinary shares held by the person, %: 26.26

6.6. Data on the Issuer's Transactions of Interest

Information about amount and monetary volume of Issuer's transactions determined according to legislative of RF as transactions of interest that required approval of authorized body of the Issuer as per the results of the last reporting period

Unit of measurement: rubles

Indicator	Total amount, units	Total volume in monetary terms
Transactions of interest concluded by the Issuer in reporting period that required approval of Issuer's management body.	12	399 432 196
Transactions of interest concluded by the Issuer in reporting period that were approved by general shareholders (participants) meeting of the issuer	0	0
Transactions of interest concluded by the Issuer in reporting period that were approved by Board of Directors (Auditing Committee of the Issuer)	12	399 432 196
Transactions of interest concluded by the Issuer in reporting period that were not approved by Issuer's management body.	0	0

Transactions (group of interrelated transactions) with price 5 and more percents of balance sheet assets of the Issuer determined by accounting as of the last accounting date before the transaction.

The mentioned transactions were not concluded

Total volume in monetary terms of transactions of interest concluded by the Issuer during the last reporting quarter, rubles: 399 432 196.44

Transactions (group of interrelated transactions) of interest and decision on approval by the Board of Directors (Auditing Committee) or General Shareholders meeting that was not made when such decision was compulsory as per the legislative of Russian Federation.

The mentioned transactions were not concluded

#### 6.7. Data on the amount of accounts receivable

For the end of reporting period

Unit of measurement: rubles.

Account receivable	Payment deadline	
	less than 1 year	more than 1 year

Trade debtors	2 530 545 984.04	0
Including overdue	695 713 327.65	x
Bills receivable	0	0
Including overdue	0	x
Founders' (participants') account receivable	0	0
Including overdue	0	x
Accounts receivable from advances made	938 131 378.64	0
Including overdue	214 490 937.64	x
Other account receivable	1 123 888 582.51	29 454 129.4
Including overdue	502 084 608.5	x
Total	4 592 565 945.19	29 454 129.4
Including overdue	1 412 288 873.79	x

Debtors with accounts receivable share not less than 10% form total sum of accounts receivable for the mentioned reporting period

Full company name: Open Joint-Stock Company "Independent Energy Supply Company of Krasnodar region"

Short company name: "NESK", JSC

Location: 247 Severnaya St., Krasnodar 350049

Amount of accounts receivable, rubles: 844 526 371.28

Amount and terms of overdue accounts receivable (interest rate, penal sanctions, fines):

no

Debtor is Issuer's affiliated company: no

Full company name: Open Joint-Stock Company "Kubanenergosbyt"

Short company name: "Kubanenergosbyt", JSC

Location: 55 Gimnazicheskaya St/. Krasnodar, Krasnodar region 350000

Amount of accounts receivable, rubles: 551 650 469.96

Amount and terms of overdue accounts receivable (interest rate, penal sanctions, fines):

no

Debtor is Issuer's affiliated company: no

Additional information disclosed according to Regulation on Information Policy of "Kubanenergo", JSC:

According to Regulation on Information Policy, "Kubanenergo", JSC discloses information about debtors which liability is 5 and more percents from total accounts receivable (ref. to previous table).

Dynamics of Company's accounts receivable for the third quarter 2009 (rubles):

Types of accounts receivable	Accounts receivable for 30.06.2009	Accounts receivable for 30.09.2009	Dynamics of accounts receivable for 3 quarter 2009r.
1.Long-term accounts receivable	30 415 918,41	29 454 129,40	-961 789,01
2.Short-term accounts receivable including:	5 154 388 635,49	4 592 565 945,19	-561 822 690,30
2.1 Customers and clients	2 441 802 555,92	2 530 545 984,04	88 743 428,12
2.2 Advances made, including:	806 623 775,48	938 131 378,64	131 507 603,16
2.2.1. suppliers	49 337 276,31	43 685 842,38	-5 651 433,93
2.2.2 building organizations	489 521 406,64	380 077 669,48	-109 443 737,16
2.2.3 repair organizations	4 077 456,65	2 524 727,58	-1 552 729,07
2.2.4 service provider	120 548 204,46	309 021 588,04	188 473 383,58
2.2.5. other advances made	143 139 431,42	202 821 551,16	59 682 119,74
3.Other debtors, including	1 905 962 304,09	1 123 888 582,51	-782 073 721,58
3.1. Tax overpay to federal budget	147 488 710,47	6 017 496,78	-141 471 213,69
3.2. Tax overpay to RF territorial subjects budget	60 792 800,53	8 399 844,30	-52 392 956,23
3.3 Tax overpay to local budgets	19 952 895,78	25 444 738,89	5 491 843,11
3.4. Tax overpay to state non-budgetary funds	4 791 929,71	5 550 153,36	758 223,65
3.5 other debtors	1 672 935 967,60	1 078 476 349,18	-594 459
Total:	5 184 804 553,90	4 622 020 074,59	-562 784 479,31

VII. Accounting reports of the Issuer and other financial information

7.1. Annual accounting reports of the Issuer

Is not included in the current accounting period

7.2. Quarterly accounting reports of the Issuer for the last completed accounting quarter

Accounting balance for 30 September 2009

		Code
Form No. 1 as per Russian National Classification of Management Documentation (RNCMD)		0710001
	Date	30.09.2009
Organization: Open Joint-Stock Company of Energetics and electrification of Kuban	as per <u>Russian</u> National Classifier of Business Organizations (RNCBO)	00104604
Taxpayer Identification Number	TIN	2309001660
Type of activity	as per Russian National Classifier of Economic Activities (RNCEA)	40.10.2
Legal form of organization / form of ownership: open joint stock company	as per Russian National Classifier of Forms of Incorporation (RNCFI)/ Russian National Classifier of Forms of Ownership (RNCFO)	
Unit of measurement: ths. of rub.	as per Russian National Classifier of Measurement Units (RNCMU)	384

Location (address): 2 Stavropolskaya St., Krasnodar  
Russia 350033

ASSETS	Line	For the beginning of the accounting	For the end of the accounting period
--------	------	-------------------------------------	--------------------------------------

		period	
1	2	3	4
<b>I. NON-CURRENT ASSETS</b>			
Intangible assets	110		
Fixed assets	120	12 679 163	12 210 272
Construction-in-process	130	3 287 619	5 462 176
Interest-bearing investment in the tangible assets	135		
Long-term financial investments	140	128 873	128 873
Deferred tax assets	145	168 810	167 213
other non-current assets	150		
<b>TOTAL section I</b>	<b>190</b>	<b>16 264 465</b>	<b>17 968 534</b>
<b>II. CURRENT ASSETS</b>			
Inventories	210	1 404 168	1 567 784
raw materials, materials and other similar assets	211	1 024 390	1 034 746
animals for breeding and fattening	212		
expenses fro goods-in-process (distribution cost)	213		
finished products and goods for resale	214	0	0
Goods loaded	215		
expenses for future periods	216	379 778	533 038
other inventories and expenditures	217		
Value Added Tax for acquired assets	220	49 028	33 524
Accounts receivable (that are due to pay beyond 12 months)	230	32 243	29 455
Buyers and customers (62, 76, 82)	231		
Accounts receivable (that are due to pay in the next 12 months)	240	4 971 611	4 592 564
Buyers and customers (62, 76, 82)	241	1 879 041	2 530 547
Short-term financial investments (56,58,82)	250		
Loans given to organizations that are to be paid put in the next 12 months	251		

Share payback	252		
Other short-term financial investments	253		
Cash assets	260	943 735	108 357
Other current assets	270		
TOTAL section II	290	7 400 785	6 331 684
BALANCE (lines 190 + 290)	300	23 665 250	24 300 218

LIABILITIES	Line	For the beginning of the accounting period	For the end of the accounting period
1	2	3	4
III. CAPITAL AND RESERVES			
Authorized capital	410	1 786 944	1 786 944
Share payback	411		
Additional fund	420	8 231 968	8 208 595
Reserve capital	430	89 347	89 347
reserves formed according to legislative	431	89 347	89 347
reserves formed according to constituent documents	432		
Undistributed profit (uncovered loss)	470	446 370	-956 641
TOTAL section III	490	10 554 629	9 128 245
IV. LONG-TERM LIABILITIES			
Loans and credits	510	6 801 416	7 987 106
Deferred tax liabilities	515	161 609	162 757
Other long-term liabilities	520		
TOTAL section IV	590	6 963 025	8 149 863
V. SHORT-TERM LIABILITIES			
Loans and credits	610	958 060	809 110

Account payable	620	5 169 869	6 193 825
suppliers and contractors	621	2 586 474	3 952 950
amounts owed to the company staff	624	26 255	64 522
amounts owed to non-budget funds	625	33 593	26 752
tax and dues debts	626	556 848	117 444
other creditors	628	1 966 699	2 032 157
Amounts owed to participants (founders) as dividends	630		
Profit for future periods	640	19 667	19 175
Reserves for future expenses	650		
Other short-term liabilities	660		
TOTAL section V	690	6 147 596	7 022 110
BALANCE (lines 490 + 590 + 690)	700	23 665 250	24 300 218

STATEMENT OF ASSETS CHARGED ON OFF-BALANCE ACCOUNTS			
Indicator	Line	For the beginning of the accounting period	For the end of the accounting period
1	2	3	4
Leased fixed assets	910	902 839	1 032 328
as well leasing	911	846 943	976 428
Goods and materials accepted for custody	920	86 381	6 587
Goods accepted for commission	930		

Liability of insolvent debtors written-off to losses	940	178 708	273 460
Securities received for obligations and payments	950	4 000 000	4 000 000
Securities given for obligations and payments	960	80 000	80 000
Accumulated depreciation	970	4 824	4 864
Accumulate depreciation of land improvements facilities and other similar objects	980		
Intangible assets received for usage	993		
Leased fixed assets	991	5 170	4 990
Strict accounting forms	990	4	4
			4 990

#### Profit and loss statement for 9 months 2009

		Code
Form No. 2 as per Russian National Classification of Management Documentation (RNCMD)		0710002
	Date	30.09.2009
Organization: Open Joint-Stock Company of Energetics and electrification of Kuban	as per Russian National Classifier of Business Organizations (RNCBO)	00104604
Taxpayer Identification Number	TIN	2309001660
Type of activity	as per Russian National Classifier of Economic Activities (RNCEA)	40.10.2
Legal form of organization / form of ownership: open joint stock company	as per Russian National Classifier of Forms of Incorporation (RNCFI)/ Russian National Classifier of Forms of Ownership (RNCFO)	
Unit of measurement: ths. of rub.	as per Russian National Classifier of Measurement Units (RNCMU)	384

Location (address): 2 Stavropolskaya St., Krasnodar

Indicator	Line	For the beginning of the accounting period	For the end of the accounting period
1	2	3	4
Profits and expenditures for m principal types of activities			
Revenue (net) from sale of goods, products, works, services (exclusive VAT, excise and similar obligatory payments)	010	14 943 053	12 392 036
Production cost of goods, products, works, services	020	-13 572 671	-11 582 755
Gross profit	029	1 370 382	809 281
Business expenses	030		
Management expenses	040		
Profit (loss) from sale	050	1 370 382	809 281
Operating revenues and expenses			
Interest receivable	060	6	170
Interest payable	070	-1 061 708	-488 978
Profit from sharing in other companies	080	580	120
Other profits	090	210 982	98 060
Other expenses	100	-1 861 193	-895 045
Profit (loss) before tax	140	-1 340 951	-476 392
Deferred tax assets	143	11 101	29 374
Deferred tax liabilities	144	-1 401	-5 621
Current profit tax	145	-112 390	-141 809

Other similar compulsory payments	146	17 180	752
Net profit (loss) of the reporting period	190	-1 426 461	-593 696
REFERENCE			
Constant tax liabilities (assets)	200	370 880	232 390
Base profit (loss) per share			
Diluted profit (loss) per share			

Indicator	Line	For the beginning of the accounting period		For the end of the accounting period	
		profit	loss	profit	loss
1	2	3	4	5	6
Fines, penalties, forfeits admitted or payable according to court (Arbitrage) decision	230		62 665		1 807
Profit (loss) of previous years	240	125 620	1 319 110	14 945	506 129
Compensation of damages for non-fulfillment of improper fulfillment of obligations	250				
Foreign currency transactions differences	260				
Deductions to valuated reserves	270				
Writing-off receivables and payables with exceeded limitation period	280	20	94 752	196	149

7.3. Consolidated accounting reports of the Issuer for the last completed financial year  
Is not included in the current accounting period

7.4. Data on the Issuer's accounting policy

Regulations on accounting policy of the Issuer for the year 2009 are approved by order

of “Kubanenergo”, JSC No.58 dd. 03.02.2009.

No amendments were made to the accounting policy approved by the Issuer for the current accounting year.

#### 7.5. Data on total export amount and on export share in total amount of sales

The Issuer does not export products (goods, works and services)

#### 7.6. Data on cost of real estate of the Issuer and essential changes which occurred in structure of property of the Issuer following the end date of the last completed financial year

Total cost of real estate as of the end of reporting quarter, rubles: 11 177 039 820

Accumulated depreciation as of the end of reporting quarter, rubles: 5 738 239 060

Data on significant changes in real estate of the Issuer happened during 12 months up to the end of reporting quarter

Significant changes in real estate of the Issuer during 12 months up to the end of reporting quarter did not appear

Information about acquisitions and retirements on any basis on any other Issuer's property if the balance sheet cost of such property exceeds 5% of the Issuer balance sheet cost, also data on any other significant for the Issuer changes happened with property after the end of last completed financial year and before the end of the reporting quarter:

Changes with the Issuer's real estate property after the end of last completed financial year and before the end of the reporting quarter did not appear.

#### 7.7. Information about Issuer's Participation in Law Suits that May Influence Financial and Economic Activity of the Issuer

Information about Issuer's participation in law suits during three years prior the end of reporting period (with mentioning sanctions employed to the Issuer by juridical body) in case such participation may influence financial and economic activity of the Issuer:

In 2006 a suit was filed against “Kubanenergo”, JSC which result could seriously influence financial and economic activity of the Company:

The claimant (creditor) filed a suit to court on debt recovery for the amount of 35 936 824. 45 rubles. At the suit by the first judgment decision 23 660 987.95 rubles were enforced jointly from “Kubanenergo”, JSC and “Kuban generating company”, (the other amount was refused). In the process of appeal the court accepted claimant's refusal from claim to “Kubanenergo”, JSC, by the decree of court of appeal the case was issued for the reconsideration. By the decision of court of original remained in force by decree of appeal and review court “Krasnodarregiongaz”, JSC claims were answered in full volume, “Kuban Generating Company”, JSC had to recover the whole sum of debt.

“Kubanenergo”, JSC was taken to court by third party and the accepted judicial act did not affect the rights of the latter.

In 2007 «Kubanenergo», JSC sued to Arbitrage of Krasnodar region a claim on admission the IFTS No. 3 of Krasnodar decision on bringing to book the Company for tax violation committing tax as illegal, (IFTS No. 3 of Krasnodar added taxes, fines and penalties for total amount of 184 595 803 rubles). By the court decision dd. 07.07.2008, remained in force decision 15<sup>th</sup> Arbitrage Court of Appeal dd. 15 September 2008 were satisfied the demands of the Company on cancellation decision dd. 28.09.2007 of tax agency on additional charge of tax for total sum 184 595 803 rubles. By the Order of Federal Antimonopoly Service (FAS) of North Caucasian district the decision of court of first instance and of appeal made in favour of Company were left without changes and cassation of Federal Tax Agency Inspectorate was not allowed.

In 2008 Arbitrage of Moscow was leading one process, in result of the consideration a court decision was adopted that determined the future functioning of the Issuer as an independent legal person: “Neft-Aktiv”, CJSC that was possessing 26.26 % of authorized capital of the Company filed a claim on accepting invalid decisions of extraordinary Shareholders meeting of “Kubanenergo”, JSC on joining to «IDGC of the South», JSC, accepting invalid the contract of joining “Kubanenergo”, JSC to «IDGC of the South», JSC, cancellation the transfer act. By the decision of Moscow Arbitrage remained in force by statements of appeal court and court of review the lawsuits were satisfied. The decision of Supreme Arbitrage Court of RF dd. 03.06.2009 “Kubanenergo”, JSC was refused in transferring the case to Presidium of Supreme Arbitrage Court on the supervisory appeal, the decision cannot be appealed.

In 2008 “Kubanenergo”, JSC suited in Arbitrage of Krasnodar region on cancellation the decision of Federal Tax Agency Inspectorate No. 3 of Krasnodar on additional charging the taxes and bringing the Company to responsibility for committing a tax violation (Federal Tax Agency Inspectorate of RF No. 3 Krasnodar added taxes, fines and penalty for the amount of 63 703 591.7 rubles). The case was closed in favour of the Company. By the decision of court original remained in power by statements of appeal court and court of review, claims of “Kubanenergo”, JSC were satisfied, the decision of tax policy was invalidate.

In 2009 году (July 2) “Kubanenergo”, JSC was filed a suit which the result can significantly influence the financial and economic activity of the Company: “Kubanenergosbyt”, JSC made a claim for recovering debt in amount 49 335 441.08 rubles, to claimants point of view the debt accumulated on the basis of agency contract No. 4690 dd. 30.06.06.

In the reporting quarter “Kubanenergo”, JSC filed four suits which results can seriously influence financial and economic activity of the Company:

- against “Kubanenergosbyt”, JSC on recovering debt in amount 397 806 300 rubles according to the service contract of electric power transmission;
- against “NESK”, JSC on recovering debt in amount 468 641 193,75 рублей по rubles according to the service contract of electric power transmission;
- against “Nemetskaya Derevnnya”, JSC on recovering debt in amount 41 153 750 rubles according to the service agreement of technological connection;
- against “Imperial”, JSC on recovering debt in amount 68 444 699.64 rubles according to the service agreement of technological connection.

VIII. Additional data on the Issuer and on the Issuer’s equity securities placed

## 8.1. Additional data on the Issuer

### 8.1.1. Data on amount and structure of the Issuer's authorized (share) capital (share fund)

Amount of the Issuer's authorized (share) capital (share fund) as of termination date of the last accounting period, rub: 1 786 944 000

Ordinary shares

Total nominal value: 4 981 109 606.4

Stake in authorized capital, %: 100

Preferred

Total nominal value: 0

Stake in authorized capital, %: 0

### 8.1.2. Data on amount of the Issuer's authorized (share) capital (share fund) change

Authorized capital was not changed in the accounting period

### 8.1.3. Data on Formation and Use of Reserve and other Funds

For the reporting quarter

Data on formation and usage of reserve fund and other funds of the Issuer accumulated from net profit

Fund: Reserve

Amount of the fund formed by constituent documents: 5% from authorized capital

Amount of the fund in monetary terms as of the end of accounting period, rubles: 89 347 000

Amount of the fund in percent from the authorized (share) capital (unit fund): 4.99

Amount of deductions to the Fund during the accounting period: 0

Amount of fund assets used during the accounting period: 0

Ways of using the assets:

According to the present legislation the assets of Reserve Fund could be used only for covering the Company's losses and also for bonds redemption and Company's share issue in case of absence of other assets.

### 8.1.4. Information about the Order of Conveying and Holding the meeting (session) of Supreme Management of the Issuer

Supreme management body of the issuer: General shareholders meeting

The procedure of notification of shareholders on conveying a meeting (session) of Issuer's supreme management body:

Information about the upcoming General Meeting of Shareholders is sent (or handed in) to every person mentioned in the list and having the right to participate in the meeting, it also is published in "Kubanskiye Novosty" and in "Sovietskaya Adygeya" and uploaded on the webpage: [www.kubanenergo.ru](http://www.kubanenergo.ru), not later than 30 (thirty) days prior to the date of the meeting.

In case the registered in shareholders list person is a nominee shareholder the note on arranging a meeting of shareholders is sent to address of nominee, if in the list of shareholders the another address is not mentioned to the note about the Shareholders meeting could be sent.

Persons (bodies) that have right to convey (demand the holding) the extraordinary meeting (session) of supreme management body of the Issuer and also the procedure of addressing (introducing) such demands:

According to the article 14 of «Kubanenergo», JSC Charter the extraordinary meeting of Company's shareholders should be conveyed according the decision of Board of Directors on the basis of its own initiative, the demands of Audit Committee, Company's Auditor and shareholders possessing at least 10% (ten) of shares by the date of presenting the demand.

The demand of conveying the extraordinary Shareholders Meeting should content the items meant for agenda. Persons (person) demanding the extraordinary meeting of Company's shareholders has a right to introduce a project of decision of the extraordinary meeting of the Company's shareholders, propositions on the way of holding the meeting. In case the demand of extraordinary meeting is from the part of shareholder (shareholders) it should content name of the shareholder, number and type of shares possessed by the shareholder. The demand on arranging the extraordinary shareholders meeting is to be signed by the person that demands the extraordinary shareholders meeting.

Within 5 (five) days after the demand for Company's Auditing, Committee Company's Auditor and shareholders possessing at least 10% (ten) of shares to convey extraordinary General shareholders meeting the Board of Directors should adopt a

decision on conveying the extraordinary General shareholders meeting or not.

Decision of the Board of Directors on arranging the extraordinary shareholders meeting or grounded decision on refusal to hold the meeting should be sent to persons demanding the meeting no later than 3 (three) days after making the decision..

The order of fixing the date of holding the meeting (session) of the supreme management body of the Issuer:

According to the Regulation on the order of preparing and holding the General "Kubanenergo", JSC shareholders meeting the date of conveying the meeting should determine the Company's Board of Directors.

If within 5 (five) days after the demand of conveying the extraordinary shareholders meeting the Board of Directors did not made a decision on conveying the extraordinary meeting or refused to convey it then an extraordinary General shareholders meeting could be conveyed by the Auditing Committee, Company's Auditor and shareholder(s) of the Company possessing at least 10 (ten) percents of voting shares.

Persons who have right to introduce items for agenda of meeting of Issuer's supreme management body, the procedure of introducing such items:

Shareholder(s) of the Company possessing in total at least 2 (two) % of voting shares within 60 (sixty) days after the end of the financial year have a right to bring in items for agenda of Annual shareholders meeting and nominate a candidate in Board of Directors and Auditing Committee, which number should not exceed the quantitative number of corresponding body.

Items for agenda of the Shareholders meeting and proposals to nominate a candidate are submitted in written form with indication the name of the representing shareholder(s), quantity and category (type) of shares possessed and should be signed by the shareholder(s).

The proposal of introducing items for agenda of Shareholders meeting should contain a wording of each item, and the suggestion on nominating a candidate should contain name and documents id data (serial number or number of the document, date and place of, the body issued the document) of each nominee, name of the body to which nominee is supposed (article 13 of "Kubanenergo", JSC Charter).

Persons that have right to study the information (materials) presented for preparation

and holding the meeting (session) of Issuer`s Supreme management body, as well as the order of studying such information (materials):

Information (materials) about items for agenda of Shareholders meeting within 20 (twenty) days, and in case of holding Shareholders meeting within 30 (thirty) days before the Shareholders meeting should be available (for persons having the right to participate in Shareholders meeting) for studying in premises of Company`s Executive management or in other places which addresses are indicated in announce of holding Shareholders meeting.

Information (materials) about questions for agenda of Shareholders meeting should published on webpage of the Company: [www.kubanenergo.ru](http://www.kubanenergo.ru) no later than 10 (ten) days before the date of holding Shareholders meeting.

The indicated information (materials) should be available for persons participating in Company Shareholders meeting at the meeting. The order of examination (for persons having the right to participate in Shareholders meeting) information (materials) about items for agenda of Shareholders meeting and list of such information (materials) are determined by the Company`s Board of Directors.

Порядок оглашения (доведения до сведения акционеров (участников) эмитента) решений, принятых высшим органом управления эмитента, а также итогов голосования:

In case if the results of voting and decisions adopted by Shareholders meeting of the Company were not announced at the Meeting, no later than 10 (ten) days after compilation of the minutes of voting results the decisions adopted at Shareholders meeting of the Company as well as other results of voting should be presented in form of report on the results of voting in order fixed for announcing the conveying the Shareholders meeting.

8.1.5. Information about the Commercial Organizations in which the Issuer Holds at least 5 percent of Authorized (Share) Capital (Unit Fund) or at least 5 percent of Ordinary shares

List of commercial organizations in which the Issuer holds at least 5 percent of authorized (share) capital (unit fund) or at least 5 percent of ordinary shares as per end date of the last completed accounting period

Full company name: Open Joint Stock Company "Health Complex "Plamya"

Short company name: "Health Complex "Plamya", JSC

Location

2 Novomikhaylovskiy settlement, Tuapse District, Krasnodar region, 352856

TIN: 2365000589

PSRN: 1042330761274

Issuer's stake in the authorized capital, %: 100

Issuer's stake of the ordinary shares, %: 100

Person's stake in the Issuer's authorized capital, %: 100

Stake of the Issuer's ordinary shares held by the commercial organization, %: 100

Full company name: Open Joint Stock Company "Krasnodarenergosetremont"

Short company name: "Krasnodarenergosetremont", JSC

Location

Location: 47 Novorossyiskaya St., Russia, 350080

TIN: 2312118241

PSRN: 1052307175876

Issuer's stake in the authorized capital, %: 100

Issuer's stake of the ordinary shares, %: 100

Person's stake in the Issuer's authorized capital, %: 100

Stake of the Issuer's ordinary shares held by the commercial organization, %: 100

Full company name: Open Joint Stock Company "Recreation Centre "Energetik";

Short company name: "Recreation Centre "Energetik"; JSC

Location: 4 Pionerskaya st, Divnomorskoe settlement, Gelendzhik, Russia 353490

TIN: 2304041820

PSRN: 1042301876495

Issuer's stake in the authorized capital, %: 100

Issuer's stake of the ordinary shares, %: 100

Person's stake in the Issuer's authorized capital, %: 100

Stake of the Issuer's ordinary shares held by the commercial organization, %: 100

#### 8.1.6. Data Concerning Transactions Executed by the Issuer

For the reporting period

None of transactions were executed during this period

#### 8.1.7. Data on credit ratings of the Issuer

Issuer-informed credit ratings for the last 5 completed financial years, in case the Issuer carries out the activity less than 5 years – for each completed financial year.

Commercial Entity to be rated: the Issuer

Credit Rating Institution

Full company name: Limited Liability Company "National Rating Agency"

Short company name: "National Rating Agency", LLC

Location: building 1, 35-b Vorontsovskaya st, Moscow, 109147

Short description of the procedure of Credit Rating or web page address where the information of the procedure of Credit Rating is available in full access:

[www.ra-national.ru](http://www.ra-national.ru)

The Value of Credit Rating as per the end date of the accounting period: "BBB+" means sufficient credit capacity, the first level

History of values range of Credit Rating for 5 last completed financial years preceding the termination date of the accounting period or in case the Issuer carries out the activity less than 5 years, then for each completed financial year preceding the end date of the accounting period with reference to Credit Rating Value and the rating (change) date of Credit Rating Value.

Rating date	Credit Rating Value
20.08.2009	"BBB+" - sufficient credit capacity, the first level

## 8.2. Data on each category (type) of the Issuer's shares

Category of shares: ordinary

Nominal value of each share (rub): 100

Number of shares in circulation (amount of shares which are not redeemed or cancelled): 17 869 440

Number of additional shares in the process of placement (number of additional shares issue, which report on the results of the issue has not been registered by state authorities): 59 493 882

Number of declared shares: 59 493 882

Number of shares on the Issuer's balance:: 17 869 440

Number of additional shares which can be placed after converting placed securities to shares or as the result of executing liabilities on the Issuer's options: 0

Issues of shares of the category (kind):

Date of state registration	Registration Number
08.07.2003	1-02-00063-A
01.09.2009	1-02-00063-A-001D

Rights attached to shares:

According to the cl.6.2 of Issuer's Charter each ordinary registered share of the Company gives equal rights to the shareholder (the owner).

Shareholders-owners of ordinary registered shares of the Company have the following rights:

- 1) to participate personally or through representatives in General Shareholders Meeting of the Company with a vote on all issues of the competence;
- 2) to enter proposals to General Meeting's agenda in the order stipulated by legislation of the Russian Federation and the Charter;
- 3) to get information on the Company's activity and study the Company's documents according to Federal Law "On Joint Stock Companies" article 91, other regulatory acts and the Charter;
- 4) to get dividends declared by the Company;
- 5) primary acquisition of additional shares placed by means of subscription and issue securities converted to shares in the number proportional to the number of ordinary shares belonging to them, in cases provided in legislation of the Russian Federation;
- 6) to receive part of the property in case of the Company's liquidation;
- 7) to carry out other rights provided by legislation of the Russian Federation and the Company's Charter.

Following the decree of FSMC of the Russian Federation No.03-1378/r dated 08.07.2003 "Kubanenergo", JSC carried out consolidation of the issues of personal non-certified shares resulting the cancellation of the following state registration numbers 18-1-P-0320 dated 01.02.1993, 18-1-1502 dated 21.12.1995, 1-03-00063-A dated 30.11.1998 related to personal non-certified shares of the Issuer.

The registration number 1-02-00063-A dd. 08.07.2003 has been assigned to the abovementioned ordinary personal non-certified shares

### 8.3. Data on previous issues of securities of the Issuer except for shares

#### 8.3.1. Data on issues all securities of which were repaid (cancelled)

Type of security: bonds

Form of security: certificated, bearer

Series: 02

Nonconvertible interest-bearing certificated bonds with obligatory centralized deposit, maturity on 1820th (One thousand eight hundred and twentieth) day from the date of placement beginning

State registration number of the issue: 4-002-00063-A

Date of state registration of the issue: 18.09.2008

License issuing authority: FSEC (FFMS) of Russia

Additional issue securities No

Number of issue securities: 4 000 000

Nominal value per issue security, rub: 1 000

Issue volume at nominal value: 4 000 000 000

Terms (data) of issue securities redemption: 29.10.2009

Reason for issue securities redemption: The securities issue was declared void by the decision of FSEC of Russia dated 29.10.2009 caused by non-placement of a single issue security.

### 8.3.2. Data on issues securities on which are in circulation

Type of security: bonds

Form of security: certificated, bearer

Series: 01

Nonconvertible interest-bearing certificated bonds with obligatory centralized deposit with maturity term on 21.07.2010

Issue securities obligatory centralized deposit is stipulated

Data on depository carrying out centralized deposit of the issue securities

Full company name: The National Depository Center (Closed Joint Stock Company)

Short company name: "NDC", JSC

Location: Building 4, 1/13 Sredniy Kislovskiy per., Moscow

Data on license for depository activity

Number: 117-03431-000100

Date of issue: 04.12.2000

Expiration date:

Perpetual

License issuing authority: FFMS of Russia

Number of issue securities: 3 000 000

Nominal value per issue security, rub: 1 000

Issue volume at nominal value: 3 000 000 000

State registration number of the issue: 4-01-00063-A

Date of state registration of the issue: 05.06.2007

State registering authority of the issue: FFMS of Russia

Data on State registration of report on issue results: 28.08.2007

Authority registered the report on the issue results: FFMS of Russia

Additional issue securities: No

Rules fixed for each security:

Bondholders have right to receive:

- 50 % from nominal cost of bonds in 546 calendar day after placing the bonds;
- 50 % from nominal cost of bonds in 1 092 calendar day after placing the bonds;
- interest from undercharged by Issuer for the moment of validity of corresponding coupon period part of principal value of bonds (coupon yield,
- principal value (undischarged part of principal value) at reorganization, liquidation or bankruptcy of the Issuer in order set by current legislative of Russian Federation.

Bondholders have a right to demand acquisition of bonds by the Issuer in cases or under circumstances provided by decision on issue and prospectus of securities.

In case of nonfulfillment by the Issuer of liabilities connected with payment of coupon yield and/or corresponding part of bonds principal value (including default, technical default) bondholders and/or nominee bondholder, if the latter are authorized by bondholders, have rights to address to Issuer with the demand of paying off the coupon yield and/or correspondent part of principal price of the bonds ad interests as per article 811 Civil Code of Russian Federation, also bondholder can apply to court (Arbitrage).

On default or improper performance by the Issuer the duties on responsibilities for bonds, the bondholders have right to apply to a person who provided bonds issue in order approved by decision of issue and prospectus.

All Issuer`s liabilities on bonds of the present issue should be juridical equal and in compulsory to be fulfilled regarding all bondholders.

The person acquiring bonds at the same time accrues all rights following the proving security in the same amount. While purchasing bonds the buyer receives all rights that were actual before the purchase. Transfer of rights appeared from the provided security without transfer of rights for bond is nor valid.

The Issuer bears responsibility for providing bondholders return of assets in case of admitting in accordance with legislative of Russian Federation the issue of bonds failed or invalid.

Besides the enlisted rights the bondholder has a right to use other property rights presupposed by present legislation of Russian Federation.

Securities of the issue in progress of placement: No

Order and terms of repayment the securities of the issue

Bond redemption is performed by transfer agent on behalf and at the expense of the Issuer by non-cash transfer in monetary terms in rubles of the Russian Federation. Bond redemption in other forms is not stipulated.

Date of redemption:

- 21.01.2009 – discharge of 50% from principle value of bonds;
- 21.07.2010 - discharge of 50% from principle value of bonds.

Discharge of each part of principal cost of bonds is carried out by paying agent at the expense and by order of the Issuer. Functions of paying agents at discharging bonds carries out «ALFA-BANK», JSC , data on which are presented in decision of issue and in prospectus of securities. The Issuer can set other paying agents and annul such assignments. The official report of the Issuer on mentioned actions is published in news as well as in “Kubanskiye Novosty” newspaper within 5 (five) days from the date of such actions. Along with it publishing in newspaper “Kubanskiye Novosty” is issued after the publishing in news.

Discharge of each part of bonds principal cost is carried out in cash assets currency of Russian Federation in cashless way in favour to bondholder.

When discharging each part of principal cost of bonds the payable agent transfers necessary cash assets to bank accounts of persons authorized for receiving sums of discharging each part of principal cost of bonds indicated in the list of bondholders and/or nominee bondholders.

In case a person authorized for receiving sums of discharging each part of principal cost of bonds from the several holders then to such person the sum is transferred without separation for each bondholder.

After the settlement for persons authorized to receive sums of discharge of each part of principal cost of bonds indicated in list of bondholders and/or nominee bondholders, the paying agent informs “NDC”, CJSC (National Depository Centre) which in by-turn after discharging the part of principal cost of bonds in full volume transfers the discharged bonds to account of discharged bonds of the Issuer.

If the date of discharging each part of principal cost of bonds is a day off (regardless it is an official day off or a day off for clearing transactions) then the payment is made in the first working day following the day off. Bondholder has no right to demand calculation of interests or any other indemnities for such delay in payment.

The amount of interest (coupon) yield on bonds, procedures, terms and conditions for the payment:

Coupon yield is accrued on the outstanding amount of the principal value:

- the first, the second and the third coupon period – the outstanding amount of the principal value amounts 1000 rubles

- the fourth, the fifth and the sixth coupon period - – the outstanding amount of the principal value amounts 500 rubles

Coupon (interest) period		Amount of coupon (interest) yield
Beginning date	End date	Beginning date

1. Coupon: First coupon interest rate C(1) can be determined during the Stock Exchange Contest among potential bond buyers by the beginning of bond placement. Contest procedure is specified in item 8.3 of Decision on Securities Issue and item 2.7 of the Prospectus.

The first coupon period of first coupon starts at the beginning of bonds placement	182nd (one hundred and eighty-second) day from beginning date of bond placement is considered to termination date of the first coupon period	<p>The amount of payment for first coupon per bonds is calculated by the following formula:  <math>CI = C1 * Nom * (D1 - D0) / (365 * 100\%)</math>,            where            Coupon Income – amount of coupon income per bond;            Nom – nominal bond value;            C1 – amount of first coupon interest rate, annual interest;            D0 – first coupon period beginning date;            D1 – first coupon period termination date.</p>
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2. Coupon: interest rate on the second coupon (C2) is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus

The second coupon period of the second coupon starts at the end of first coupon period of the first coupon	364th (three hundred and sixty-fourth) day from beginning date of bond placement is considered to termination date of the second coupon period	<p>Second coupon payment amount per bond should be calculated according to the formula:  <math>CI = C2 * Nom * (D2 - D1) / (365 * 100\%)</math>,            where            Coupon Income – amount of coupon income per bond;            Nom – nominal bond value;            C2 – amount of first coupon interest rate, annual interest;            D1 – second coupon period beginning date;            D2 – first coupon period termination date.</p>
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3. Coupon: interest rate on the third coupon (C3) is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus.

The third coupon	546th (five	Third coupon payment amount per bond should
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<p>period of third coupon starts at the end of second coupon period of the second coupon</p>	<p>hundred and forty-sixth) day from beginning date of bond placement is considered to termination date of the third coupon period</p>	<p>be calculated according to the formula:  <math>CI = C3 * Nom * (D3 - D2) / (365 * 100\%)</math>,  where  Coupon Income – amount of coupon income per bond;  Nom – nominal bond value;  C3 – amount of first coupon interest rate, annual interest;  D2 – third coupon period beginning date;  D3 – third coupon period termination date.</p>
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4. Coupon: interest rate on the fourth coupon (C4) is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus.

<p>The forth coupon period of forth coupon starts at the end of third coupon period of the third coupon</p>	<p>728th (seven hundred and twenty-eight) day from beginning date of bond placement is considered to be termination date of the fourth coupon period</p>	<p>Fourth coupon payment amount per bond should be calculated according to the formula:  <math>CI = C4 * Nom * (D4 - D3) / (365 * 100\%)</math>,  where  Coupon Income – amount of coupon income per bond;  Nom – nominal bond value;  C4 – amount of fourth coupon interest rate, annual interest;  D3 – fourth coupon period beginning date;  D4 – fourth coupon period termination date.</p>
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5. Coupon: interest rate on the fifth coupon (C5) is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus

<p>The fifth coupon period of fifth coupon starts at the end of forth coupon period of the forth coupon</p>	<p>910th (nine hundred and tenth) day from beginning date of bond placement is considered to be termination date of the fifth coupon period</p>	<p>Fifth coupon payment amount per bond should be calculated according to the formula:  <math>CI = C5 * Nom * (D5 - D4) / (365 * 100\%)</math>,  where  Coupon Income – amount of coupon income per bond;  Nom – nominal bond value;  C5 – amount of fifth coupon interest rate, annual interest;</p>
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		D4 – fifth coupon period beginning date; D5 – fifth coupon period termination date.
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6. Coupon: interest rate on the sixth coupon (C6) is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus

The sixth coupon period of sixth coupon starts at the end of fifth coupon period of the fifth coupon	1092nd (one thousand and ninety-second) day from beginning date of bond placement is considered to be termination date of the sixth coupon period	Sixth coupon payment amount per bond should be calculated according to the formula: $CI = C6 * Nom * (D6 - D5) / (365 * 100\%)$ , where Coupon Income – amount of coupon income per bond; Nom – nominal bond value; C6 – amount of sixth coupon interest rate, annual interest; D5 – sixth coupon period beginning date; D6 – sixth coupon period termination date.
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Amount of any accumulated coupon income per bond is calculated up to one kopeck (rounding is made as per rules of mathematical rounding. Along with it the rounding-off rule should be regarded as method of rounding-off at which value of solid kopeck (solid kopecks) does not change if the first after rounded-off figure is 0 -4 and it will change for 1 if the first after rounded-off figure equals 5-9.

The rules of defining the interest rate of coupon:

1) the interest rate of first coupon is defined by means of competition among potential buyers of Bonds at the date of placing Bonds. Terms and conditions of competition are given in clause 2.7 of Prospectus.

2) At the moment of fixing the date of beginning of bond placement date, the Issuer can adopt decision on repurchase of bonds from the holders within 5 (five) days of the j-th coupon period (j=1,...,9). Interest rates on all bond coupons with ordinal number less than value of j or equal to value of j are fixed as equal to first coupon interest rate, as well as ordinal number of coupon period (j) during which the Bondholders can request the acquisition of Bonds are given to potential buyers of Bonds by disclosing information on as per the order of approved by Federal Law "On Securities market" and standard acts of Federal body of executive power of securities market, indicated in cl. 11 of Decisions of securities issue.

In case if simultaneously with defining the term of beginning of placing the Bonds, the Issuer has not made a decision yet on acquisition the Bonds, the interest rates for all the coupons starting from second one are fixed equal to interest rate of first coupon.

3) The coupon interest rate which value (order of determining) was not fixed by the Issuer before the date of beginning of Bonds (i=(j+1),.....6) is determined by the Issuer in numbers after state registration of Report on results of securities issue at the Date of

setting the (i-1)-th coupon. The Issuer has a right to determine the Date of setting the i-th coupon rates of any amount of following the i-th coupon undetermined coupons (where k is a serial number of one of the last coupons). Amount of interest rate of i-th coupon is should be announced by the Issuer to Bondholders in order and terms set by paragraph 11 of Decision on securities issue.

The Issuer informs Exchange market about accepted decisions, including particular rates, no longer than 10 (ten) days before the date of ending (j-1)-th coupon period (period at which an interest rate is determined by j-th and the following coupons)

In case if after the announcement the coupon rates, the Bonds are left with undetermined rates at least with one of the subsequent coupons, then simultaneously with announcement on rates of i-th coupon and other determinate coupon of Bonds, the Issuer has to provide a right of Bondholders to demand from Issuer the acquisition of Bonds within last 5 (five) days of k-th coupon period (in case if the Issuer determined the rate of only one i-th coupon,  $i=k$ ). the given information including serial numbers of coupons, interest rate of which is determined at the Date of setting the i-th coupon, and also the serial number of coupon period (k) in which the acquisition of Bonds should take place, is announced to potential buyers of Bonds by means of publishing the information in terms and in order fixed by paragraph 11 Decisions on securities issuing.

Sum of payment for any of coupon per one Bond is determined with accuracy to one kopeck (rounding is made considering the rules of mathematical rounding. Along with it the rounding-off rule should be regarded as method of rounding-off at which value of solid kopeck (solid kopecks) does not change if the first after rounded-off figure is 0 -4 and it changes for 1 if the first after rounded-off figure equals 5-9)

The order of Bond yield payment including the order and terms of bond yield payment of each coupon:

Coupon (interest) terms		Date of coupon (interest) yield payment	Date of forming the list of bondholders for payment of coupon (interest) yield
Beginning date	End date		Beginning date

1. Coupon: the first coupon interest rate  $C(1)$  can be determined during the Stock Exchange Contest among potential bond buyers by the time of bond placement beginning. Contest procedure is specified in item 8.3 of Decision on Securities Issue and item 2.7 of the Prospectus.

Beginning date of bond placement is considered to be first day of the first coupon period	182nd (one hundred and eighty-second) day from beginning date of bond placement is considered to termination date of the first coupon period	The date of coupon yield payment for the 1 <sup>st</sup> Bond's coupon that is the 182nd (one hundred and eighty-second) days from the first day of Bond placement	The payment of coupon yield from Bonds is carried out in favour of bondholders being such as of the end of NDC trading day, previous to 6 <sup>th</sup> working date up to the date of payment the coupon yield from Bonds.
The order of paying coupon (interest) yield:			

The payment of coupon yield from Bonds is carried out by Paying agent at the expense and by order of the Issuer.

If the date of payment of coupon yield is a day off (regardless it is an official day off or a day off for clearing transactions) then the payment is made in the first working day following the day off. Bondholder has no right to demand calculation of interests or any other indemnities for such delay in payment.

The payment of coupon yield is carried out in rubles of RF in cashless settlement in favour of Bondholders. It is supposed that nominal holders-depositors of Depository are authorized to receive sums of coupon yield from Bonds.

It is supposed that nominal holders-depositors of National Deposit Center (Depository) are authorized to perceive sums of coupon yield from Bonds. Depositor of NDC who is not authorized by its clients to receive sums of coupon yield from Bonds, no later than 1 a.m. (Moscow time) of 5 (fifth) working day up to the day of payment the coupon yield from Bonds, transfer to NDC the list of Bondholders that should contain all the requisite elements mentioned below in the list of holders and/or nominee holders of Bonds.

The payment of coupon yield from Bonds is carried out in favour of Bondholders being such as of the end of trading day of NDC previous to the 6 (sixth) working day up to the end of payment of coupon yield from Bonds (later in text – “The date of compiling the list of holders and/or nominee holders of Bond”).

If holder’s rights for Bonds are recorded by nominee holder and nominee holder is authorized to receive the sum of coupon yield from Bonds then by the person authorized to receive sums coupon yield from Bonds is considered as nominee holder.

If holder’s rights for Bonds are not recorded by nominee holder and nominee holder is not authorized to receive the sum of coupon yield from Bonds then by the person authorized to receive sums coupon yield from Bonds is meant a Bondholder.

The fulfillment of liabilities in respect of Bondholder included in the list of holders or/and nominee holders of Bonds is accepted as proper, including the case carve-out of Bonds after the date of compiling the list of holders and/or nominee holders of Bonds.

No later than at 3 (third) working day before the date of payment of coupon yield of Bonds, NDC presents to Issuer and/or to Paying agent the List of holders and/or nominee holders of Bonds compiled by the date of forming of the list of holders and/or nominee holders of Bonds, including the following information:

- a) full name of the person authorized to receive sums of coupon yield from Bonds;
- b) amount of Bonds recorded on accounts of deposit of person authorized to receive sums of coupon yield from Bonds;
- c) location and postal address of person authorized to receive sums of coupon yield from Bonds;
- d) requisites of bank account of person authorized to receive sums of coupon yield from Bonds, precisely:
  - account number;
  - name of the bank the account was established at;
  - correspondent account of bank the account was established at;
  - bank ID code of bank.
- e) TIN of the person authorized to receive sums of coupon yield from Bonds.

f) Information about the tax status of the person authorized to receive sums of coupon yield from Bonds (resident, non-resident with permanent representing in RF, non-resident without permanent representing in RF).

Additionally to the given information the nominee holder is obliged to present in NDC, and NDC is obliged to include in the list of holders and/or nominee holders of Bonds for payment of sums of coupon yield, the following information about private and legal persons non-residents of Russian Federation being Bondholders notwithstanding the fact if nominee holder is authorized to receive sums of coupon yield from Bonds or not:

a) in case if the Bondholder is a legal person non-resident:

- PIN – if any;

b) in case if the Bondholder is private person:

- type, serial number, date and place of issuing of document identifying the holder, name of the body issued of the document;

- date of holder's birth;

- place of registration and postal address including index;

- tax position of holder;

- certificate of state pension insurance (if any);

- TIN (if any).

Bondholders and the authorized persons including depositors of NDC personally check the completeness and up-to-dateness of bank account requisites and other data presented to NDC. In case of failure to provide or late provision NDC with mentioned requisites and other data, the fulfillment of Issuer's liabilities of payment the coupon yield from Bond is carried out for person produced the demand of fulfilling liabilities and being the Bondholder for the date of making a demand. Along with it the fulfilling by Issuer Bonds liabilities is carried out on the basis of NDC data. In this case Issuer's liabilities are considered to be fulfilled in full-services. If the presented by holder or nominee holder or kept in Depository requisites of bank account or other information necessary for fulfillment Issuer's Bond liabilities do not allow the Paying agent timely transfer the cash assets, then such a delay cannot be considered as failure to pay, and Bondholder has no rights to demand the interest or any other compensation for such delay in payment. In the above mentioned case the Issuer as well as Paying agent does not bear responsibility for delay in Bonds payments.

No later then in second working day before the date of payment of Bond coupon yield the Issuer transfers necessary cash to the account of Paying agent.

On the basis of List of holders and/or nominee holders of Bonds produced by NDC, the Paying agent calculated sums of cash assets payable to each of persons authorized to receive sums of coupon yield from Bonds.

At the date of payment the coupon yield the Paying agent transfers the necessary cash assets to bank accounts of persons authorized for receiving sums of coupon yield from Bonds in favour of Bondholders.

In the event of one person is authorized to get a coupon yield form Bonds from several Bondholders then to such person should be transferred a total sum without separation by each Bondholder.

2. Coupon: the second coupon (C2) interest rate is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus

The first day of 2 <sup>nd</sup> coupon period is the date of ending the coupon period of 1 <sup>st</sup> coupon.	364th (three hundred and sixty-fourth) day from beginning date of bond placement is considered to termination date of the second coupon period	The date of coupon yield payment for the 2 <sup>nd</sup> Bond's coupon that is the 364th (three hundred and sixty-fourth) days from the first day of Bond placement.	The coupon yield payment from Bonds is carried out in favour of bondholders being such as of the end of NDC trading day, previous to 6 <sup>th</sup> working date up to the date of payment the coupon yield from Bonds.
<p>The order of coupon (interest) yield payment:</p> <p>The order of coupon (interest) yield payment for the second coupon from Bonds is similar to the order of payment of coupon (interest) yield of the first Bond coupon.</p>			

3. Coupon: the third coupon (C3) interest rate is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus.

The first day of 3 <sup>rd</sup> coupon period is the date of ending the coupon period of 2 <sup>nd</sup> coupon.	546th (five hundred and forty-sixth) day from beginning date of bond placement is considered to termination date of the third coupon period	The date of coupon yield payment for the 3 <sup>rd</sup> Bond's coupon that is the 546th (five hundred and forty-sixth) days from the first day of Bond placement.	The coupon yield payment from Bonds is carried out in favour of bondholders being such as of the end of NDC trading day, previous to 6 <sup>th</sup> working date up to the date of payment the coupon yield from Bonds.
<p>The order of coupon (interest) yield payment:</p> <p>The order of coupon (interest) yield payment for the third coupon from Bonds is similar to the order of payment of coupon (interest) yield of the second Bond coupon..</p> <p>For the purposes of payment by the third coupon List of holders and/or nominee holder of Bonds, compiled for discharging the part of nominal cost of Bonds, is used</p> <p>The yield from third coupon is paid simultaneously with discharging the part of Bonds nominal cost.</p>			

4. Coupon: the fourth coupon (C4) interest rate is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus

The first day of 4 <sup>th</sup> coupon period is the date of ending the coupon period of 3 <sup>rd</sup> coupon.	728th (seven hundred and twenty-eight) day from beginning date of bond placement is considered to be termination date	The date of coupon yield payment for the 4 <sup>th</sup> Bond's coupon that is the 728th (seven hundred and twenty-eight) days from the first day of	The coupon yield payment from Bonds is carried out in favour of bondholders being such as of the end of NDC trading day, previous to 6 <sup>th</sup> working date up to the date of payment the coupon yield from Bonds.
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	of the fourth coupon period	Bond placement.	
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The order of coupon (interest) yield payment:

The order of coupon (interest) yield payment for the fourth coupon from Bonds is similar to the order of payment of coupon (interest) yield of the third Bond coupon.

5. Coupon: the fifth coupon (C5) interest rate is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus

The first day of 5 <sup>th</sup> coupon period is the date of ending the coupon period of 4 <sup>th</sup> coupon.	910th (nine hundred and tenth) day from beginning date of bond placement is considered to be termination date of the fifth coupon period	The date of coupon yield payment for the 5 <sup>th</sup> Bond's coupon that is the 910th (nine hundred and tenth) days from the first day of Bond placement.	The coupon yield payment from Bonds is carried out in favour of bondholders being such as of the end of NDC trading day, previous to 6 <sup>th</sup> working date up to the date of payment the coupon yield from Bonds.
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The order of coupon (interest) yield payment:

The order of coupon (interest) yield payment for the fifth coupon from Bonds is similar to the order of payment of coupon (interest) yield of the fourth Bond coupon.

6. Coupon: the sixth coupon (C6) interest rate is determined in conformance with procedure stipulated in item 9.3.1 of Decision on Securities Issue and item 9.1.2 of the Prospectus

The first day of 6 <sup>th</sup> coupon period is the date of ending the coupon period of 5 <sup>th</sup> coupon.	1092nd (one thousand and ninety-second) day from beginning date of bond placement is considered to be termination date of the sixth coupon period	The date of coupon yield payment for the 5 <sup>th</sup> Bond's coupon that is the 1092nd (one thousand and ninety-second) days from the first day of Bond placement.	The coupon yield payment from Bonds is carried out in favour of bondholders being such as of the end of NDC trading day, previous to 6 <sup>th</sup> working date up to the date of payment the coupon yield from Bonds.
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The order of coupon (interest) yield payment:

The order of coupon (interest) yield payment for the sixth coupon from Bonds is similar to the order of payment of coupon (interest) yield of the fifth Bond coupon.

For the purposes of payment for the sixth coupon List of holders and/or nominee holder of Bonds, compiled for discharging the part of nominal cost of Bonds, is used

The yield from third coupon is paid simultaneously with discharging the part of Bonds nominal cost.

Decision on issue, prospectus as well as other documents and information connected with issue, placement, circulation and discharge of Issuer`s bonds could be found on webpage of the Company: <http://www.kubanenergo.ru>.

Data on providing:

Type of securing provision: guarantee (offer of securing provision in form of guarantee for the purpose of issue of Bonds); the limit of provision is 4 milliards rubles

8.3.3. Data on issues in which the Issuer did not fulfill obligations on the securities (default)

Issues specified are absent

8.4. Information about the person (persons) who provided security for issued bonds

State registration number of bond issue: 4-01-00063-A

Date on the person who provided security

Full company name: Open Joint Stock Company "Krasnodarenergosetremont"

Short company name: "Krasnodarenergosetremont", JSC

Location

47 Novorossyiskaya st, Krasnodar, Krasnodar region, Russia, 350080

TIN: 2312118241

PSRN: 1052307175876

8.5. Conditions of surety for fulfillment of obligations on issued bonds

Way of ensuring bond liabilities performance: guarantee.

Person providing security on bond liabilities: Open Joint Stock Company "Grechko A.A. Agriculture Enterprise"

Amount of bond liability performance security: 6 000 000 000 (Six billion) rubles and accumulated bond income.

Bond liabilities ensured by providing security of bond nominal value (principal debt amount), required interest (coupon income) payment to bond holders, bond acquisition as agreed with bond holders and their request, and on performing the Issuer`s liabilities

in case of early bond redemption in terms and order stipulated by Decision on Securities Issue and the Prospectus.

Amount of the Issuer's net assets value as of the last accounting date before security provision makes up 20 914 784 thousand rubles.

Amount of net assets value of the juridical person providing security as of the last accounting date before security provision makes up 79 933 thousand rubles.

Amount of net assets value of the juridical person providing security as of the termination date of the accounting period makes up 79 823 thousand rubles.

Way of security provision (pledge, guarantee, bank guarantee, state or municipal guarantee, other).

For bonds under pledge, the following is specified:

subject to pledge:

for securities under pledge - Type, category (kind), series (if any), name of the Issuer, form, securities issue state registration number and date, state registering authority of the securities issue, securities nominal value (if securities pledged have nominal value according to legislation of the Russian Federation), number of securities, other obligatory securities requisites stipulated by legislation of the Russian Federation, rights of securities holders, information on name, location, postal address and telephone of the registrar or depository registering securities rights, information on securities pledge beginning date on the register of securities holders, and if the securities are bearer-specified and subject to obligatory centralized deposit, - in the system of depository record of rights (for depository performing such deposit), information on any current charge for securities pledged;

for real estate under pledge – pledger's right for property pledged (property right or economic management right), number of property right certificate, date of issue and authority issuing certificate for pledged property right, number of property right certificate, date of issue and authority issuing certificate for pledged real estate property right, cadastre (conventional) number of the real estate object or statement about absence of cadastre (conventional) number, and reasons of the fact, registration number (state registration of property right or economic management right and transactions with real estate object in the Unified State Real Estate Property Right Register), or statement on absence of state registration of property right or economic management right and transactions with real estate object in the Unified State Real

Estate Property Right Register, and reasons of the fact, registration number (state registration of property right pledge and transactions with real estate object in the Unified State Real Estate Property Right Register on behalf of issued bonds holders), date of pledge state registration, kind and location of property pledged (including sphere of real estate use, total and productive area of the real estate, year of appearance (construction) of real estate, if renovation or repairs of real estate took place – additionally, the date of performing the last renovation or repairs), data on any current charges of real estate under pledge (including data on charge registration);

statement of pledged property cost;

statement of pledged property cost as estimated by appraiser, including the date of estimation, full name (surname, name, patronymics), license number, location, postal address and telephone of the Appraiser who performed pledged property estimate;

volume of bond holders' demands ensured by pledge (repayment of nominal value (other material equivalent), bond interest (coupon income) payment, discharge of other property rights under bonds);

data on pledge subject insurance (name of insurer and beneficiary, their location, size of policy, insured accident description, validity term of insurance contract, date of contract signing), if the abovementioned took place; procedure of application for pledge recovery;

other pledge conditions.

For bonds provided by security, the following is specified:

volume of the guarantor's liability to bond holders in case of nonperformance or improper performance of bond liabilities by the Issuer (nominal value payment (other material equivalent), payment of bond interest (coupon) income, discharge of other property rights on bonds);

procedure of applying claims by bond holders to the guarantor.

In case if guarantee is provided by juridical person, the following data is specified:

amount of the Issuer's net assets value as of the last accounting date before provision of security;

amount of net assets value of the juridical person providing security as of the last accounting date before security provision;

amount of net assets value of the juridical person providing security as of the

termination date of the accounting quarter.

For bonds secured through bank guarantee, the following is specified:

date of bank guarantee issue;

bank guarantee amount;

bank guarantee content;

term of bank guarantee;

procedure of applying claims by bond holders to bank guarantee

other significant conditions of bank guarantee.

For bonds provided by state of municipal guarantee, the following is specified:

authority who took the decision on ensuring bond liabilities performance on behalf of the Russian Federation (subject of the Russian Federation, municipal unit), and the date of such decision;

data on Guarantor, including the name (the Russian Federation, subject of the Russian Federation, municipal unit) and name of the authority who issued guarantee in the name of the Guarantor;

date of guarantee issue;

volume of liabilities on guarantee;

guarantee term;

procedure of applying claims by bond holders guarantee on guarantee performance;

other conditions of guarantee provision.

#### 8.5.1. Conditions of fulfillment of obligations on mortgage-backed bonds

Issuer did not place mortgage-backed bonds liabilities on which were not executed

#### 8.6. Information on entities recording the rights to the issued securities of the Issuer.

Entity keeping the register of the Issuer's bearer securities holders: Registrar

Information on the Registrar

Full company name: Open Joint Stock Company "Central Moscow Depository"

Short company name: "CMD" or JSC "Central Moscow Depository", JSC

Location: Building 8, 34 Bolshaya Pochtovaya st, Moscow, 105082

TIN: 7708047457

PSRN: 1027700095730

Data on the license for keeping the register of securities holders

Number: 10-000-1-00255

Issuing date: 13.09.2002

License validity term:

Without limitation of the period of validity

License issuing authority: FCSM (FFMS) of Russia

Date of commencement of keeping the register of the Issuer's bearer securities holders by the Registrar: 19.09.2000

The Issuer's certificated securities subject to compulsory centralized storage are in circulation:

Depositories

Full company name: Closed Joint Stock Company "The National Depository Center"

Sort company name: "NDC", CJSC

Location: Building 4, 1/13 Sredniy Kislovskiy per., Moscow 125009

TIN: 7703394070

PSRN: 1097799013256

Data on the license for carrying out the depository activity in the securities market

Number: 177-03431-000100

Issuing date: 04.12.2000

License validity term:

Without limitation of the validity term

Name of the license issuing authority: FCSM (FFMS) of Russia

Information additionally disclosed by the Issuer according to the Regulation on the Information Policy:

Information on the transfer agents of the Registrar:

Transfer-agent of "CMD", JSC eligible to render the services on register the shareholders of "Kubanenergo", JSC: "DonFAO"Registrar", LLC (located at 100 Pushkinslaya st, Rostov-on-Don, 344002, tel. (863)269-88-02)

Data on the remuneration amount paid to the Registrar of the Issuer:

In 2009 the Company's Registrar was paid remuneration equal to 1 891 947,31, including:

- 237 865.80 rubles for rendering services on keeping and storing the register of bearer securities holders;
- 216 249.78 rubles for keeping and storing the history on securities payments;
- 15 280.00 rubles for preparation and supply of information of the shareholders keeping register system;
- 819 453.20 rubles for processing and mailing of information materials for the Shareholders Meetings;
- 408 411.53 rubles for the fulfillment of functions of the counting commission on the Annual General Shareholders Meetings
- 150 555.00 rubles for processing and mailing of the Notice regarding the possibility of shareholders to use the special right of acquiring of additional common nominal shares of the Company;
- 30 708.00 rubles for making a list of members possessing the special right of acquiring of additional common nominal shares of the Company
- 13 424.00 rubles for maintaining of operations in the register of Nominal Securities holders related to transfer of common nominal additional issue shares

8.7. Data on the acts regulating issues of import and export of capital that can influence distribution of dividends, interest and other payments to nonresidents

The main legislation acts regulating issues of capital import and export are:

1. Tax Code of the Russian Federation (part I)" dd 31.07.1998 N 146-Φ3 (revised and amended as of 01.01.2009);
2. Tax Code of the Russian Federation (part II)" dd 05.08.2000 N 117-Φ3;

3. RSFSR (Russian Soviet Federative Socialist Republic) Law dd. 26.06.1991 "On investment activity in the USSR"
4. Federal Law dd 09.07.1999 N 160-Φ3 "On Foreign Investment in the Russian Federation" (further amended and revised);
5. Federal Law dd 22.04.1996. N 39-Φ3 "On Securities Market";
6. Federal Law dd 10.12.2003 N173-Φ3 "On Currency Regulation and Currency Control" (further amended and revised);
7. Federal Law dd 10.07.02 N 86-Φ3 "On the Central Bank of the Russian Federation (Bank of Russia)" (revised and amended as of 10.01.2009);
8. Federal Law dd 07.08.2001 N 115-Φ3 "On Counteraction of Legitimization (Laundering) Proceeds of Crime and Financing of Terrorism";
9. Federal Law dd 25.02.1999 N 39-Φ3 "On Investment Activities in the Russian Federation Performed in the Form of Capital Investments" (further amended and revised);
10. International agreements of the Russian Federation for avoidance of double taxation;

8.8. Description of taxation scheme for the revenue on the Issuer's securities that were placed and are in the process of placement

I. Taxation of juridical bodies' income from securities placed in the form of dividends

1. Name of the income on the placed securities: dividends.
2. Name of the income tax: legal persons' income tax.
3. Tax rate:
  - 9% - for legal persons, tax residents of the Russian Federation
  - 15% - for foreign legal persons (non-tax residents) making profit from sources situated in the Russian Federation
4. Order and terms of tax payment: Taxes from income in the form of dividends are collected from the source of this income and transferred to the budget by the tax agent who performed payment within ten days from the day of the income payment

5. Legal and standard acts that stipulate the taxation order of this income: Tax Code of the Russian Federation, chapter 25 "Tax on income of organizations"

## II. Taxation of physical persons' income from securities placed in the form of dividends

1. Name of the income on the placed securities: dividends.
2. Name of the income tax: legal persons' income tax.
3. Tax rate:  
  
9% - for physical persons, tax residents of the Russian Federation  
  
15% - for physical persons (non-tax residents) making profit from sources situated in the Russian Federation.
4. Order and terms of tax payment: The duty to subtract the sum of the tax from the income of the tax bearer and to discharge it to the corresponding budget is imposed to a Russian organization which is a source of income of the tax bearer in the form of dividends (tax agent). The accrued sum of the tax is subtracted directly from the income of the tax bearer at their actual payment. Tax agents are obliged to list the sums of the calculated and retained tax not later than the day of actual receipt of cash money resources in the bank for income payment, and also the day of the income transfer from the accounts of tax agents in bank into the accounts of the tax bearer or, under the commission, into the accounts of the third parties in banks.
5. Legal and standard acts that stipulate the taxation order of this income: Tax Code of the Russian Federation, chapter 23 Tax on income of physical persons (revised and amended).

## III. Taxation of incomes of juridical persons under the placed securities conversion.

1. Categories of security holders: Juridical bodies – tax residents of the RF.
  - 1.1. Name of the income on the placed securities: Income from security conversion operations.
  - 1.2. Name of the securities income tax: Income tax
  - 1.3. Tax rate: 20%
  - 1.4. Order and terms of tax payment: Sum of the tax by the results of the tax period is calculated by the tax bearer independently. The tax that is subject to payment after the tax period is paid not later than March 28 of the year following

the expired tax period. Quarterly advance payments are paid no later than 28 days from the date of termination of the quarter. Monthly advance payments are paid in time no later than the 28th day of each month of this accounting period. Tax bearers who pay monthly advance payments on actually received profit pay advance payments no later than the 28th day of the month following the month by results of which tax calculation is made. According to the results of the accounting period, sums of monthly advance payments are set off at payment of quarterly advance payments. Quarterly payments are set off on account of payment of the tax according the results of the tax period.

1.5. Legal and standard acts that stipulate the taxation order of this income: Tax Code of the Russian Federation, chapter 25 "Tax on income of organizations"

2. Foreign juridical bodies (non-residents) making profit from sources situated in RF

2.1. Name of the income on the placed securities: Income from sale of shares of Russian organizations, more than 50% of whose assets consist of real estate situated on the territory of the RF

2.2. Name of the securities income tax: Income tax

2.3. Tax rate: 20%

2.4. Order and terms of tax payment: The obligation of determining the sum of the tax, deduction of this sum from the incomes of the tax bearer and tax transfer in the budget is imposed to a Russian organization or a foreign organization that performs activity in the Russian Federation through permanent establishment and pays the specified income to the tax bearer

2.5. Legal and standard acts that stipulate the taxation order of this income: Tax Code of the Russian Federation, chapter 25 "Tax on income of organizations"

IV. Taxation of incomes of physical persons under the placed securities conversion

1. Name of the income on the placed securities: Income (loss) from securities conversion calculated as a difference between the sums received from securities conversion and costs for acquisition, use and storage of securities made by the tax bearer and presented in the documents

2. Name of the securities income tax: Taxes on incomes of physical persons

3. Tax rate:

13% - Physical persons – RF tax residents;

30% - Physical persons (non RF tax residents) making profit from sources situated in the Russian Federation.

4. Order and terms of tax payment: Total sum of the tax to be paid in the budget is calculated on the basis of the tax declaration and paid to the residential place of the tax bearer no later than 15 July of the year following the past tax period
5. Legal and standard acts that stipulate the taxation order of this income: Tax Code of the Russian Federation Chapter 23 "Tax on income of physical persons

New provisions will come to force in case of changing of the taxation and revenue legislation of the Russian Federation:

Shall legal and standard acts of tax legislation, other executive and governmental orders of State authorities significantly changing or amending the current taxation legislation on Income and placed securities (unknown and therefore not published for the present moment), the Issue carries no responsibility for the consequences which cannot be stipulated due to above mentioned reasons.

8.9. Data on the declared (accrued) and paid dividends under the Issuer's shares and also on revenue under the Issuer's bonds

8.9.1. Data on the declared (accrued) and paid dividends under the Issuer's shares for 5 last completed financial years or for each complete financial year if the Issuer carries out the activity less than 5 years.

Dividend period

Year: 1998

Period: full year

Name of Issuer Authority decided (declared) of payment of dividends on the Issuer's shares: General Shareholders (participants) Meeting

Date of Meeting (Session) of Issuer Management Authority when the decision was taken of payment (declaration) of dividends: 25.05.1999

Date of drawing up the list of members entitled to collecting dividends for current dividend period: 01.04.1999

Date of Minutes: 22.05.199

Minutes number: 7

Category (type) of shares: ordinary

Amount of declared (accrued) dividends on shares of the above mentioned category (type) per share, RUB: 0.17%

Aggregate amount of declared (accrued) dividends on all shares of the above mentioned category (type), RUB: 3 037 804

Total amount of dividends paid on all Issuer shares of a certain category (type), RUB: 3 037 804

Period assigned for payment of declared dividends on the Issuer shares: 60 days

Form and other terms and conditions of payment of declared dividends on the Issuer shares: monetary funds

Dividend period

Year: 2000

Period: full year

Name of Issuer Authority decided (declared) of payment of dividends on the Issuer's shares: General Shareholders (participants) Meeting

Date of Meeting (Session) of Issuer Management Authority when the decision was taken of payment (declaration) of dividends: 15.06.2001

Date of drawing up the list of members entitled to collecting dividends for current dividend period: 01.05.2001

Date of Minutes: 15.06.2001

Minutes number: 9

Category (type) of shares: ordinary

Amount of declared (accrued) dividends on shares of the above mentioned category (type) per share, RUB: 1.57

Aggregate amount of declared (accrued) dividends on all shares of the above mentioned category (type), RUB: 28 055 021

Total amount of dividends paid on all Issuer shares of a certain category (type), RUB: 28 055 021

Period assigned for payment of declared dividends on the Issuer shares: 60 days

Form and other terms and conditions of payment of declared dividends on the Issuer shares: monetary funds

Dividend period

Year: 2001

Period: full year

Name of Issuer Authority decided (declared) of payment of dividends on the Issuer's shares: General Shareholders (participants) Meeting

Date of Meeting (Session) of Issuer Management Authority when the decision was taken of payment (declaration) of dividends: 14.06.2002

Date of drawing up the list of members entitled to collecting dividends for current dividend period: 22.08.2002

Date of Minutes: 14.06.2002

Minutes number: 11

Category (type) of shares: ordinary

Amount of declared (accrued) dividends on shares of the above mentioned category (type) per share, RUB: 2.44

Aggregate amount of declared (accrued) dividends on all shares of the above mentioned category (type), RUB: 43 708 650

Total amount of dividends paid on all Issuer shares of a certain category (type), RUB: 43 708 650

Period assigned for payment of declared dividends on the Issuer shares: 60 days

Form and other terms and conditions of payment of declared dividends on the Issuer shares: monetary funds

Dividend period

Year: 2002

Period: full year

Name of Issuer Authority decided (declared) of payment of dividends on the Issuer's shares: General Shareholders (participants) Meeting

Date of Meeting (Session) of Issuer Management Authority when the decision was taken of payment (declaration) of dividends: 11.06.2003

Date of drawing up the list of members entitled to collecting dividends for current dividend period: 27.04.2003

Date of Minutes: 11.06.2003

Minutes number: 12

Category (type) of shares: ordinary

Amount of declared (accrued) dividends on shares of the above mentioned category (type) per share, RUB: 0.56

Aggregate amount of declared (accrued) dividends on all shares of the above mentioned category (type), RUB: 10 007 000

Total amount of dividends paid on all Issuer shares of a certain category (type), RUB: 10 007 000

Period assigned for payment of declared dividends on the Issuer shares: 60 days

Form and other terms and conditions of payment of declared dividends on the Issuer shares: monetary funds

Dividend period

Year: 2005

Period: full year

Name of Issuer Authority decided (declared) of payment of dividends on the Issuer's shares: General Shareholders (participants) Meeting

Date of Meeting (Session) of Issuer Management Authority when the decision was taken of payment (declaration) of dividends: 29.05.2006

Date of drawing up the list of members entitled to collecting dividends for current dividend period: 12.04.2006

Date of Minutes: 11.06.2006

Minutes number: 18

Category (type) of shares: ordinary

Amount of declared (accrued) dividends on shares of the above mentioned category (type) per share, RUB: 4.476917

Aggregate amount of declared (accrued) dividends on all shares of the above mentioned category (type), RUB: 80 000 000

Total amount of dividends paid on all Issuer shares of a certain category (type), RUB: 79 650 339.71

Period assigned for payment of declared dividends on the Issuer shares: 60 days

Form and other terms and conditions of payment of declared dividends on the Issuer shares: monetary funds

Declared dividends on the Issuer shares were not fully paid by the Issuer

Reasons of non-payment of the declared dividends:

Failure to submit the information on data amendment by the members enrolled to the Company's shareholders register

Dividend period

Year: 2006

Period: full year

Name of Issuer Authority decided (declared) of payment of dividends on the Issuer's shares: General Shareholders (participants) Meeting

Date of Meeting (Session) of Issuer Management Authority when the decision was taken of payment (declaration) of dividends: 01.06.2006

Date of drawing up the list of members entitled to collecting dividends for current dividend period: 26.04.2006

Date of Minutes: 05.06.2007

Minutes number: 20

Category (type) of shares: ordinary

Amount of declared (accrued) dividends on shares of the above mentioned category (type) per share, RUB: 1.253593

Aggregate amount of declared (accrued) dividends on all shares of the above mentioned category (type), RUB: 22 401 000

Total amount of dividends paid on all Issuer shares of a certain category (type), RUB: 22 298 739.5

Period assigned for payment of declared dividends on the Issuer shares: 60 days

Form and other terms and conditions of payment of declared dividends on the Issuer shares: monetary funds

Declared dividends on the Issuer shares were not fully paid by the Issuer

Reasons of non-payment of the declared dividends:

Failure to submit the information on data amendment by the members enrolled to the Company's shareholders register

Dividend period

Year: 2007

Period: full year

Name of Issuer Authority decided (declared) of payment of dividends on the Issuer's shares: General Shareholders (participants) Meeting

Date of Meeting (Session) of Issuer Management Authority when the decision was taken of payment (declaration) of dividends: 29.05.2008

Date of drawing up the list of members entitled to collecting dividends for current dividend period: 17.04.2008

Date of Minutes: 06.06.2008

Minutes number: 23

Category (type) of shares: ordinary

Amount of declared (accrued) dividends on shares of the above mentioned category (type) per share, RUB: 1.678844

Aggregate amount of declared (accrued) dividends on all shares of the above mentioned category (type), RUB: 30 000 000

Total amount of dividends paid on all Issuer shares of a certain category (type), RUB: 29 861 099.64

Period assigned for payment of declared dividends on the Issuer shares: 15 days

Form and other terms and conditions of payment of declared dividends on the Issuer shares: monetary funds

Declared dividends on the Issuer shares were not fully paid by the Issuer

Reasons of non-payment of the declared dividends:

Failure to submit the information on data amendment by the members enrolled to the Company's shareholders register

According to the Regulations of the Information Policy of the Company the information regarding declared and paid dividends is indicated for last 10 completed financial years.

For the financial years 1999, 2003, 2004, 2008 General Shareholders Meeting too the decision not to pay dividends

Additional information disclosed according to the Regulations on the Information Policy:

Dividend policy is the system of relations and principles of determination of dividend amount, procedure and terms of payment, and likewise of establishment the responsibility of the Company for non-fulfillment of the obligations for payment of dividends.

Dividend policy of "Kubanenergo", JSC is based on the balance of interests of the Issuer and the shareholders while determination the amount of dividend payments, respect and strict adherence the shareholders rights stipulated by current legislation of the Russian Federation, the Charter and internal documents of the Issuer and intended for the increase of investment attractiveness, capitalization and shareholder value of the Issuer. The Company is striving along with capitalization growth to increase the amount of paid dividends on the basis of gained net profit for the accounting financial year and the necessities of development of production and investment activity of the Company.

On December 3, 2006 Board of Directors of “Kubanenergo”, JSC approved Regulations on Dividend Policy (Minutes No.25/2006) for the purpose to provide the transparency of the procedure of determination of dividends amount and payment, and likewise the informing of shareholders and other interested parties of the Company dividend policy,

8.9.2. Issue of yield bonds for 5 last completed financial years preceding the termination date of last accounting period and if the issuer carries out the activity less than 5 years – for each completed financial year preceding the termination date of the last accounting period

Type of the securities: bonds

Form of securities: certified, bearer

Series: 01

No

State registration number of the issue: 4-01-00063-A

Date of state registration of the issue: 05.06.2007

State registering authority of the issue: FSEC of Russia

Date of state registration of report on issue results: 28.08.2007

State registering authority of report on issue results: FSEC of Russia

Number of issue bonds: 3 000 000

Nominal value per issue bond, RUB: 1 000

Issue volume at nominal value: 3 000 000 000

Main data of issue bonds yield:

Type of bonds yield: coupon

Amount of interest (coupon) bonds yield, terms and procedure of the payment:

Coupon period: 1

Beginning date of the coupon period: 25.07.2007

End date of the coupon period: 23.01.2008

Coupon period duration (in days): 182

Amount of coupon yield per bond (in percents and in rubles): 7.85% per annum, 39 rubles 14 kopeks

Amount of coupon yield subject to interest payment on all issue bonds/ paid for the interest on all issue bonds (RUB): 117 420 000/117 420 000

Date of interest payment on coupon: 23.01.2008

Record date of holders list: 14.01.2008

Coupon period: 2

Beginning date of the coupon period: 23.01.2008

End date of the coupon period: 23.07.2008

Coupon period duration (in days): 182

Amount of coupon yield per bond (in percents and in rubles): 7.85% per annum, 39 rubles 14 kopeks

Amount of coupon yield subject to interest payment on all issue bonds/ paid for the interest on all issue bonds (RUB): 2 355 366.92/2 355 366.92

Date of interest payment on coupon: 23.07.2008

Record date of holders list: 14.07.2008

Coupon period: 3

Beginning date of the coupon period: 23.07.2008

End date of the coupon period: 21.01.2009

Coupon period duration (in days): 182

Amount of coupon yield per bond (in percents and in rubles): 7.85% per annum, 39 rubles 14 kopeks

Amount of coupon yield subject to interest payment on all issue bonds/ paid for the interest on all issue bonds (RUB): 2 355 366.92/2 355 366.92

Date of interest payment on coupon: 21.01.2009

Record date of holders list: 21.01.2009

Coupon period: 4

Beginning date of the coupon period: 21.01.2009

End date of the coupon period: 22.07.2009

Coupon period duration (in days): 182

Amount of coupon yield per bond (in percents and in rubles): 7.85% per annum, 39 rubles 14 kopeks

Amount of coupon yield subject to interest payment on all issue bonds/ paid for the interest on all issue bonds (RUB): 35 476 887.40/35 476 887.40

Date of interest payment on coupon: 22.07.2009

Record date of holders list: 17.07.2009

#### 8.10. Other data

Additional information disclosed by the Issuer in the Quarterly report according to the requirements of Regulations on the Information Policy

8.10.1. Statistic Information on the Company's shareholders including the amount of shareholders, the balance of amount and stake of residents and non-residents, legal persons and individuals in the authorized capital

	Company's shareholders amount as per 01.01.2010	Shares amount, items	Stake in authorized capital, %
Individuals	2 436	588 277	3.2921
Legal persons	119	17 281 163	96.7079
Including nominee holders who did not provide information on the clients	2	3 606	0.0202

TOTAL	2 555	17 869 440	100
Including non-residents	50	3 353 492	18.7666

The data are actual for 17.06.2009 as the last date of making the list eligible to participate in Extraordinary General Shareholders Meeting

Data on the Issuer's shares cross-held:

Cross-held shares of the Issuer are absent.

#### 8.10.2 Description of the Issuer's organizational structure and basic functional relations between the key operational divisions

The organizational structure of "Kubanenergo", JSC is formed according to the Joint Order of RAO "UES of Russia", JSC and "UES FGC", JSC No.179r/188r dated 08.06.2007 "On Improvement of Organization Structure of IDGC and RGC" and approved by Board of Directors of the Company in August 29, 2007 (Minutes No.42/2007 dd.31.08.2007) with further amendments in December 24, 2007 (Minutes No.48/2007 dd.26.12.2007) and in September 30, 2009 (Minutes No.79/2009)

The structure of the Company consists of 11 power grid subsidiaries:

1. Krasnodarskie Power Grids
2. Sochinskie Power Grids
3. Armavirskie Power Grids
4. Adygeiskie Power Grids
5. Timashevskie Power Grids
6. Tikhoretskie Power Grids
7. Linigradskie Power Grids
8. Slavyanskie Power Grids
9. South-West Power Grids
10. Labinskie Power Grids
11. Ust-Labinskie Power Grids

Centralized Management of Power Grid Subsidiaries is carried out by Management Authorities taking control and providing the supervision for the following fields of activity:

1. Technical Issues; including equipment maintenance and repair, dispatching, reliability, industrial control, labour safety, quality management; calculations and metrology.
2. Development and Service Sales, including prospective development, technological connections, power energy transportation, power supply accounting, customer service
3. Investments, including investment management and capital construction.
4. Logistics and Procurement Supply, including recourse management, competitive procurement, buildings and facilities maintenance, administration support.
5. Economics and Finance, including business-planning, tariffs formation, cash flows movement management.
6. Accounting Issues, including accounting, tax accounting, management accounts.
7. Corporate Management, including legal support, corporate relations; Authorities, non-commercial and mass media relations.
8. Administrative Issues, including documents support, electronic records management, control and audit of documents execution, mechanization and transport issues.
9. Human Resources, including organization design and labour measurement, labour motivation, personnel inventory, recruiting and personnel development, development of corporate social programs.
10. Information Technologies, including management of automated control systems, development of DOCS (Dispatcher Operation Control System), customer relations, services.
11. Security and Controlling, including economic security, controlling and internal audit, special directorate
12. Development of Sochi Power Region, including interaction with FSUE (Federal State Unitary Enterprise) "Unified Direction of Development of Sochi" (State Company

“Olympstroy”), investments management and capital construction in Sochi Power Region.

8.10.3 Key news of the Company in the current accounting period:

Item No.	Publication Date	News	Place of Publication
1	02.10.2009	Specialists of “Kubanenergo”, JSC carry out works on increase of transformer power of 110/35/10 kV “Khadzhokh” substation in Kamenomostskiy settlement of the republic of Adygeya.	“Kubanenergo”, JSC website
2	02.10.2009	“Kubanenergo”, JSC implements the program of increase of reliability and safety of process of production. Management of “IDGC of the South”, JSC and “Kubanenergo”, JSC pays special attention to labour safety issues during operations with power facilities	“Kubanenergo”, JSC website
3	05.10.2009	Annual report of “Kubanenergo”, JSC was honored with gratitude by Krasnodar region administration. The Governor Tkachev A.N. expressed the acknowledgement to the Company for the success achieved in the open competition of Annual reports of Joint Stock Companies in Krasnodar region in 2009	“Kubanenergo”, JSC website
4	26.10.2009	For the purpose of development of power complex of the resort city of Sochi and providing the uninterrupted power supply of the facilities of forthcoming Winter Olympic Games 2014, “Kubanenergo”, JSC carries out the construction of “Bytkha” substation. More than 380 piles have been erected, more than 4 thous. Cubic meters of concrete have been poured, 60 metal stanchions of technological trestle have been assembled.	“Kubanenergo”, JSC website

5	26.10.2009	<p>“Kubanenergo”, JSC carries out constant efforts on qualification development of the Company employees. Except for professional retraining, instructions, workplace trainings, employees of “Kubanenergo”, JSC receive a higher education and further higher professional education in prestige Institutions of Higher Education of Russia on the expenses of the Company</p>	<p>“Kubanenergo”, JSC website</p>
6	26.10.2009	<p>Power engineers of “Kubanenergo”, JSC improved the reliability of power supply of residential customers and facilities of Olympic Games infrastructure. According to the repair program for the 2009 specialists of “Kubanenergo”, JSC carried out complex repair works of Sochi power district substations and several 35-110 kV power transformers. Exchange of outdated cables and transmission grids pylons is carried out on a regular matter, the transmission routes are cleaned.</p>	<p>“Kubanenergo”, JSC website</p>
7	28.10.2009	<p>The biggest power company of Kuban – “Kubanenergo”, JSC obtained the certificate of readiness for the Winter season 2009-2010. The presentation of the certificate was held on the Meeting of Branch Directors of “Kubanenergo”, JSC with the participation of representatives of the Management Company “IDGC of the South”, JSC, Transmission Operator and Federal Service for Environmental, Technological and Nuclear Supervision. “Kubanenergo”, JSC completed the preparation of distribution grid complex of Krasnodar region and the Republic of Adygeya for Fall and Winter period: all 11 branches in particular and the Company in whole obtained the certificates of readiness.</p>	<p>“Kubanenergo”, JSC website</p>

8	12.11.2009	In the frameworks of realization of repair and investment programs of power industry "Kubanenergo", JSC will work on launching of new power transformer on 110/35/6 kV "Severnaya" substation.	"Kubanenergo", JSC website
9	18.11.2009	"Kubanenergo" continues construction and reconstruction of power facilities according to the investment program. In the frameworks of implementing of the program only in Sochi power district "Kubanenergo", JSC disbursed more than 580 million rubles for construction and reconstruction of the facility objects during 9 months of 2009	"Kubanenergo", JSC website
10	24.11.2009	Slavyanskie power grids – the branch of "Kubanenergo", JSC continues the construction of new power transmission lines intended to provide the power supply for Taman Seaport within the frames of realization of the investment program. The operation activities on power supply of Taman Seaport have been carried out by "Kubanenergo", JSC since the beginning of the year of 2009. The power transmission lines being currently under construction shall provide the power for transshipping complex of liquefied hydrocarbon gas, petroleum and petroleum products on the Taman Peninsula in the nearest future.	"Kubanenergo", JSC website
11	27.11.2009	In terms of preparation for the Power Engineer Day "Kubanenergo", JSC had an open day – traditional meeting of the Company specialists with students of Kuban Institutions of Higher Education.	"Kubanenergo", JSC website
12	22.12.2009	In term of realization of investment program of the power industry "Kubanenergo", JSC put into operation new power transformer with the capacity	"Kubanenergo", JSC website

		of 25 MVA on 110/35/10 kV "Dinskaya" substation.	
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8.10.4. Information on participation of the Company in exhibitions and conferences, international entities activity.

The Company did not participate in exhibitions and conferences, international entities activity in the fourth accounting period.

8.10.5. Brief description of the Company's main internal regulations

Certain structures, procedures, and corporate management practice are regulated by the Charter and internal documents of the Company, including:

Item No.	Name of the internal document	Description	Data on the approval of the internal regulations by management bodies of the Company
1	Regulations on the procedure for preparation and convening of a General Shareholders Meeting of «Kubanenergo», JSC	The document specifies the order of convening, preparation, holding of the shareholders' meetings and also interaction of the operating bodies of the meetings.	Approved as amended by decision of Annual General Shareholders Meeting (Minutes of No.23 dd. 06.06.2008).
2	Regulations on the order of convening and holding the meetings of Board of Directors of «Kubanenergo», JSC	The document specifies the order of convening and holding of Board of Directors meetings, and rights, duties and responsibilities of the members and the company's Corporate	Approved as amended by decision of Annual General Shareholders Meeting (Minutes of No.23 dd. 06.06.2008).

		secretary.	
3	Regulations of Management Board of the Company	The document regulates the order of forming the Management Board, convening and holding the meetings, taking decisions, and rights, duties and responsibilities of the members	Approved as amended by decision of Annual General Shareholders Meeting (Minutes of No.23 dd. 06.06.2008).
4	Regulations on «Kubanenergo», JSC Auditing Committee	The document specifies the objectives, the terms of activity of the Audit committee, regulates the issues of the interaction with the Company's management authorities, also schedules the rights and duties of the members of the Audit committee.	Approved as amended by decision of Annual General Shareholders Meeting (Minutes of No.23 dd. 06.06.2008).
5	Regulations on paying remunerations and compensations to «Kubanenergo», JSC members of Board of Directors (new revision)	The document specifies the amount and the order of payments and compensations to the members of Board of Directors (except for the members of Board of Directors holding simultaneously positions of CEO and/or members of Management Board).	Approved as amended by decision of Annual General Shareholders Meeting (Minutes of No.23 dd. 06.06.2008).
6	Regulations on paying remunerations and	The document specifies the amount and order of paying remunerations and	Approved by decision of annual General Shareholders Meeting of

	compensations to the members of the «Kubanenergo», JSC Auditing Committee (new revision)	compensations to the members of Auditing Committee.	«Kubanenergo», JSC dd 30.05.2008 (Minutes No.1 dd 04.06.2008)
7	Regulations on Reliability Committee attached to Board of Directors of the Company”	The document determines the procedure of Committee meeting, rights and obligations of Committee members and the order of drawing up recommendations (conclusions) regarding issues of the competence	Approved by decision of Board of Directors of “Kubanenergo”, JSC (Minutes No.21/2006 dd. 18.09.2006)
8	Code of Corporate Management of «Kubanenergo», JSC	The document specifies the Company’s assumed liabilities in the sphere of ensuring transparency of the Company’s management and conforming to standards of proper corporate management	Approved by decision of Board of Directors of «Kubanenergo», JSC (Minutes No.23/2006 dd. 01.11.2006)
9	Regulations on Information Policy of the Company	The document determines rules and regulations of information disclosure, the list of information sources and documents subject to disclosure to shareholders, creditors, investors-to-be and other persons, as well as specifies the order, terms of disclosure and	Approved by decision of Board of Directors (Minutes No.22/2006 dd.03.10.2006).

		presentation of the specified information.	
10	Regulations on "Kubanenergo", JSC insider information	The document defines the concepts of "insider", "insider information" of the Company, determines the order of protection, use and distribution of insider information.	Approved by decision of Board of Directors (Minutes No.18/2006 dd 18.06.2006)
11	Regulations on dividend policy of "Kubanenergo", JSC	The document determines the system of relations and principles for calculating dividends, order and terms of their payment, and the Company's responsibility for failure to carry out liabilities of paying dividends.	Approved by decision of Board of Directors of "Kubanenergo", JSC (Minutes No.25/2006 dd 03.12.2006).
12	Regulations on the Corporate Secretary of Board of Directors of "Kubanenergo", JSC	The document determines the status, competence, rights and obligations of the Corporate Secretary of Board of Directors of the Company and likewise specifies the election procedure and remuneration scheme.	Approved by decision of Board of Directors of «Kubanenergo», JSC (Minutes No.38/2007 dd 27.06.2007).

Abovementioned internal documents of the Company are worked out according to the legislation of the Russian Federation and the Company's Charter and consider basic regulations of Corporate conduct code recommended to implementation by FSEC (Executive order of FSEC dd 04.04.02 No.421/r).

Internal regulations on the Issuer's management and audit authorities are made available on the Company's corporate Internet website at:

<http://www.kubanenergo.ru/rus/stockholders/documents/index.shtml>.

8.10.6. Data on the procedures of the candidates nomination to Board of Directors, of the stating the requests to Board of Directors of the Company. Brief review of the activity of Management Authorities of the Company in the accounting period.

The Procedure of nominating the candidatures to the Company Board of Directors:

Shareholders (shareholder) being in aggregate the holders of not less than 2 (Two) percents of voting shares of the Company are eligible to put the issues to the Agenda of Annual General Shareholders Meeting and nominee candidatures to Board of Directors of the Company and to the Auditing Committee of the Company, with the shareholders number not exceeding the quantitative amount of the corresponding Authority. Such proposals shall be handled to the Company not later then 60 (Sixty) days after the end of the financial year.

The nomination proposal is put in written form indicating the name (title) of proposing shareholders (shareholder), amount and type of shares belonging to them (him), and shall be signed by the shareholders (shareholder).

The nomination proposal shall contain the name of every nominated candidature, the Authority name of the proposed election. When nominating the candidatures by the shareholders fro the election to Board of Directors they are recommended likewise to provide the following information to the Issuer regarding the nominated candidatures: citizenship, residency, education, occupation, work experience for the five years preceding the nomination date including the primary employment and the occupied positions in Management Authorities of other legal entities, holding the Company shares and the Subsidiary and Affiliated Companies shares, the existence of ties of relation with Company Authorities (its Management Company); existence of contractual relations with the Company regarding the acquisition of the property (monetary funds) with the value totaling more than 10 % of the aggregate annual income of the candidate. The above mentioned information is provided for the Company shareholders along with other documents related to the issues of the Agenda for the General Shareholders Meeting. Failure to provide the hereinabove information does not lead to refusal of including the respective candidate to the voting list for election to Board of Directors.

Board of Directors of the Company is obliged to consider the provided proposals and take a decision on including to the Agenda of the General Shareholders Meeting of the

Company or on refusal to the mentioned Agenda not later than 5 (Five) days after the expiration of 60 (Sixty) days of the end of the financial year.

Board of Directors of the Company has a right to deny the including the nominee candidates to the voting list of elections to the respective Authority of the Company on the basis stipulated by the Federal Law "On Joint Stock Companies" and other legal acts of the Russian Federation.

Reasoned decision of the Board of Directors regarding the refusal of including of the nominee candidate to the voting list of elections to the respective Authority of the Company is sent to the shareholder (shareholders) submitted the question or introduced the candidate, not later than 3 (Three) days form the moment of the acceptance.

Board of Directors of the Company has no right to alter the wordings of the issues proposed for the Agenda of General Shareholders Meeting, and (if any exist) the wordings of the decisions upon such issues.

Except for the issues proposed by the shareholders for the Agenda of General Shareholders Meeting, and likewise in case of absence of such proposals, absence of insufficient amount of the nominees proposed by the shareholders to form the respective Body, Board of Directors of the Company is entitled to include the issues to the Agenda of General Shareholders Meeting or nominees to the voting list at own discretion.

Procedure of submitting the proposals to Board of Directors of the Company:

Members of Board of Directors, members of Auditing Committee, General Director and members of Management Board are entitled to make demands on convocation of General Shareholders Meeting of the Company. The above mentioned demands are sent to the Chairman of Board of Directors of the Company in written form along with a copy to the Corporate Secretary of the Company.

The Chairman of Board of Directors is obliged to consider the arrived demand on the convocation of Extraordinary Meeting of Board of Directors and take a decision on the convocation of such a Meeting, on the refusal of the convocation or on the including of the issues contained in the demand in the Agenda of the scheduled Meeting of Board of Directors not later than 5 business days from the moment of acceptance of the corresponding demand. Meeting of Board of Directors for the consideration of the issue (issues) contained in the demand shall be held not later than 30 calendar days following the acceptance of the respective demand by the Chairman of Board of Directors of the Company

Short preview of the activity of Management Authorities of the Company in the accounting period:

General Shareholders Meetings of “Kubanenergo”, JSC were not held in the accounting period.

Board of Directors of the Company had 4 sessions in the accounting period, 44 decisions were taken, including as follows:

- Audit Committee attached to Board of Directors was established, Regulations on the Audit Committee have been approved and the members have been elected;
- Revised Investment program of the Company has been approved;
- New composition of Central Contest Committee of “Kubanenergo”, JSC has been elected;
- Regulations on providing the assurance coverage for “Kubanenergo”, JSC have been approved;
- Decisions on the interested transactions have been made according to the chapter XI of the Federal Law “On Joint Stock Companies”;
- Reports of the Sole Executive Body of the Company have been considered related finance and economic activity of the Company, etc.

Minutes of General Shareholders Meetings and sessions of Board of Directors of “Kubanenergo”, JSC are available on the Company’s website at <http://www.kubanenergo.ru/rus/management/info2/index.shtml>.

According to the decision of Board of Directors of “Kubanenergo”, JSC dated 16.10.2009 (Minutes No.80+/2009 dd.16.10.2009) the Audit Committee attached to Board of Directors of “Kubanenergo”, JSC was established in the Company.

The meeting in presentia of Audit Committee of “Kubanenergo”, JSC was held on 12.11.2009 and ended with the following decisions:

1. First Deputy Head of Department for Corporate Management and Interaction with Shareholders of “Holding IDGC” Guryanov Denis Lvovich was elected to the position of Deputy Chairman of the Audit Committee attached to Board of Directors of “Kubanenergo”, JSC.
2. Head of Internal Control and Audit Department of “IDGC of the South”, JSC (Management Company of “Kubanenergo”, JSC) Shmakov Igor Vladimirovich was elected to the position of Secretary of the Audit Committee attached to Board of Directors of “Kubanenergo”, JSC.

3. Schedule of Audit Committee attached to Board of Directors of “Kubanenergo”, JSC was approved for 2009-2010.
4. Procedures of interaction between Audit Committee attached to Board of Directors and Department for Controlling and Internal Audit of the Company.
5. The information on the placement of additional shares was taken into account.

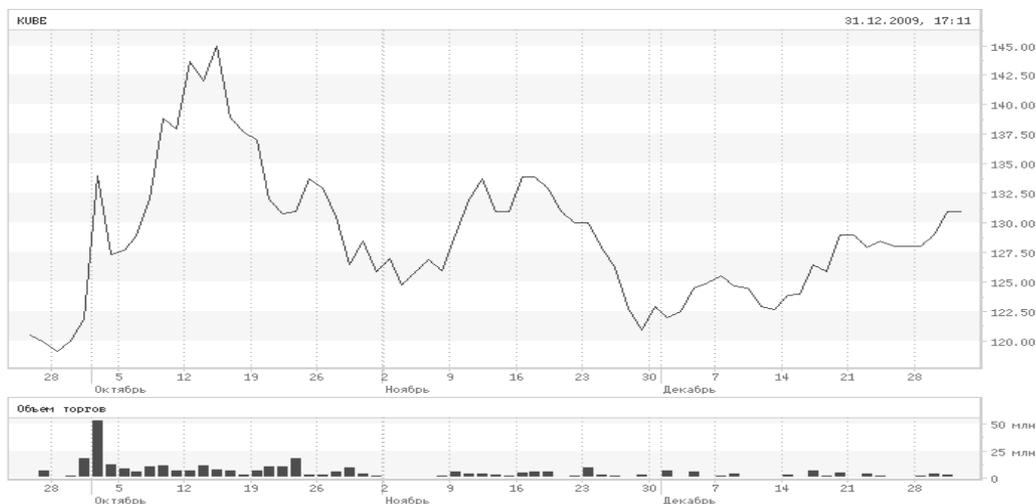
#### 8.10.7. Brief review of activity of Auditing Commission in the accounting period.

In the accounting period the Auditing Commission had one meeting, two issues have been discussed. Minutes of Meetings of the Auditing Commission for the entire period of the Issuer’s activity are available on the corporate website of the Company in the Internet.

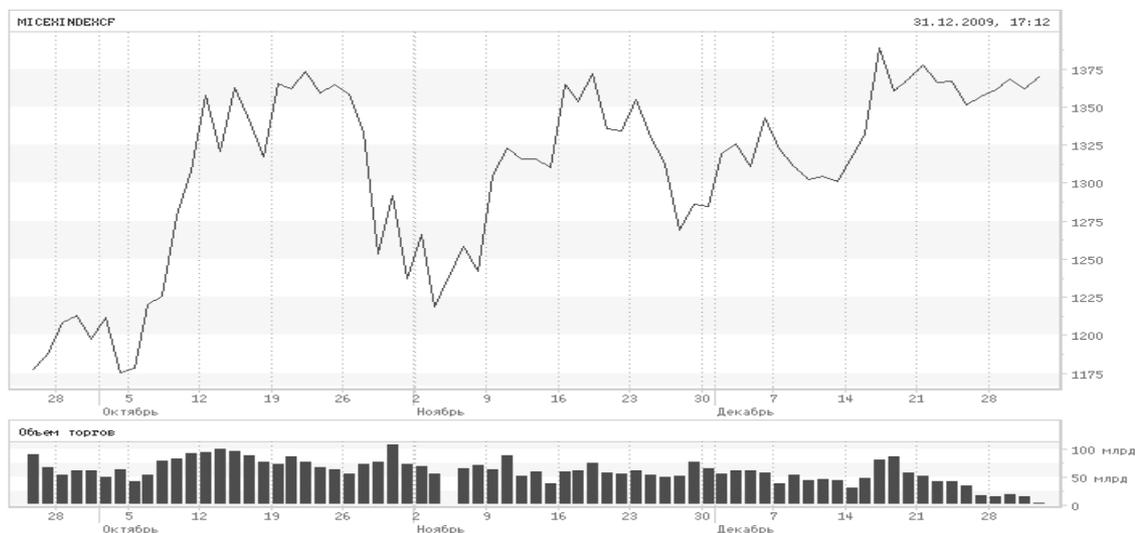
#### 8.10.8. Dynamics of price of shares and other securities of the Company.

Dynamics of share price of “Kubanenergo”, JSC in fourth accounting period of the year 2009 presented by MICEX Stock Exchange

(<http://www.micex.ru/marketdata/analysis>)



Dynamics of securities price of the Issuer (bonds):



#### 8.10.9. Evaluation assets methods

According to the Accounting Regulations “Organization Accounting Policy” RAS 1/2008, approved by Decree of Ministry of Finance of Russian Federation No.106n dated 06.10.2008, “Kubanenergo”, JSC has formed the Accounting Policy of the Company that contains the approved evaluation methods of assets (fixed, financial, material, etc). On elaboration of evaluation assets methods the Accounting Regulations in the Russian Federation regulating Financial Accounting and Reporting issues were used. Assets and liabilities of the Company were evaluated in the Reporting on the basis of actual acquisition costs

#### 8.10.10. Data on finance and economic activity of subsidiary and affiliated companies (SAC).

Not included in the fourth accounting period

#### 8.10.11. Additional data on the main services provided by the Company.

Key indicators of power transmission by “Kubanenergo”, JSC in the fourth accounting period of the year 2009 (kWt)

Power receipt into the Company grids for the transmission in terms of Service Contracts in the fourth quarter of the year 2009 amounted 4 695 010.66 thous. kWt.

Power output carried out from “Kubanenergo”, JSC grids amounted 4 075 390.95 thous. kWt.

Productive power output according to the “boiler” method with power grading for the

fourth accounting quarter of the year 2009 amounted 3 811 576.29 thous. kWt including:

- high-voltage (110 kV and higher) - 941 096.62 thous. kWt;
- medium-voltage 1 (35 kV) - 174 686.99 thous. kWt;
- medium-voltage 2 (1-20 kV) - 1 075 038.73 thous. kWt,;
- low-voltage (0.4 kV and lower) - 1 620 753.95 thous. kWt.

Actual power loss occurred in the result of the output to the grids amounted 13.011% in terms of loss allowance equaled 13.661%. Power saving in the view of loss allowance amounted 30 488.560 thous. kWt in the fourth accounting period.

Data on the technological connections of power consumers:

4156 agreements for technological connections to 169.15 MW power grids have been concluded in the fourth accounting period; 799.37 million rubles of monetary funds have been raised, 358.96 million rubles of proceeds have been gained. Basic volume of the monetary funds was gained from the customers applied for the power of more than 200 kW.

2139 consumers were connected for the aggregate power of 36.23 MW in the fourth accounting period. The proceeds amounted 1 490.05 million rubles.

#### 8.10.12. Installed capacities

Length of high voltage lines (110, 220 kV)	through the grids: OTL -110 kV – 6078.0 km OTL -220 kV – 76.1 km
Length of medium voltage lines (6, 10, 35 kV)	41310.7 km, including: OTL-35 kV – 7764.3 km OTL -10 kV – 31143.5 km CL-10 kV – 676.8 km OTL -6 kV – 1266.9 km CL-6 kV – 459.2 km
Length of low voltage lines 0,4 kV	41608.9 km, including: OTL – 41137.6 km

	CL – 471.3 km
Quantity/ power of 110 kV main high voltage substations	210 pcs./5739.3 MVA
Quantity/ power of 35 kV main high voltage substations	499 pcs./2303 MVA
Quantity/ power of 6-10 kV PTS (power transformer substations) and LDC (loading dispatch centre)	21893 pcs./4118.9 MVA

8.10.13. Information on tariffs for power transmission services provided by the Company

Prices (tariffs) for the services rendered by the company are stipulated by REC of PRD (Regional Energy Commission of Prices and Rates Department) of Krasnodar Region. Unified (boiler) tariffs for power transmission through “Kubanenergo”, JSC grids valid from 01.01.2009 are approved by the Order of REC of PRD of Krasnodar Region No.41/2008-e dd.17.12.2008 “On Imposing the power tariffs”

Voltage level	Rate for electric power grids maintenance (without VAT)	Rate for technological consumption (losses) of electric power at transmission via grid (without VAT)	One-part tariff (without VAT)
	rub/MW/mo	rub/MWh	rub/MWh
High voltage (110 kV and high)	156 375.54	342.06	616.89
Medium voltage-1 (35 kV)	219 468.38	356.67	736.89
Medium voltage-2 (20-1 kV)	456 572.13	451.88	1 206.89
Low voltage (0,4 kV and lower)	635 387.54	634.23	1 706.89

Payment for the technological connection of consumers to the power grids of the Company is likewise fixed by the decisions of REC of PRD (Regional Energy Commission of Prices and Rates Department) of Krasnodar Region. In 2009 the rates for technological connection to “Kubanenergo”, JSC grids are valid approved by decisions of

REC of PRD of Krasnodar Region No.25/2006-e dd.20.07.2006 (with amendments following the Orders of REC of PRD of Krasnodar Region No.7/2007-e dd.18.10.2007, No.18/2008-e dd.07.05.2008, No.2/2009-e dd.03.03.2009), No.26/2006-e dd.07.08.2006 (with amendments following the Orders of REC of PRD of Krasnodar Region No.33/2007 dd.10.08.2007, No.7/2007-e dd.18.10.2007, No.18/2008-e dd.07.05.2008, No.37/2008-e dd.24.11.2008, No.5/2009-e dd.25.03.2009)

Applicant category	Payment amount, rub/MWh		Date of tariff decision
	Payment amount, rub/MWh (without VAT)	Payment amount, rub/MWh (including VAT)	
Voltage up to 35 kV with the connected load not less than 10000 kW			
Applicants interested in technological connection with the connected load up to 15 kW inclusive		550,0 (per connection)	Decision of REC of PRD of Krasnodar Region No.25/2006-e dd.20.07.2006
Legal entities and individuals with the connected load from 15 up to 30 kW inclusive	1 695,00	2 000,10	
Legal entities and individuals with the connected load from 30 to 100 kW inclusive	2 000,00	2 360,00	
Legal entities and individuals with the connected load from 100 to 750 kW inclusive	1 890,30	2 230,55	
Legal entities and individuals with the connected load from more than 750 kW	1 488,20	1 756,08	

<p>Legal entities and individuals with the absence of criteria of technical possibility for technological connection, except for following applicants:</p> <p>5) individuals, the purpose of power consumption is to satisfy the public living needs in accommodation facilities with the connected load up to 15 kW inclusive;</p> <p>6) legal entities – non-commercial organizations providing power supply for public living needs, not in commercial purpose, to the citizens, members of this organization, paying according to general input tariff, and according to the procedural guidelines on payment determination for the technological connection to power grids approved by Federal Tariff Service;</p> <p>7) economic entities, municipal units, State Authorities, for the street lights within the boundaries of centers of population, except for the external lights of real estate facilities;</p> <p>8) economic entities, municipal units, State Authorities, for supply of pedestrian and vehicular traffic lights within the boundaries of centers of population.</p>	11 000,00	12 980,0	Decision of REC of PRD of Krasnodar Region No.26/2006-e dd.07.08.2006
Voltage more than 35 kV with the connected load not less than 10000 kW			
Applicants interested in power with voltage of 35 kV and higher and connected load not less than 10000 kW	Amount of payment for the power supply is stipulated individually in terms of each case		Decision of REC of PRD of Krasnodar Region No.25/2006-e dd.20.07.2006

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#### 8.10.14. Forecast of production and finance results of the Company activity.

Main tasks of “Kubanenergo”, JSC are as follows: accident-free operation during winter and summer maximum load period, timely fulfillment of Regulatory Authorities activities to obtain the Certificate of readiness in time, realization of investment and repair programs to ensure the possibility of the further connection of consumers to “Kubanenergo”, JSC grids, and likewise the minimization of excessive loss.

Accomplishment of the scheduled structure of productive output in terms of voltage rate without exceeding the expenditures for loss purchase is necessary to gain the profitability target of rendering services in power transmission

#### 8.10.15. Quarterly review of interested parties' transactions

Item No.	Contractor	Content	Contract amount, rub, including VAT.
1	“Southern Engineering Centre of Power Industry”, JSC	Design and Survey works on the unit “Reconstruction of 10 kV CSG (Closed Switch-Gear) of 110/10 kV “Lermontovo” substation”	6 687 259.42
2	“Southern Engineering Centre of Power Industry”, JSC	Design and Survey works on the unit “Reconstruction of 35/10 kV Shapsug substation”	19 792 624.98
3	“Southern Engineering Centre of Power Industry”, JSC	Works on the unit “Reconstruction of 110/35/10 kV Khadzokh substation”	23 597 640.00
4	“Southern	Additional Agreement to the Contract on design	6 299 748.32

	Engineering Centre of Power Industry”, JSC	and survey works (extension of performance terms and cost increase)	
5	“IDGC Holding”, JSC	Holding of contests and other regulated single-source procedures on purchase of works and services related to MEP (Materials, Equipment and Procurement)	0.00
6	“IDGC Holding”, JSC	Services for arrangement of functioning and development of the Unified Energy System of Russia in terms of distribution grid complex	7 500 000.00
7	Federal Treasury Department for Krasnodar Region, “Kubanenergost”, JSC	Lease of land plot	189.28
8	Federal Treasury Department for Krasnodar Region, “Kubanenergost”, JSC	Lease of land plot	84 360.00
9	“SO of UES”, JSC”	Agreement on Termination of the contract	0.00
10	“SO of UES”, JSC	Additional Agreement on alteration and revision of the Real Estate Lease Contract	0.00
11	“Health Complex “Plamya”, JSC	Children vouchers acquisition	5 780 000.00
12	“IDGS of the South”, JSC	Additional Agreement on prolongation and alteration of the Contract on Transportation Wet Lease	1 460 628.00

13	“IDGS of the South”, JSC	Additional Agreement on prolongation and alteration of the Contract on Transportation Wet Lease	6 049 740.00
14	“IDGS of the South”, JSC	Additional Agreement of the price adjustment for the services according to the Contract on Performing the Function of Sole Executive Authorities of “Kubanenergo”, JSC	389 902 938.48
15	Administration of the MU (Municipal Unit) “Town of Adygeisk”, “Kubanenergobyt”, JSC	Lease of land plots	119 164.38
16	“South Engineering Center “Energetik”, JSC	Design and survey works during the construction of 110/10 kV “Airport” substation with 110 kV “Pashkovskaya-Airport” supply cable lines	455 999.20
17	“Nefit-Aktiv”, LLC	Acquisition of additional shares of “Kubanenergo”, JSC registered on 01.09.2009 by , the state registration number 1-02-00063-A-001D, placed by open subscription following the implementing of the Special Right for acquisition of such shares	99.13
	Total		467 730 391.19

8.10.16. Information on the transactions closed between the Issuer and State Companies and quarterly review of such transactions; quarterly review of the transactions closed between the Issuer and the shareholders of the Issuer holding at least 5% of the voting shares of the Issuer; quarterly review of intercorporate transactions

Transactions with State Companies:

During the accounting period the Company closed 345 transactions with State and Municipal companies totaling 122 287 912.65 rubles, and likewise concluded the Agreement with Russian Federation on acquisition of 23 131 633 additional shares of “Kubanenergo”, JSC registered on 01.09.2009 in FFMS of Russia with State registration number 1-02-00063-A-001D, placed by open subscription.

State and Municipal Companies provide the following services for the Company:

- target financing of power saving activities;
- education and qualification development for the personnel;
- lease and sales of land plots;
- technical inventory of the real estate;
- medical examinations of the Company’s employees;
- preparation of land-and-legal and town-planning documents;
- subscription for periodical print publications;
- public utilities, etc.

The Company rendered services for State and municipal companies in electric power transmission, power facilities repair, technological connection of electrical installations to the power grids of “Kubanenergo”, JSC.

The company closed 5 transactions with shareholders owing more than 5% of the Company shares.

Item No.	Transaction counterparty	Subject of transaction	Cost of transaction, RUB
1	“IDGC Holding”, JSC	Holding of contests and other regulated single-source procedures on purchase of works and services related to MEP (Materials, Equipment and Procurement)	-
2	“IDGC Holding”, JSC	Services for arrangement of functioning and development of the Unified Energy System of Russia in terms of distribution	7 500 000.00

		grid complex	
3	“IDGC Holding”, JSC	Acquisition of additional shares of “Kubanenergo”, JSC registered on 01.09.2009 in FFMS of Russia with State registration number 1-02-00063-A-001D according to the procedure of executing the Special Right of acquisition of such shares <sup>1</sup>	867 578 797.42
4	“Neft-Aktiv”, JSC	Acquisition of additional shares of “Kubanenergo”, JSC registered on 01.09.2009 in FFMS of Russia with State registration number 1-02-00063-A-001D according to the procedure of executing the Special Right of acquisition of such shares <sup>2</sup>	1 972 436 019.8
5	“Neft-Aktiv”, JSC	Acquisition of additional shares of “Kubanenergo”, JSC registered on 01.09.2009 in FFMS of Russia with State registration number 1-02-00063-A-001D according to the procedure of executing the Special Right of acquisition of such shares	99.13

“Kubanenergo”, JSC closed 1 transaction with the Subsidiary company in the accounting period.

Item No.	Transaction counterparty	Subject of transaction	Cost of transaction, RUB
1	“Health Complex	Children vouchers acquisition	5 780 000.00

<sup>1</sup> According to cl.2 of the chapter 81 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies”, the present transaction is not the interested parties transaction.

<sup>2</sup> According to cl.2 of the chapter 81 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies”, the present transaction is not the interested parties transaction.

	"Plamya", JSC		
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The accounting quarter did not contain:

- transactions between Subsidiary and Associated Companies;
- transactions closed between the Issuer and members of Management Authorities of Subsidiary and Associated Companies

8.10.17. Quarterly report of transactions closed between the Company and Subsidiary and Affiliated Companies with shareholders holding at least 5 % of the voting shares of the Company

Transactions closed by "KrasnodarenergoSetremont", JSC in the accounting period

Item No.	Subject of transaction	Transaction counterparty	Cost of transaction including VAT, RUB
	1. Closed transactions (groups of associated transactions), with the amount of obligations having 10 and more percents of the balance cost of assets of subsidiaries and dependent companies, as per data on accounting reports for the previous completed reported period: such transactions were not closed in the accounting period.		
	2. Transactions closed by "KrasnodarenergoSetremont", JSC with shareholders of "Kubanenergo", JSC shares exceeding 5 %: such transactions were not closed in the accounting period.		
	3. Transactions closed by "KrasnodarenergoSetremont", JSC with "Kubanenergo", JSC: such transactions were not closed in the accounting period.		
	4. Transactions closed by "KrasnodarenergoSetremont", JSC with other subsidiaries and associates of the Issuer (with "Health Complex "Plamya", JSC and "Spa Hotel "Energetic", JSC): such transactions were not closed in the accounting period		

Transactions closed by "Health Complex "Plamya", JSC in the accounting period

Item	Subject of transaction	Transaction	Cost of transaction

No.		counterparty	including VAT, RUB
1. Closed transactions (groups of associated transactions), with the amount of obligations having 10 and more percents of the balance cost of assets of subsidiaries and dependent companies, as per data on accounting reports for the previous completed reported period: such transactions were not closed in the accounting period.			
2. Transactions closed by "Health Complex "Plamya", JSC with shareholders of "Kubanenergo", JSC shares exceeding 5 %: such transactions were not closed in the accounting period.			
3. Transactions closed by "Health Complex "Plamya", JSC with "Kubanenergo", JSC:			
1	Children vouchers acquisition	"Kubanenergo", JSC	5 780 000.00
4. Transactions closed by "Health Complex "Plamya", JSC with other subsidiaries and associates of the Issuer (with "Krasnodarenergosetremont", JSC and "Spa Hotel "Energetic", JSC): such transactions were not closed in the accounting period			

Transactions closed by "Spa Hotel "Energetik", JSC in the accounting period

Item No.	Subject of transaction	Transaction counterparty	Cost of transaction including VAT, RUB
1. Closed transactions (groups of associated transactions), with the amount of obligations having 10 and more percents of the balance cost of assets of subsidiaries and dependent companies, as per data on accounting reports for the previous completed reported period: such transactions were not closed in the accounting period.			
2. Transactions closed by "Spa Hotel "Energetik", JSC with shareholders of "Kubanenergo", JSC shares exceeding 5 %: such transactions were not closed in the accounting period.			
3. Transactions closed by "Spa Hotel "Energetik", JSC with "Kubanenergo", JSC: such transactions were not closed in the accounting period.			

4. Transactions closed by “Spa Hotel “Energetik”, JSC with other subsidiaries and associates of the Issuer (with “Krasnodarenergosetremont”, JSC and “Health Complex “Plamya”, JSC): such transactions were not closed in the accounting period

#### 8.10.18. Information on Corporate Management evaluation

The Consortium of Russian Institute of Directors and the “Expert RA” Rating Agency (RID – Expert RA) made the report on the practice of Corporate Management of “Kubanenergo”, JSC. According to the report the level of Corporate Management of the Company was evaluated as average, it was rated “B+”.

“RID – Expert RA” claims that in general the Company satisfies the requirements of Russian Federation legislation regarding the Corporate Management.

8.10.19. Annotations to the cl.6.2 “Data on participants (shareholders) of the Issuer holding at least 5 percent of authorized (share) capital (share fund) or at least 5 percent of ordinary shares, as well as data on participants (shareholders) of the bodies holding at least 20 percent of authorized (share) capital (share fund) or at least 20 percent of ordinary shares” and to the cl.6.3 “Data on state or municipal unit stake in authorized (share) capital (share fund) of the Issuer, availability of special right (“golden share”)”

Due to placement of additional shares registered on 01.09.2009 in FFMS of the Russian Federation with State registration number 1-02-00063-A-001D in the present moment, cl.6.2. of the Quarterly Report contains the quantity of shares owned by the Issuer shareholders or by the Issuer shareholders enrolled to the register as nominee holders taking into account the additional issue shares.

Stakes of shareholders participation in the Charter capita of the Issuer in cl.6.2 and 6.3 of the Quarterly Report are indicated without consideration additional issues shares whereas the Charter capital of “Kubanenergo”, JSC did not increase in the accounting quarter.

8.11 Data on securities placed and on the Issuer of securities placed with the property right certified by Russian depository receipts

The Issuer is not the Issuer of the securities placed, the property right of which is certified with Russian depositary receipts.