



Public Joint Stock Company
of the Power Industry and Electrification
LENENERGO
BOARD OF DIRECTORS

196247, St. Petersburg, Constitution Sq, 1
T./F. (812) 494-37-34

**RECOMMENDATIONS OF THE BOARD OF DIRECTORS OF PJSC LENENERGO
ON THE AGENDA ISSUES OF THE EXTRAORDINARY GENERAL MEETING
OF SHAREHOLDERS**

**(approved by the decision of the Board of Directors of PJSC Lenenergo
on 23.10.2015, Minutes # 18)**

St. Petersburg

- About proposals to the Extraordinary General Meeting of Shareholders concerning the issue “About increase of the authorized capital of PJSC Lenenergo by placing additional shares”.
- About proposals to the Extraordinary General Meeting of Shareholders concerning the issue “About determination of the quantity, par value, category (type) of the Company’s authorized shares and the rights provided by these shares”.
- About draft amendments to the Company’s Articles of Association.

ISSUE 10: About determination of the quantity, par value, category (type) of the Company’s authorized shares and the rights provided by these shares.

DECISION:

To determine, that in addition to its outstanding shares, PJSC Lenenergo authorizes eighteen billion, eight hundred eighty two million, four hundred fifty-five thousand, four hundred fifty-one (18,882,455,451) ordinary shares, each with a par value of one (1) ruble, with the total par value of eighteen billion, eight hundred eighty two million, four hundred fifty-five thousand, four hundred fifty-one (18,882,455,451) rubles. The ordinary shares authorized by the Company shall grant their holders the rights provided for in paragraph 6.2 of Article 6 of the Articles of Association of PJSC Lenenergo.

ISSUE 11: About increase of the authorized capital of the Company by placing additional shares

DECISION:

1. To increase the authorized capital of PJSC Lenenergo by placing additional uncertificated registered ordinary shares on the following essential terms:

- 1.1. Class, category (type) and form of placed securities – uncertificated registered ordinary shares.
- 1.2. Number of placed additional uncertificated registered ordinary shares: eighteen billion, eight hundred eighty two million, four hundred fifty-five thousand, four hundred fifty-one (18,882,455,451) pieces.
- 1.3. Method of placement – public offering.
- 1.4. Par value of each additional uncertificated registered ordinary share – RUB 1.00.
- 1.5. Total amount of the issue at the par value of additional uncertificated registered ordinary shares is eighteen billion, eight hundred eighty two million, four hundred fifty-five thousand, four hundred fifty-one (18,882,455,451) rubles
- 1.6. The offering price (including with respect to the persons included in the list of persons having the preemptive right of acquisition of placed additional shares) of one additional uncertificated registered

ordinary share of PJSC Lenenergo will be determined by the Board of Directors of PJSC Lenenergo in accordance with Article 36 and Article 77 of the Federal Law "On Joint Stock companies" and published on the website of PJSC Lenenergo on the Internet at <http://www.lenenergo.ru> before the start date of placement of additional uncertificated registered ordinary shares of PJSC Lenenergo.

1.7. Payment for additional uncertificated registered ordinary shares of PJSC Lenenergo can be made:

1.7.1. in cash in Russian rubles by bank transfer to the settlement account of PJSC Lenenergo;

1.7.2. in non-cash order:

- by shares of the following companies: JSC St. Petersburg Electric Networks, JSC Petrodvortsovaya Elektroset;

- by grid facilities (movable or immovable property) participating in power supply of subscribers of the city of St. Petersburg and the Leningrad Region, put into operation, the ownership of which is confirmed;

- by federal loan bonds of the issues 29006RMFS, 29007RMFS, 29008RMFS, 29009RMFS, 29010RMFS.

2. To introduce amendments in paragraphs 4.1. and 4.2. of Article 4 of the Articles of Association of PJSC Lenenergo in terms of the size of the authorized capital and number of placed and authorized uncertificated registered ordinary shares of PJSC Lenenergo following the results of their placement on the basis of the present decision about increase of the authorized capital of PJSC Lenenergo and the registered report on the results of the additional issue of uncertificated registered ordinary shares.

ISSUE 12: About introducing amendments to the Company's Articles of Association.

DECISION:

1) To read the last line of paragraph 4.2 of the Articles of Association of PJSC Lenenergo as follows:

«In addition to its outstanding shares, the Company authorizes eighteen billion, eight hundred eighty two million, four hundred fifty-five thousand, four hundred fifty-one (18,882,455,451) ordinary shares, each with a par value of one (1) ruble, with the total par value of eighteen billion, eight hundred eighty two million, four hundred fifty-five thousand, four hundred fifty-one (18,882,455,451) rubles. The ordinary shares authorized by the Company shall grant their holders the rights provided for in paragraph 6.2 of these Articles of Association.»

2) To read subparagraph 8) of paragraph 15.1. of Article 15 of the Articles of Association of PJSC Lenenergo as follows:

«8) approve decisions on the issue (additional issue) of securities, issue prospectus, report on the issue (additional issue) of securities and notification on results of the issue (additional issue) of securities; approve reports on the purchase of shares from the Company's shareholders, reports on the retirement of shares, and reports on the Company's shareholders' requests to purchase their shares; decide on acceptance of offers (acceptance) to purchase additional shares placed by public offering after the expiration of the preemptive right;»