

# Notification of a material fact

«About the decisions adopted by the sole shareholder (the person who owns all the voting shares) of the issuer»

1. General information	
1.1. The issuer's full corporate name	<i>Oil Transporting Joint Stock Company Transneft</i>
1.2. The issuer's abbreviated corporate name	<i>Transneft, JSC</i>
1.3. The issuer's principal place of business	<i>57 Bolshaya Polyanka St., Moscow, 119180</i>
1.4. The issuer's OGRN (Primary State Registration Number)	<i>1027700049486</i>
1.5. The issuer's INN (Taxpayer's Identification Number)	<i>7706061801</i>
1.6. The issuer's unique code assigned by the registering body	<i>00206-A</i>
1.7. The address of the web page used by the issuer for the purposes of disclosing information	<a href="http://www.e-disclosure.ru/portal/company.aspx?id=636">http://www.e-disclosure.ru/portal/company.aspx?id=636</a> <a href="http://www.transneft.ru/">http://www.transneft.ru/</a>
2. Notification content	
<p><b>2.1. The surname, name, patronymic or full corporate name (denomination of a non-commercial organization), principal place of business, the Taxpayer's Identification Number assigned by tax authorities (hereinafter referred to as INN) (if applicable) and the Primary State Registration Number under which the record of incorporation is made in the unified state register of legal entities (hereinafter referred to as OGRN) (if applicable) of the sole shareholder (the person who owns all voting shares) of the issuer:</b> the Russian Federation represented by the Federal Agency for State Property Management of the Russian Federation. Principal place of business: 9 Nikolsky Lane, Moscow, 109012, INN 7710723134, OGRN 1087746829994.</p> <p><b>2.2. The wording of the decisions adopted by the sole shareholder (the person who owns all voting shares) of the issuer at its sole discretion:</b></p> <p>To approve the annual report of Transneft, JSC, for 2013.</p> <p>To approve the annual accounting statements, including the report on the financial results of Transneft, JSC, based on the performance in 2013.</p> <p>To approve the following distribution of the profit of Transneft, JSC, based on the performance in 2013:</p> <ul style="list-style-type: none"><li>- for payment of dividends on the shares of Transneft, JSC, based on the performance in 2013 – in the total amount of 7,900,864,012.61 rubles (70.16 % of the net profit);</li><li>- for financing of capital investment of Transneft, JSC – in the amount of 1,894,819,688 rubles 13 kopecks (16.83 % of the net profit);</li><li>– for setting up of the redemption reserve fund for the borrowed capital earmarked for implementation of investment projects of Transneft, JSC – in the amount of 1,464,755,764 rubles 84 kopecks (13.01 % of the net profit);</li></ul> <p>4. To pay dividends on the shares of Transneft, JSC, based on the performance in 2013 in the total amount of 7,900,864,012 rubles 61 kopecks (70.16 % of the net profit), including:</p> <p>on the common shares (5,546,847 shares) in the amount of 6,774,807,988 rubles 86 kopecks (1,221 rubles 38 kopecks per share);</p> <p>on the preferred shares (1,554,875 shares) in the amount of 1,126,056,023 rubles 75 kopecks (724 rubles 21 kopecks per share).</p> <p>4.1. Pay dividends:</p> <ul style="list-style-type: none"><li>- on common shares – by money transfer to the bank account specified by the authorized body;</li><li>- on preferred shares:<ul style="list-style-type: none"><li>a) to shareholders of Transneft, JSC – legal entities – by money transfer to their bank accounts;</li><li>b) to shareholders of Transneft, JSC – individuals – by postal order or, if the relevant application is submitted, by money transfer to their bank accounts;</li><li>c) to people who are entitled to receive dividends and whose rights to shares are registered with the nominee shareholder – in the manner prescribed by the securities laws of the Russian Federation.</li></ul></li></ul> <p>4.2. Set the date for making the list of people entitled to receive dividends (as specified in Clause 5 Article 42 of Federal Law No. 208-FZ «On Joint Stock Companies» adopted on December 26, 1995) – on the 20<sup>th</sup> day from the date when the decision on dividend payment was adopted by the annual general meeting of shareholders of Transneft, JSC.</p> <p>4.3. Pay dividends to the nominee shareholder and the trustee who is a professional participant of the securities market, who are registered in the register of shareholders, not later than within 10 business days, and to other people registered in the register of shareholders – not later than within 25 business days after the date on which the people entitled to receive dividends have been identified.</p>	

5. To elect the Board of Directors of Transneft, JSC, consisting of:

- M. Warnig – Managing Director of Nord Stream AG (Professional Attorney);
- O.V. Vyugin – Chairman of the Board of Directors of MDM-Bank, JSC (Professional Attorney);
- M.I. Grishankov – First Vice President of Gazprombank, JSC (Professional Attorney);
- V.S. Katkalo – Rector of Sberbank Corporate University Autonomous Non-Profit Organization for Continuing Professional Education (Independent Director);
- A.S. Misharin– First Vice President of Russian Railways, JSC (Professional Attorney);
- N.P. Tokarev – President of Oil Transporting Joint Stock Company Transneft (Professional Attorney);
- K.V. Molodtsov – Deputy Minister of Energy of the Russian Federation (Professional Attorney).

6. To elect the Audit Commission of Transneft, JSC, consisting of:

- O.S. Zenkov – Advisor to the Head of the Federal Agency for State Property Management of the Russian Federation;
- N.A. Sligun – Deputy Head of the Administration of the Federal Agency for State Property Management of the Russian Federation;
- V.Yu. Sergeychuk – Head of the Administration of the Federal Agency for State Property Management of the Russian Federation.

7. To approve KPMG, CJSC, as the auditor of Transneft, JSC, in 2014.

8. To pay the remuneration to the members of the Board of Directors of Transneft, JSC, over the period, during which they performed their main duties, in accordance with the following parameters:

- the basic (guaranteed) part – 1 million rubles;
- the variable (bonus) part – based on the total fund at 2.5 % of the amount of the dividends on the preferred shares of the Company (pursuant to Clause 12.3 Article 12 of the Articles of Association of Transneft, JSC, it accounts for 10 % of the net profit of the Company) divided by the total number of the members of the Board of Directors, who are entitled to remuneration;
- bonuses for performance of additional duties: the chairmanship in the Board of Directors – 30 %; the chairmanship in one of the special-purpose committees of the Board of Directors – 20 %; the membership in special-purpose committees – 10 % (for each committee).

**2.3. The date of adoption of the decisions by the sole shareholder (the person who owns all the voting shares) of the issuer:** June 30, 2014.

**2.4. The date, number and title of the document that formalized the decisions adopted by the sole shareholder (the person who owns all the voting shares) of the issuer:** June 30, 2014, Order No. 699-r.

3. Signature

3.1. Vice President of Transneft, JSC,  
acting under the power of attorney No. 85  
dated April 22, 2014

M.V. Barkov

(signed)

3.2. Date            July 3, 2014

L.S.