

May 24, 2017

Notice of the Annual General Meeting of Shareholders of RusHydro

PJSC RusHydro (ticker symbol: MOEX, LSE: HYDR; OTCQX: RSHYY) announces that the Company's Board of Directors held a meeting in absentia on May 22, 2017 to address issues related to the Annual General Meeting of Shareholders (AGM).

Key highlights:

- AGM to be held on June 26, 2017 in Moscow;
- Record date for AGM participation – June 2, 2017;
- Board of Directors recommends dividend of RUB 0.0466245 per share or 50% of IFRS net profit;
- Dividend record date – July 10, 2017.

The Board of Directors approved the agenda for the 2016 Annual General Meeting of Shareholders:

1. Approval of the Company's 2016 Annual Report.
2. Approval of the Company's 2016 annual financial accounting statements.
3. Distribution of profit for 2016.
4. Dividend payment for 2016 and determination of dividend record date.
5. Recommendation on remuneration to members of the Board of Directors (not employed by government agencies) in the amount determined by the internal documents of the Company.
6. Recommendation on remuneration to members of the Audit commission (not employed by government agencies) in the amount determined by the internal documents of the Company.
7. Election of the Board of Directors.
8. Election of the Company Audit Commission.
9. Approval of the Company's auditor.
10. Approval of amended Articles of Association of RusHydro.
11. Recommendation on approval of amended Regulations on convening and holding general meeting of shareholders of RusHydro.
12. Recommendation on approval of amended Regulations on convening and holding meeting of Board of Directors of RusHydro.
13. Recommendation on approval of amended Regulations on Management Board of RusHydro.
14. Recommendation on approval of the amended Regulations on remuneration and reimbursement to members of Board of Directors of RusHydro.
15. Recommendation on approval of the amended Regulations on remuneration and reimbursement to members of Audit Commission of RusHydro.
16. Recommendation on termination of RusHydro's participation in NP KONTs UES (Corporate research and educational center of united energy system, Non-commercial partnership).
17. On signing a loan agreement between RusHydro and RAO ES East qualified as interested party transaction.

The Board of Directors preliminary approved the Company's 2016 Annual Report and annual financial accounting statements and recommended them for the AGM for approval.

The Board of Directors approved report on Company's interested-party transactions concluded in 2016.

The Board of Directors has recommended to the AGM to approve the following distribution of profit for 2016 (in RUB):

Retained profit for the reporting period (under RAS)	41,876,917,365.56
Reserve fund	2,093,845,868.28
Development of the Company	19,907,568,709.87
Dividends	19,875,502,787.41

The Board of Directors recommended that the AGM approves dividend in the amount of RUB 0.0466245 per share. Dividends are to be paid in cash, The dividend record determined as July 10, 2017.

The term of dividends payment to a nominal holder and a trustee being a securities market professional, who are registered in the Company's shareholder register shall not exceed 10 working days, and to other persons registered in the Company's shareholder register - 25 business days from the date on which persons entitled to receive dividends are determined.

The Board of Directors recommended the AGM to:

- approve remuneration of the members of the Board of Directors based on their performance from June 27, 2016 to June 26, 2017 in the amount and under the procedure set in the Regulations on remuneration to members of the Board of Directors of RusHydro.
- approve remuneration of the members of the Audit Commission based on their performance from June 27, 2016 to June 26, 2017 in the amount and under the procedure set in the Regulations on remuneration to members of the Board of Directors of RusHydro.

The Board of Directors recommended to the AGM JSC PriceWaterhouse Coopers Audit as the auditor of RusHydro's financial accounting statements.

The Board of Directors recommended the AGM to approve new edition of the following internal documents of PJSC RusHydro:

- Articles of Association;
- Regulations on convening and holding the general meeting of shareholders of RusHydro;
- Regulations of the Company's Management Board Regulations on remuneration of the Board of Directors.
- Regulations on remuneration of the Company's Audit Commission.
- Regulation on convening and holding meeting of the Company's Board of Directors,
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The Board of Directors recommended AGM to terminate RusHydro's participation in NP KONTs (Corporate research and educational center of united energy system, Non-commercial partnership).

The recommendation is explained by absence of joint projects with the partnership and operation of specialized training center in RusHydro Group structure.

The Board of Directors recommended AGM to approve loan agreement between PJSC RusHydro and PJSC RAO ES East bn for purposes of funding of RAO ES East capex program in 2017-2018 and refinancing of bank loans taken in 2015-2016 qualified as interested party transaction. The loan agreement is to be concluded on the following material terms:

Parties:

Borrower – PJSC RAO ES of East;

Lender – PJSC RusHydro.

Subject of the Agreement:

The Lender transfers money into the ownership of the Borrower (the Loan amount) and the Borrower shall repay the Loan amount to the Lender.

The Loan amount:

not more than 25,700,000,000 (Twenty five billion seven hundred million) roubles 00 kopecks.

Loan maturity: on demand, but not later than 10 (Ten) years from the date of conclusion of the loan agreement.

Loan interest rate:

0 % p.a.

Intended use of the loan:

replenishment of current assets to ensure financing of the investment program and refinancing of bank loans.

Loan terms:

by non-renewable tranches based on the Borrower's application.

Terms for early repayment of the loan:

The Borrower has the right to fully or partially repay the loan ahead of schedule.

Persons interested in the transaction:

- Kazachenkov A.V., member of the Management Board, First Deputy General Director of PJSC RusHydro, holder of the position in the management of a legal entity being a party to the transaction - is a member of the Board of Directors of PJSC "RAO ES of East";

- all members of the Board of Directors, all members of the Management Board of PJSC RusHydro, holding positions in the management of the managing company of PJSC RAO ES of East.

The Board of Directors recommended the AGM to adopt the following resolution on the issues related to convening, preparing and holding the Annual General Meeting of the Company's Shareholders:

1. The Annual General Meeting of Shareholders of PJSC RusHydro (hereinafter also referred to as the Company) is to be held in the form of a meeting (joint attendance) (hereinafter referred to as the General Meeting of Shareholders, the Meeting). To determine that the date of the Annual General Meeting of the Company's Shareholders as June 26, 2017.

2. To determine that the time of the start of the Meeting is 10:30 a.m. (Moscow time).

3. To determine that the beginning of registration of persons participating in the Meeting is 09:00 a.m. (Moscow time).

4. To determine that the place of the Meeting is the Russian Federation, Moscow, 12, Krasnopresnenskaya Embankment, International Trade Centre (ITC), Entrance No. 4, Congress Centre, 2nd Floor, Conference Hall.

5. To determine that the date of compiling a list of persons entitled to participate in the Meeting is June 2, 2017.

6. To determine that the information (materials), provided to the persons entitled to participate in the Meeting, shall be the following:

annual report of the Company for 2016 and the report of the Company's Audit Commission based on the results of its audit;

annual accounting (financial) statements for 2016, including the auditor's report and the report of the Company's Audit Commission based on the results of its audit;

the rationale for the proposed distribution of net profit and the assessment of its compliance with the dividend policy applied by the Company, including the payment of dividends and the Company's own needs, with an explanation and economic justification of using a certain part of the net earnings for its own needs;

information on shareholder agreements concluded during the year before 26.06.2017;

report on the interested parties transactions concluded by the Company in 2016;

the Board of Directors' recommendations on issues of the agenda of the Annual General Meeting of the Company's Shareholders;

information on proposals to include issues in the agenda of the annual General Meeting of Shareholders;

extracts from the minutes of the Audit Commission under the Company's Board of Directors, the Investment Committee under the Company's Board of Directors, the Nomination and Remuneration Committee under the Company's Board of Directors on relevant issues considered by the Meeting;

the decision of the Company's Board of Directors regarding the determination of the price of non-arm's length transaction;

justification of the need to conclude interested party transaction and an explanation of the consequences for the Company and its shareholders in the event of adoption of this decision;

list of persons recognized as interested in the transaction, with indication of the grounds on which such persons are considered to be interested;

information about the candidates for the Board of Directors of the Company;

information about the candidates for the Audit Commission of the Company;

information about availability or absence of a written consent of the candidates nominated for the election to the Board of Directors, the Audit Commission;

information about the candidate for the Company's Auditor;

The Company's Articles of Association;

the draft of the Company's Articles of Association in a new edition;

the comparative table with changes to the Company's Articles of Association;

clarification of the consequences that may occur for the Company and its shareholders in case of adoption of amendments to the Company's Articles of Association and internal documents;

The Regulation on the procedure for convening and holding the General Meeting of the Company's Shareholders;

the draft Regulation on the procedure for convening and holding the General Meeting of the Company's Shareholders in a new edition;

comparative table of changes to the Regulation on the procedure for convening and holding the General Meeting of the Company's Shareholders;

The Regulation on the procedure for convening and holding meetings of the Board of Directors of the Company;

the draft Regulation on the procedure for convening and holding meetings of the Board of

Directors of the Company in a new edition;

comparative table of changes to the Regulation on the procedure for convening and holding the General Meeting of the Company's Shareholders, to the Regulation on the Company's Management Board;

Regulation on the Company's Management Board;

the draft Regulation on the Company's Management Board in the new edition;

the comparative table with changes to the Regulation on the Company's Management Board;

The Regulation on payment of remuneration and compensation to the members of the Board of Directors of the Company;

the draft Regulation on payment of remuneration and reimbursement to the members of the Board of Directors of the Company in a new edition;

the comparative table with changes to the Regulation on payment of remuneration and compensation to the members of the Board of Directors of the Company;

The Regulation on remuneration and compensation to the members of the Audit Commission of the Company;

the draft Regulation on remuneration and compensation to the members of the Audit Commission of the Company in the new edition;

the comparative table with changes to the Regulation on remuneration and compensation to the members of the Audit Commission of the Company;

information about corporate actions, which resulted in the deterioration of dividend rights of shareholders and (or) the dilution of their shares, as well as the court decisions establishing the fact that the shareholders use other ways to generate earnings at the expense of the Company in addition to dividends and liquidation value;

draft resolutions of the Meeting on the agenda items.

7. To determine that information (materials) for the Meeting shall be available for review by persons entitled to attend the Meeting at the place of holding the Meeting (on the day of holding the Meeting), as well as during 30 days prior to the date of the Meeting at the following addresses:

7, Malaya Dmitrovka St., Moscow (on weekdays from 10.00 a.m till 5.00 p.m. local time), tel. 8-800-333-80-00 / (495) 225-32-32 ext. 4215; 4256; acceptance/delivery of correspondence: ext. 1832; 4185;

23, Pravdy St., bldg. 10, Moscow, JSC VTB Registrar (on weekdays from 10.00 a.m till 5.00 p.m. local time), tel. (495) 787-44-83;

43, Dubrovinskogo St., bldg. 1, Krasnoyarsk (on weekdays — from 10.00 a.m. till 5.00 p.m. local time), tel. 8-913-031-71-04;

as well as on the Company's website: www.rushydro.ru.

8. To approve the form and text of the notice of the Meeting (Appendix No. 10 of the Minutes).

9. To place a notice of the Meeting on the Company's website on the Internet: www.rushydro.ru no later than 30 days before the date of the Meeting.

10. To approve the form and text of the ballots for voting at the Annual General Meeting of the Company's Shareholders (Appendix No. 11 of the Minutes).

11. To determine that the ballots for voting on the agenda items shall be sent by registered letter or delivered against receipt to each person registered in the Company's shareholder register and entitled to attend the Meeting not later than June 5, 2017 (inclusive).

12. To approve the wording of decisions on the agenda items of the General Meeting of Shareholders, which should be sent electronically (in the form of electronic documents) to nominee

shareholders registered in the Company's shareholder register (Appendix No. 12 of the Minutes).

13. To determine that for the purpose of determining the quorum and the voting results, ballot sheets as well as notices of will, submitted no later than two days before the date of the Annual General Meeting of the Shareholders, namely, not later than on June 23, 2017 (inclusive) will be counted.

14. To determine that the marked ballots may be sent to the following postal address:
127137, Moscow, p.o. box 54 JSC VTB Registrar.

15. To elect Natalya Gennadevna Kovaleva as the Secretary of the Meeting.

The information will be also available on the Company's web site at: www.eng.rushydro.ru.

About RusHydro

RusHydro Group is one of Russia's largest generating companies. RusHydro is the leading producer of renewable energy in Russia with over 70 generating facilities in Russia and abroad. The company also manages a number of R&D, engineering and electricity retail companies. Group's thermal assets are operated by subsidiary – RAO Energy System of East in the Far East of Russia. Total electricity generation capacity of the Group is 38.7 GW, heat capacity – 16.2 thousand GCal/h.

Russian Federation owns 66.8% in RusHydro, the rest is held by other institutional and individual shareholders (over 360,000). The company's stock is traded on Moscow Exchange (MOEX), and included in MSCI EM и MSCI Russia indexes. Company's GDRs in the IOB section of LSE, ADRs – in OTCQX.

For more information:

Investor Relations Department

Tel. +7 (800) 333 8000 ext. 1607, 1319, 1304

ir@rushydro.ru

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The information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of RusHydro. One can identify forward-looking statements by terms such as "expect," "believe," "anticipate," "plan", "aim", "target", "forecast", "project", "should", "estimate," "intend," "will," "could," "may" or "might," the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially from these statements.

We do not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic and political conditions, our competitive environment, risks associated with operating in Russia and rapid technological and market changes in our industries, as well as many other risks specifically related to RusHydro and its operations.