

**June 24, 2016**

**Results of the Board of Directors on June 23, 2016**

PJSC RusHydro (ticker symbol: MOEX, LSE: HYDR; OTCQX: RSHYY) announces that the Company's Board of Directors held a meeting in absentia on June 23, 2016, 2016.

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The Board of Directors approved the reports of Chairmen of the Committees of the Board of Directors for 2015 corporate year:

- Audit Committee;
- Investment Committee;
- Reliability, Energy efficiency and Innovations Committee;
- Strategy Committee;
- Human resources and Remuneration Committee.

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The Board of Directors approved the amended corporate governance Code of PJSC RusHydro and took a note of the report on the results of a distant evaluation of the Board's work in 2015 corporate year and the plan of activities aimed at improvement of the Board's work.

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The Board of Directors commissioned Nikolay Shulginov, Chairman of the Management Board – General Director of RusHydro:

1. To conduct an independent external audit of costs of RusHydro and its subsidiaries.
2. To determine areas of improvement of the Company's and its subsidiaries performance based on the results of the independent external audit of costs till July 30, 2016.
3. To develop the list of measures aimed at optimization of costs based on the results of audit and submit it for the Board's review till August 31, 2016.
4. To submit the report on execution of these measures to the Ministry of economic development of Russia and sectorial executive authorities on a half-yearly basis, not later than on January 31 and July 31.

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The Board of Directors approved a share purchase agreement between PJSC RusHydro and JSC Transport Company RusHydro (TC RusHydro) and commissioned RusHydro's representatives in the governing bodies of TC RusHydro to vote for increase of the company's share capital.

The Issuer undertakes responsibility to transfer to the purchaser and the purchaser undertakes responsibility to accept and to pay for additional shares placed by the Issuer in the amount not more than 513,613,687 (Five hundred thirteen million six hundred eighty) with par value of RUB 1 per share. The purchaser will pay for the shares either in cash or in kind in material assets at the price, determined by independent appraiser. The list of assets includes: 1. Garage at the territory of Saratovskaya HPP in Balakovo, 2. Administration building of the automobile park in the town of Cheremushki, Khakassia Republic, 3. Main building of automobile park in town of Cheremushki, Khakassia Republic,

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The Board of Directors approved two donation agreements between PJSC RusHydro and development Fund of Moscow Power Engineering Institute, qualified as interested party transaction, and determined the amount of donations.

According to the first agreement RusHydro donates RUB 6.5 mn to the Fund to finance the development of National Research University “Moscow Power Engineering Institute” (MPEI).

According to the second agreement RusHydro donates RUB 4 mn to the Fund to finance statutory activities of MPEI.

The Board of Directors approved a donation agreement between PJSC RusHydro and Fund of the Far-Eastern Federal University endowment, qualified as interested party transaction, and determined the amount of donations.

According to the agreement RusHydro donates RUB 30 mn to the Fund to make up the Far-Eastern Federal University development capital.

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The Board of Directors preliminary approved a sale-purchase transaction in relation to movable and immovable assets of Eshkakonskaya and Uchkulanskaya small HPPs, as well as assets owned by JSC Karachaevo-Cherkesskaya hydrogenating company.

The Board provided a procedure for the sale, including three consecutive stages. At the first stage sale should be attempted through an auction, but if the auction will fail to be valid, than the asset should be sold via procedure of public offer with a fixed price. In case this approach fails, the sale offer without fixed price will be implemented. The initial price of the lot is RUB 48,234,972, incl/ VAT. Residual book value of the property is RUB 33,315,163.73.

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The Board of Directors approved the amended Regulations on management of non-core assets of RusHydro and the list of non-core assets.

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The Board of Directors approved the new versions of the following documents:

- Regulations on procurement of goods for RusHydro’s needs;
- Regulations on Audit Committee of the Board of Directors;
- Regulations on Human resources and Remuneration Committee.

## **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 38.5 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:**

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***DISCLAIMER***

*The information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of RusHydro. You can identify forward looking statements by terms such as "expect," "believe," "anticipate," "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 conditions, our competitive environment, risks associated with operating in Russia, rapid technological and market change in our industries, as well as many other risks specifically related to RusHydro and its operations.*