

# QUARTERLY REPORT

## Public Joint-Stock Company Federal Hydrogeneration Company RusHydro

Issuer code: 55038-E

for Q4 2017

Address of the Issuer: 43/1 Dubrovinskogo St., Krasnoyarsk, Krasnoyarsk Krai 660017

**The information contained herein is subject to disclosure pursuant to the securities  
legislation of Russia**

Chairman of the Management Board – General Director

Date: February 14, 2018

\_\_\_\_\_ N. G. Shulginov

Director of the Department of Corporate Accounting and Reporting –  
Chief Accountant

Date: February 14, 2018

\_\_\_\_\_ Yu. G. Medvedeva

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The address of the Internet site (sites) where the information contained herein is to be disclosed:

<http://www.e-disclosure.ru/portal/company.aspx?id=8580>, [www.rushydro.ru](http://www.rushydro.ru)

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## Introduction

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

***The securities prospectus with regard to the Issuer's securities has been registered.***

***State registration of at least one issue (additional issue) of securities of the Issuer was accompanied by the registration of the securities prospectus for securities in the course of placement through open subscription.***

***The Issuer's exchange-traded bonds have been admitted to the organized stock trading alongside the presentation of the prospectus of the exchange-traded bonds to the stock exchange for such admission.***

This Quarterly Report contains assessments and forecasts of the Issuer's authorized management entities with regard to future events and/or actions, development prospects of the economic sector where the Issuer is carrying out its primary activities, and results of the Issuer's activities, including the Issuer's plans, likelihood of certain events, and performance of certain actions. Investors shall not rely entirely upon the assessments and forecasts made by the Issuer's management entities as the actual results of the Issuer's activities in the future may differ from the forecast results for many reasons. The acquisition of the Issuer's securities is connected with the risks described herein.

Other information: ***In this Quarterly Report, the Issuer, the Society, and the Company are understood to be the same person—PJSC RusHydro.***

# **I. Information on Bank Accounts, Auditor (Audit Organization), Appraiser, and Financial Adviser of the Issuer, as Well as on Persons Who Signed the Quarterly Report**

## **1.1. Information on the Issuer's Bank Accounts**

Full and short corporate names, location, INN (if applicable) of each credit institution in which the Issuer's settlement and other accounts are opened, numbers and types of such accounts, as well as the Bank Identification Code ("BIC") and number of the correspondent account of the credit institution.

*Due to the fact that the Issuer has more than 3 settlement and other accounts, this Quarterly Report indicates information on the accounts that the Issuer considers to be the main ones.*

Full corporate name: *Sberbank of Russia*  
Short corporate name: *Sberbank*  
Location: *Moscow, Russia*  
INN: *7707083893*  
BIC: *044525225*  
Account number: *40702810438090001390*  
Correspondent account: *30101810400000000225*  
Account type: *RUB settlement account*

Full corporate name: *Gazprombank (Joint-Stock Company)*  
Short corporate name: *Bank GPB (JSC)*  
Location: *Moscow*  
INN: *7744001497*  
BIC: *044525823*  
Account number: *40702810400000003242*  
Correspondent account: *30101810200000000823*  
Account type: *RUB settlement account*

Full corporate name: *Joint-Stock Company Aktsionernyy Bank ROSSIYA*  
Short corporate name: *JSC AB ROSSIYA*  
Location: *Saint Petersburg, Russia*  
INN: *7831000122*  
BIC: *044525220*  
Account number: *40702810460016000306*  
Correspondent account: *30101810145250000220*  
Account type: *RUB settlement account*

Full corporate name: *VTB Bank (Public Joint-Stock Company)*  
Short corporate name: *VTB Bank (PJSC)*  
Location: *Saint Petersburg, Russia*  
Account number: *40702810700030003502*  
Correspondent account: *30101810700000000187*  
INN: *7702070139*  
BIC: *044525187*  
Account type: *RUB settlement account*

*The Issuer is not a credit institution*

## **1.2. Information on the Issuer's Auditor (Auditing Organization)**

Information on the auditing organization that performed an independent audit of the Issuer's accounting (financial) statements and the Issuer's consolidated financial statements included in the quarterly report as well as information on the auditing organization approved for the audit of the annual accounting (financial) statements of the Issuer and annual consolidated financial statements of the Issuer for the current and the last completed reporting year:

Full corporate name: *JSC PricewaterhouseCoopers Audit*  
Short corporate name: *JSC PwC Audit*  
Location: *10 Butyrskiy Val St., Moscow 125047, Russia*

INN: 7705051102  
 OGRN: 1027700148431  
 Telephone: (495) 967-6000  
 Fax: (495) 967-6001  
 E-mail: [business.development@ru.pwc.com](mailto:business.development@ru.pwc.com)

Information on the self-regulated organization of auditors of which the auditor (auditor organization) of the Issuer is a member:

Full name: *Self-regulating organization of auditors Russian Union of Auditors (Association) (SRO RUA)*

Location: *Moscow, Russia*

Additional information: *Principal Number of Registration Entry (PNRE) in the registry of auditors and audit organizations: 11603050547*

Reporting years from the last five completed reporting years and the current year for which JSC PwC Audit conducted (will be conducted) an independent audit of the Issuer's accounts:

Accounting (financial) statements, year	Consolidated financial statements, year
2012	2012
2013	2013
2014	2014
2015	2015
2016	2016
2017	2017

In the event that an independent audit of the interim financial statements and/or the interim consolidated financial statements of the Issuer was conducted (will be conducted) by an auditor (audit organization), this circumstance shall be additionally indicated, so shall the period (periods) of the last five completed reporting years and the current year, the Issuer's reporting for which was audited (will be audited) by the auditor (audit organization):

*PwC Audit also conducted a review of the Issuer's Condensed Consolidated Interim Financial Information (not audited) prepared in accordance with IFRS 34 for the following reporting periods from the last five completed reporting years and the current year:*

<i>Condensed Consolidated Interim Financial Information (not audited) prepared in accordance with IFRS 34 for:</i>
6 months ended June 30, 2012
6 months ended June 30, 2013
6 months ended June 30, 2014
3 and 6 months ended June 30, 2015
3 and 6 months ended June 30, 2016
3 and 6 months ended June 30, 2017
3 and 9 months ended September 30, 2017

Factors that could influence the auditor's (auditing organization's) independence from the Issuer, including information on the existence of any material interests that connect the auditor (persons holding posts in the management entities or the entities that supervise financial and economic activities of the auditing organization) with the Issuer (persons holding posts in the management entities or the entities that supervise financial and economic activities of the Issuer): *The auditor is independent from the Issuer. There are no factors that could influence the Auditor's independence from the Issuer, nor any material interests that connect the Auditor (persons holding posts in the management entities or the entities that supervise financial and economic activities of the Auditor) with the Issuer (persons holding posts in the management entities or the entities that supervise financial and economic activities of the Issuer).*

Information on the presence of the auditor's shares (persons holding positions in the management entities and entities controlling financial and business activities of the audit organization) in the Issuer's authorized capital: *The Auditor (persons holding positions in the management entities and bodies controlling the financial and economic activities of the Auditor) does not have any shares in the Issuer's authorized capital.*

Information on provision by the Issuer of borrowed funds to the auditor (persons holding positions in management entities and entities controlling financial and economic activities of the audit organization): *The*

***Issuer did not provide borrowed funds to the Auditor (persons holding positions in the management entities and entities controlling the financial and economic activities of the Auditor).***

Information on the existence of close business relationships (participation in the promotion of the Issuer's products (services), participation in joint business activities, etc.) as well as kinship: ***The Issuer does not have close business relationships or family relationships with the Auditor.***

Information on persons holding positions in management entities and/or entities controlling financial and economic activities of the Issuer, who simultaneously hold positions in management entities and/or entities controlling financial and economic activities of an audit organization: ***persons holding positions in management entities and/or entities controlling financial and economic activities of the Issuer are not simultaneously persons holding positions in management entities and/or entities controlling financial and economic activities of the Auditor.***

Measures taken by the Issuer and the Auditor (the Audit organization) to reduce the impact of these factors:

***The Issuer and the Auditor have operated and will continue to operate under the laws of Russia, in particular in accordance with Federal Law No. 307-FZ dated December 30, 2008, "On Auditing" according to Art. 8 of which audit cannot be carried out by:***

***1) Audit organizations whose managers and other officials are founders (participants) of the audited entity, or its head, chief accountant, or other official responsible for maintaining accounting records, including the preparation of accounting (financial) statements***

***2) Audit organizations whose managers and other officials are close relatives (parents, brothers, sisters, children), spouses, parents, or children of the spouses of the founders (participants) of the audited entity, its head, chief accountant, or other official who is entrusted with the maintenance of accounting, including the preparation of accounting (financial) statements***

***3) Audit organizations with regard to audited entities who are their founders (participants), with regard to audited entities for whom these audit organizations are founders (participants), with regard to subsidiaries, branches, and representative offices of said audited entities, as well as with regard to organizations that have founders (participants) in common with this audit organization***

***4) Audit organizations, individual auditors who rendered services for restoring and maintaining accounting records as well as compiling accounting (financial) statements to individuals and legal entities for these persons within three years immediately preceding the audit***

***5) Auditors who are the founders (participants) of the audited entity, its head, chief accountant, or other official responsible for the accounting, including the preparation of accounting (financial) statements***

***6) Auditors who are the founders (participants) of the audited entity, its head, chief accountant, or other official responsible for accounting, including the preparation of accounting (financial) statements, close relatives (parents, brothers, sisters, children), as well as spouses, parents, and children of spouses***

***7) Audit organizations with regard to audited entities who are insurance organizations with whom contracts of liability insurance for these audit organizations have been concluded***

***8) Audit organizations, individual auditors with respect to the accounting (financial) reporting of audited entities who are credit institutions with whom they entered into loan agreements or suretyship agreements, or by whom they were given a bank guarantee, or with whom such contracts were concluded by the heads of these audit organizations, or with whom such contracts are concluded on terms substantially different from the conditions for the performance of similar transactions by persons who are close relatives (parents, brothers, sisters, children) as well as spouses, parents, or children of spouses of heads of audit organizations, individual auditors, or if these persons are beneficiaries under such contracts***

***9) Employees of audit organizations who are members of audit groups whose audited entities are credit institutions with whom they have entered into loan agreements or surety agreements on terms significantly different from the conditions for the performance of similar transactions or received bank guarantees from these credit institutions, or with whom such contracts are concluded by persons who are close relatives (parents, brothers, sisters, children) as well as spouses, parents, or children of the spouses of auditors, or if these persons are beneficiaries under such contracts***

***The main measure taken by the Issuer to reduce dependence on each other is the process of careful consideration of the candidacy of the Auditor for its independence from the Issuer. The auditor is completely independent from the Issuer's management entities in accordance with the requirements of Article 8 of Federal Law No. 307-FZ dated December 30, 2008, "On Auditing"; the amount of the Auditor's remuneration was not dependent on the results of the audit.***

The procedure for the selection of the Issuer's auditor (auditing organization) availability of the tender procedure connected with the selection of the auditor (auditing organization) and its key conditions:

***RAS for 2012–2014***

***In accordance with Federal Law No. 307-FZ dated December 30, 2008, "On Audit Activities," competitive selection of the Company's Auditor for 2012–2014 was performed on the basis of Federal Law No. 94-FZ dated July 21, 2005, "On the Placement of Orders for Supplies of Goods, Performance of Works, and Rendering of Services for State and Municipal Needs."***



*Tender documentation of the open tender concerning entry into a services agreement for the audit of RusHydro accounting statements prepared in accordance with RAS for 2012–2014 was prepared on the basis of Federal Law No. 94-FZ dated July 21, 2005, "On Placing of Orders for Supplies of Goods, Performance of Work, and Rendering of Services for State and Municipal Requirements."*

*The Tender Documentation of the open tender concerning entry into a services agreement for the audit of RusHydro accounting statements prepared in accordance with RAS for 2012–2014 was approved by decision of the Buying Audit Committee dated December 9, 2011.*

*On the basis of the approved Tender Documentation, the Tender Committee carried out the appropriate procedure for selection of the Company's auditor for 2012–2014 from January to February 2012. In accordance with the minutes of the Tender Committee on Assessment and Comparison of Bids concerning entry into services agreement for the audit of RusHydro accounting (financial) statements prepared in accordance with RAS for 2012–2014 (Minutes No. 3 dated February 3, 2012 (04190000011100002)), JSC PwC Audit won the open tender.*

#### **IFRS for 2012–2014**

*To efficiently and economically spend the funds of RusHydro as well as in accordance with the Regulation on the procedure for regulated purchases of goods, works, and services approved by the decision of the Board of Directors of the Company on the basis of the decision of the Central Procurement Commission of RusHydro No. 241 dated August 30, 2011, a regulated purchase for the right to conclude an agreement for the provision of services for the audit (review) of the consolidated financial statements of RusHydro Group, the RAO Energy Systems of the East Group, Yakutskenergo Group, FEEC Group, and the separate financial statements of JSC DRSC, JSC FEGC, CJSC NCO Interbank Settlement Center, prepared in accordance with IFRS for 2012–2014, by open one-stage multilot Request for proposals without preliminary qualifying selection of participants was organized and conducted.*

*By the decision of the Procurement Audit Commission dated November 16, 2011, the Procurement documentation of an open one-stage multilot Request for proposals without preliminary qualifying selection of participants for the right to conclude an agreement for the provision of services for the audit (review) of the consolidated financial statements of RusHydro Group, RAO Energy Systems of the East Group, the Yakutskenergo Group, FEEC Group, and separate financial statements of JSC DRSC, JSC FEGC, CJSC NCO Interbank Settlement Center, prepared in accordance with IFRS for 2012–2014, was approved.*

*In accordance with the minutes of the Buying Committee (No. 2 dated December 22, 2011), JSC PwC Audit won the open single-stage multilot request for proposals without prequalification of bidders.*

#### **RAS, IFRS for 2015–2017**

*In accordance with Federal Law No. 307-FZ dated December 30, 2008, "On Audit Activities," competitive selection of the Company's Auditor for 2015–2017 was performed on the basis of Federal Law No. 44-FZ dated April 5, 2013, "On Contract System in the Sphere of Procurement of Goods, Works, Services for State and Municipal Needs."*

*To efficiently and economically spend the funds of RusHydro as well as in accordance with the Regulation on the procedure for regulated purchases of goods, works, and services approved by the decision of the Board of Directors of the Company on the basis of decision of the Central Procurement Commission of PJSC RusHydro No. 470 dated December 4, 2014, a regulated purchase for the right to conclude an agreement for the provision of services for the audit of financial statements of RusHydro prepared in accordance with RAS and an audit (review) of the consolidated financial statements of RusHydro Group prepared in accordance with IFRS for 2015, 2016, and 2017 by open tender was organized and conducted.*

*The Tender Documentation of the open tender concerning entry into a services agreement for the audit of RusHydro accounting statements prepared in accordance with RAS and the audit of the consolidated financial statements of RusHydro Group prepared in accordance with IFRS for 2015–2017 was developed in accordance with Federal Law 44-FZ dated April 5, 2013, "On the Contract System in the Procurement of Goods, Works, Services to Ensure State and Municipal Needs."*

*On February 27, 2015, the Tender Documentation of the open tender concerning entry into a services agreement for the audit of RusHydro accounting statements prepared in accordance with RAS and the audit (review) of the consolidated financial statements of RusHydro Group prepared in accordance with IFRS for 2015–2017 was approved.*

*In accordance with the minutes of the meeting of the Procurement Commission (No. 2 dated April 8, 2015), JSC PwC Audit was chosen as the winner of the open tender.*

The procedure for nominating an auditor (auditing organization) for approval by the general meeting of shareholders (participants), including the management entity that makes the respective decision:

*The Board of Directors of the Issuer recommends an auditor for approval by the General Meeting of Shareholders of the Company.*

*In accordance with the requirements of the law of Russia, the Issuer must have its financial statements audited on an annual basis. To audit and confirm the annual financial statements, the General Meeting of Shareholders shall approve the auditor of the Company annually.*

*JSC PwC Audit was approved as the auditor of the Issuer for 2014 by the decision of the General Meeting of Shareholders of the Company (Minutes No. 12 dated June 27, 2014).*

*JSC PwC Audit was approved as the auditor of the Issuer for 2015 by the decision of the General Meeting of Shareholders of the Company (Minutes No. 13 dated June 26, 2015).*

*JSC PwC Audit was approved as the auditor of the Issuer for 2016 by the decision of the General Meeting of Shareholders of the Company (Minutes No. 15 dated June 29, 2016).*

*JSC PwC Audit was approved as the auditor of the Issuer for 2017 by the decision of the General Meeting of Shareholders of the Company (Minutes No. 16 dated June 27, 2017).*

*The Issuer's auditor shall audit the Issuer's financial and business activity in accordance with the legislation of Russia under an agreement concluded with such auditor.*

Information on the auditor's (auditing organization's) work performed as part of special audit assignments:  
***Work as part of special audit assignments was not performed by the Auditor.***

The procedure for determining the auditor's (auditing organization's) remuneration, actual amount of remuneration paid by the Issuer to the auditor (auditing organization) according to the results of the last completed reporting year for which the auditor (auditing organization) performed an independent audit of annual accounting (financial) statements and/or annual consolidated financial statements of the Issuer, and information on deferred and outstanding payments for services rendered by the auditor (auditing organization):

*The procedure for payment and the amount of remuneration of the auditing organizations and individual auditors for audit (including mandatory) and associated services are specified in audit services agreements and cannot depend on any requirements of the audited entities as to the content of conclusions which can be made upon the audit.*

*The amount of remuneration for the Issuer's Auditor approved by the Annual General Meeting of Shareholders of the Issuer for mandatory annual audit and confirmation of the Issuer's annual financial statements shall be determined by the Board of Directors of the Issuer.*

*The Auditor's remuneration shall be determined according to the results of the bidding for selecting the Company's auditor.*

*The actual amount of remuneration to be paid by the Issuer to JSC PwC Audit following the results of 2016 for which JSC PwC Audit conducted an independent audit of the annual accounting (financial) statements and the annual consolidated financial statements of the Issuer amounts to RUB 119,999,805 (including VAT (18%)), including the cost of services for the review of the consolidated interim financial statements of the Issuer for six months ending June 30 of the reporting year, which is RUB 23,966,685 (including VAT (18%)).*

*In accordance with the payment schedule under agreements with JSC PwC Audit, the balance of RUB 33,569,997 (including VAT (18%)) was paid by the Issuer in 2016, and the balance of RUB 86,429,808 (including VAT (18%)) was paid by the Issuer in April 2017.*

*There are no deferred or overdue payments for services rendered by the Auditor.*

### **1.3. Information on the Issuer's Appraiser(s)**

*Information was specified in the Quarterly Report for Q1 2017; there were no changes made to this information during Q4 2017.*

### **1.4. Information on the Issuer's Consultants**

*No financial consultants were engaged to sign the securities prospectus or the Issuer's quarterly report during the 12 months prior to the ending date of the reporting quarter.*

### **1.5. Information on Persons Who Have Signed the Quarterly Report**

Full name: *Nikolay Grigoryevich Shulginov*

Year of Birth: **1951**

Primary employment:

Organization: *PJSC RusHydro*

Title: *Chairman of the Management Board – General Director*

Full name: *Yuliya Gennadyevna Medvedeva*

Year of Birth: **1975**

Primary employment:

Organization: *PJSC RusHydro*

Title: *Director of the Department of Corporate Accounting and Reporting – Chief Accountant*

## II. Key Information on Financial and Economic Performance of the Issuer

### 2.1. The Issuer's Financial and Economic Performance Indicators

*Not to be specified in the report for Q4.*

### 2.2. The Issuer's Market Capitalization

The market capitalization is calculated as the number of shares of the relevant category (type) multiplied by the market value of one share disclosed by the trading organizer.

Measurement unit: *rubles*

*Issue 1-01-55038-E*

Issuer's equity shares are eligible for on-ex-change trading on the JSC Moscow Exchange.

Index description	December 31, 2016	December 31, 2017
Market capitalization	356 166 164 175.07	309 656 194 163.45

Information on the securities trading organizer that provided the data for the calculation of market capitalization as well as any other additional information on the public trading of securities at the Issuer's discretion:

Source of information: *JSC Moscow Exchange bulletin at the end of trading of securities*  
<http://www.moex.com/a4258>.

### 2.3. The Issuer's Liabilities

#### 2.3.1. Borrowed Funds and Accounts Payable

*Not to be specified in the report for Q4.*

#### 2.3.2. Credit History of the Issuer

Performance by the Issuer of its commitments under the facility agreements and/or loan agreements that were in force within the last completed reporting year and current year, including those concluded due to issue and sale of bonds, the principal debt under which is 5 or more percent of the Issuer's balance sheet assets as of the end of the last completed reporting period consisting of 3, 6, 9, or 12 months preceding conclusion of the relevant agreement, as well as other facility agreements and/or loan agreements that the Issuer deems material for it.

Type and Identification Characteristics of Liabilities	
1. Bonds series 01 State registration number and registration date: 4-01-55038-E dated September 23, 2010	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 10,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 89,179 million
Credit (loan) period, (years)	10
Average interest on credit, loan, % per annum	8.75
Number of interest (coupon) periods	20
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	April 12, 2021*
Actual credit (loan) payment period (date)	Existing

Other information on liabilities specified at the Issuer's discretion	* Maturity of bonds series 01 is 10 years. An offer to acquire the bonds at their owners' request with a term of 5 years from the starting date of the offering is possible with respect to said securities. April 8, 2016, the Issuer decided to set a new interest rate for eleventh-twelfth coupon periods. April 22, 2016, acquisition of bonds was held at the owner's request.
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Type and Identification Characteristics of Liabilities	
2. Bonds series 02 State registration number and registration date: 4-02-55038-E dated September 23, 2010	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 5,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 160.76 million
Credit (loan) period, (years)	10
Average interest on credit, loan, % per annum	8.75
Number of interest (coupon) periods	20
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	April 12, 2021*
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	* Maturity of bonds series 02 is 10 years. An offer to acquire the bonds at their owners' request with a term of 5 years from the starting date of the offering is possible with respect to said securities. April 8, 2016, the Issuer decided to set a new interest rate for eleventh-twelfth coupon periods. April 22, 2016, acquisition of bonds was held at the owner's request.

Type and Identification Characteristics of Liabilities	
3. Credit, Sberbank of Russia, Credit Agreement No. 5486 dated November 18, 2011	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Sberbank of Russia, Moscow, Russia
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 40,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 20,000 million
Credit (loan) period, (years)	9
Average interest on credit, loan, % per annum	8.28
Number of interest (coupon) periods	36
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	November 17, 2020
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
4. Credit, European Bank for Reconstruction and Development, Credit Agreement dated December 7, 2011	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	European Bank for Reconstruction and Development, One Exchange Square, London EC2A 2JN, United Kingdom

Principal debt as of the date of liabilities, rubles/foreign currency	RUB 8 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	—
Credit (loan) period, (years)	15
Average interest on credit, loan, % per annum	12.79
Number of interest (coupon) periods	60
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	March 10, 2026
Actual credit (loan) payment period (date)	December 7, 2016
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
5. Credit, Unicredit Bank Austria AG, Credit Agreement dated December 12, 2011	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Unicredit Bank Austria AG, 1010 Wien, Schottengasse 6–8, Austria
Principal debt as of the date of liabilities, rubles/foreign currency	EUR 127,796,550
Principal debt as of the end of the reporting quarter, rubles/foreign currency	EUR 77,587,415.10
Credit (loan) period, (years)	15
Average interest on credit, loan, % per annum	3.35
Number of interest (coupon) periods	60
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	August 28, 2026
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	Drawdown was performed from 2012 to 2017

Type and Identification Characteristics of Liabilities	
6. Credit, Bayerische Landesbank, Credit Agreement dated October 15, 2012	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Bayerische Landesbank, Brienner Str. 18 80333 Munich, Germany
Principal debt as of the date of liabilities, rubles/foreign currency	EUR 16,485,731.83
Principal debt as of the end of the reporting quarter, rubles/foreign currency	—
Credit (loan) period, (years)	12.5
Average interest on credit, loan, % per annum	1.02
Number of interest (coupon) periods	26
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	April 30, 2025
Actual credit (loan) payment period (date)	October 31, 2016
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
7. Bonds series 07 State registration number and registration date: 4-07-55038-E dated December 27, 2012	

Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 10,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 10,000 million
Credit (loan) period, (years)	10
Average interest on credit, loan, % per annum	8.50
Number of interest (coupon) periods	20
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	February 2, 2023*
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	* Maturity of bonds series 07 is 10 years. Tender offer for a period of 5 years is possible with respect to the securities.

Type and Identification Characteristics of Liabilities	
8. Bonds series 08 State registration number and registration date: 4-08-55038-E dated December 27, 2012	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 10,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 10,000 million
Credit (loan) period, (years)	10
Average interest on credit, loan, % per annum	8.50
Number of interest (coupon) periods	20
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	—
Scheduled credit (loan) payment period (date)	February 2, 2023*
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	* Maturity of bonds series 08 is 10 years. Tender offer for a period of 5 years is possible with respect to the securities.

Type and Identification Characteristics of Liabilities	
9. Bonds series 09 State registration number and registration date: 4-09-55038-E dated December 27, 2012	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 10,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 766,687 million
Credit (loan) period, (years)	10
Average interest on credit, loan, % per annum	10.125
Number of interest (coupon) periods	20
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	April 15, 2025
Actual credit (loan) payment period (date)	Existing *
Other information on liabilities specified at the Issuer's discretion	* Maturity of bonds series 09 is 10 years. Tender offer for a period of 2.5 years is possible with respect to the securities. October 16, 2017, the Issuer decided to set a new interest rate for sixth-sixteenth coupon periods.

	On October 27, 2017, acquisition of bonds was held at the owner's request for early repayment under the tender offer.
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Type and Identification Characteristics of Liabilities	
10. Credit, Sberbank of Russia, Credit Agreement No. 5685 dated December 4, 2013	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Sberbank of Russia, Moscow, Russia
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 10,612.754 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 10,612.754 million
Credit (loan) period, (years)	5
Average interest on credit, loan, % per annum	7.99
Number of interest (coupon) periods	20
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	December 4, 2018
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
11. Credit, European Bank for Reconstruction and Development, Credit Agreement dated December 5, 2013	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	European Bank for Reconstruction and Development, One Exchange Square, London EC2A 2JN, United Kingdom
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 4,400 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	—
Credit (loan) period, (years)	12
Average interest on credit, loan, % per annum	14.52
Number of interest (coupon) periods	47
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	October 14, 2025
Actual credit (loan) payment period (date)	October 14, 2016
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
12. Credit, Crédit Agricole Corporate and Investment Bank Deutschland/ING BANK, a Branch of ING-DiBa AG, Credit Agreement dated March 4, 2014	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Crédit Agricole Corporate and Investment Bank, France, Taunusanlage 14, 60325 Frankfurt am Main, Federal Republic of Germany/ING BANK, a Branch of ING-DiBa AG, Hamburger Allee 1, 60486 Frankfurt am Main, Federal Republic of Germany
Principal debt as of the date of liabilities, rubles/foreign currency	EUR 190,284,359
Principal debt as of the end of the reporting quarter, rubles/foreign currency	—
Credit (loan) period, (years)	15
Average interest on credit, loan, % per annum	0.73

Number of interest (coupon) periods	30
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	July 4, 2029
Actual credit (loan) payment period (date)	June 6, 2017
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
13. Credit, Sberbank of Russia, Credit Agreement No. 5724 dated April 8, 2014	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Sberbank of Russia, Moscow, Russia
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 2,776.364 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	—
Credit (loan) period, (years)	8
Average interest on credit, loan, % per annum	14.31
Number of interest (coupon) periods	32
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	April 7, 2022
Actual credit (loan) payment period (date)	May 10, 2017
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
14. Bonds series BO-P01 State registration number and registration date: 4B02-01-55038-E-001P dated July 3, 2015	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 5,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 5,000 million
Credit (loan) period, (years)	3
Average interest on credit, loan, % per annum	11.85
Number of interest (coupon) periods	6
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	July 4, 2018
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
15. Bonds series BO-P02 State registration number and registration date: 4B02-02-55038-E-001P dated July 3, 2015	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 5,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 5,000 million



Credit (loan) period, (years)	3
Average interest on credit, loan, % per annum	11.85
Number of interest (coupon) periods	6
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	July 4, 2018
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
14. Bonds series BO-P03 State registration number and registration date: 4B02-03-55038-E-001P dated July 3, 2015	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 5,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 5,000 million
Credit (loan) period, (years)	3
Average interest on credit, loan, % per annum	11.85
Number of interest (coupon) periods	6
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	July 4, 2018
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
17. Bonds series BO-P04 State registration number and registration date: 4B02-04-55038-E-001P dated April 1, 2016	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 15,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 15,000 million
Credit (loan) period, (years)	3
Average interest on credit, loan, % per annum	10.35
Number of interest (coupon) periods	6
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	April 4, 2019
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
18. Bonds series BO-P05 State registration number and registration date: 4B02-05-55038-E-001P dated June 9, 2017	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	Purchasers of securities of the issue

Principal debt as of the date of liabilities, rubles/foreign currency	RUB 10,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 10,000 million
Credit (loan) period, (years)	3
Average interest on credit, loan, % per annum	8.2
Number of interest (coupon) periods	6
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	June 12, 2020
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	None

Type and Identification Characteristics of Liabilities	
19. Loan, RusHydro Capital Markets DAC, Loan Agreement dated September 26, 2017	
Terms and conditions of liability and information on its execution	
Name and location or full name of the creditor (lender)	RusHydro Capital Markets DAC 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1 Ireland
Principal debt as of the date of liabilities, rubles/foreign currency	RUB 20,000 million
Principal debt as of the end of the reporting quarter, rubles/foreign currency	RUB 20,000 million
Credit (loan) period, (years)	5
Average interest on credit, loan, % per annum	8.125
Number of interest (coupon) periods	10
Delays in payment of interest on credit (loan), and total number of such delays and duration thereof in days	None
Scheduled credit (loan) payment period (date)	September 28, 2022
Actual credit (loan) payment period (date)	Existing
Other information on liabilities specified at the Issuer's discretion	None

### ***2.3.3. Liabilities of the Issuer under Security It Has Provided***

Measurement unit: rubles

<b>Index description</b>	<b>Indicator as of December 31, 2017</b>
Total amount of security provided by the Issuer (amount of outstanding commitments for which the Issuer provided security if in accordance with conditions of the security provided performance of the relevant commitments is secured in full)	82,915,821,375.56
Amount of security provided by the Issuer for liabilities of third parties	82,915,821,375.56
Amount of security provided by the Issuer in the form of a pledge	25,642,903,370.59
Including for third-party obligations	25,642,903,370.59
Amount of security provided by the Issuer in the form of sureties	57,272,918,004.97
Including for third-party obligations	57,272,918,004.97

Information on each case of providing security in an amount equal to or exceeding five percent of the balance sheet value of the Issuer's assets as of the end of the relevant reporting period: *there are no such liabilities as at the reporting date.*

*Issuer's exposure to risk inherent to nonperformance or improper performance of secured liabilities by third parties shall be evaluated as negligible.*

#### **2.3.4. Other Liabilities of the Issuer**

*There are no other liabilities (including any agreements of the Issuer, including forward deals), which are not recognized in the accounting (financial) statements that could materially affect the Issuer's financial status, liquidity, sources of financing, terms and conditions of use thereof, performance results, and expenses.*

### **2.4. Risks Inherent to Acquisition of Equity Securities Being Placed (Placed)**

The Issuer's risk management policy:

Detailed analysis of risk factors related to the acquisition of equity securities being offered, in particular:

Industry risks

Country and regional risks

Financial risks

Legal risks

Risk of loss of reputation (reputational risk)

Strategic risk

Risks related to the Issuer's activities.

*Emerging wholesale and retail markets for electricity and power have a higher risk level than developed markets of other products and services and include significant legal, economic, and—due to their high social significance for the country—political risks. The dynamic development of these markets allows us to suppose—with a high degree of certainty—that the information contained herein may become outdated rather quickly. The current information uncertainty due to the dynamic change of factors may influence the Issuer's future activity, the possibility of the sale of its assets, and compliance with the terms of payment on its liabilities. Investors should take this uncertainty into account when assessing their own risks and making a decision on expediency of investments. In addition, some risks that are not material at the moment may become material in future.*

*To optimize risks, the Issuer performs regular work on their recognition, assessment, and control as well as development and application of risk response measures and business continuity management and aspires to meet international and national risk management standards and best practices (National State Standard R ISO 31000-2010, COSO ERM 2004, Corporate governance code of Bank of Russia, guidelines of the Federal Property Management Agency and the Ministry of Finance in the field of risk management and internal control, etc.).*

*External assessment of the efficiency of the enterprise system of internal control and risk management is conducted regularly in the course of the audit of RusHydro Group Long-term development program implementation, external audit of financial statements, surveyance of RusHydro Group facilities, obligatory due diligence within the framework of the assessment of merger and acquisition transaction risks, as well as the conduction of comprehensive assessments of the system effectiveness of internal control and risk management of the Company by independent invited experts.*

*The quality of the Issuer's risk management system is regularly confirmed by an independent jury of international competitions. In particular, the Issuer was previously pronounced the winner in such categories as Best Comprehensive Risk Management Program and Best Risk Manager of Russia conducted by the Russian Risk Management Society RusRisk, a Russian national association of risk managers which is a member of the Federation of European Risk Management Associations (FERMA). In June 2015, as part of the 13th International professional forum Risk Management in Russia and CIS, the risk management program of RusHydro was a winner of the annual competition Best Risk Management 2015 in the category Production Organizations. In November 2015, the Company participated in the KPMG research: "Risk Management Practice in Russia: Strengths and Areas for Development." Results of the study are presented at the link <https://assets.kpmg.com/content/dam/kpmg/pdf/2015/11/S.CG.10r.pdf>. As was demonstrated by this study, many of the best practices of corporate risk management assessed on major Russian companies are used at PJSC RusHydro (the integration of risk management into the company's development strategy, collection and accumulation of statistical data, interaction between departments, involvement and active participation of key stakeholders, as well as improving quality of information on key risks).*

*By the Decision of the Management Board of the Company dated November 28, 2014 (Minutes No. 884pr), the Development Program for Corporate Internal Control and the Risk Management System of RusHydro Group was approved.*

*The Issuer's risk management activities are connected to the need to reconstruct operating and construct new generating facilities, including:*

- Improving the reliability, safety, and cost-effectiveness of the equipment by means of full renovation of worn-out main or auxiliary equipment*
- Increasing technical and economic characteristics of HPPs for operating on a competitive electric power market, reducing repair costs; increasing operational efficiency by implementing programs to reduce production costs and to increase cost-effectiveness*
- Implementing a balanced financial policy*
- Continuous analysis of the electricity market environment*
- Creation of a competitive environment in procurement, works, and services*

The Issuer's risk management policy:

*The Issuer's risk management policy involves the timely recognition and prevention of potential risks to minimize losses. In October 2015, the Audit Committee of PJSC RusHydro approved a Policy in the area of internal control and risk management of PJSC RusHydro in a new version, which was approved by the Board of Directors of PJSC RusHydro on November 13, 2015 (minutes No. 227 dated November 16, 2015). The Issuer's activities for managing specific risks are described in Clauses 2.4.1–2.4.7 hereof.*

### **2.4.1. Industry Risks**

The influence of a possible deterioration of the situation in the Issuer's industry on its activities and performance of liabilities under securities. The most significant possible changes in the industry (separately in the domestic and foreign markets) according to the Issuer shall be given, so shall the prospective actions of the Issuer in this case.

#### **Foreign markets:**

*The Issuer is exposed to comparatively moderate external industry risks. According to Moody's international rating agency, annual default frequency in the electricity sector is projected at 7.3% within last ten years (see Moody's Investors Service, Special comment: Annual Default Study: Corporate Default and Recovery Rates, 1920–2015).*

*In 2017, PJSC RusHydro took the 91st position (compared to 127th in 2016) in the ranking of the 250 leading energy companies of the world according to Platts (2017 Platts Top 250 Global Energy Company Rankings).*

*While composing the ranking, the financial performance of public enterprises of the energy sector with total assets of more than USD 5 billion is used. The assessment is based on the following financial metrics: value of assets, profit, earnings, and return on invested capital for the last financial year.*

#### **Domestic markets:**

*The Issuer is exposed to industry risks mainly due to the possible changes in the electric power industry.*

*On the one hand, decrease in uncertainty of work of the Issuer on the wholesale power market associated with the 2015 transition to a long-term capacity auction model required by the Rules of the wholesale electricity and power market (Approved by regulation of the Government of Russia No. 1172 dated December 27, 2010) is to be noted. As a result of the capacity auction held in 2015–2016, the price of power for the period to 2020 (inclusive) was defined. The increased predictability of prices for future periods reduces the level of industry risk.*

*Within the framework of continuous reforms of the electricity industry, the norms regulating the Russian capacity market, including the norms applied to market liberalization, specification of electricity tariffs, the functioning of the capacity market, and relationships between power manufacturers and offtakers are subject to continuous material changes. Since the official beginning of the reformation in July 2001, the implementation term of the reformation stages and the scope of these stages have changed several times.*

*As part of risk management operations, the Issuer undertakes the necessary measures to create a favorable legal framework for the electricity and power market for the Issuer. To attain this goal, the Issuer is involved as an expert in the process of drafting regulatory legal acts in the field of electricity at the sites of governmental authorities, including the Ministry of Energy of Russia, the Association NP Market Council, and the Federal Antimonopoly Service.*

*Along with the existing risks inherent to the Russian electricity and power market, a large number of operational, commercial, engineering, management, regulatory, and other risks may arise, which are difficult or impossible to foresee at present and which are outside the control of the Issuer. Such changes and associated uncertainty may have an adverse material effect on the Issuer's business activity, its income, and the results of its operations.*

*The Issuer is exposed to the risk of increased competition on the retail market due to the increased activity of power supply companies aspiring to render services to large offtakers. To manage that risk, the Issuer is focused on work with its customer base. Measures for eliminating risk connected with the loss of offtakers include:*

- *Building individual relationships with large offtakers*
- *Promotion of the company's reliability on key offtaker markets*
- *Transition to new relationships with customers: improving the quality of service, consideration of the needs and expectations of offtakers, and strict observance of commitments*
- *The Issuer's marketing companies retaining their status of a guaranteeing supplier for concentration of the customer base and reduction of costs per energy unit*

*According to the Issuer's assessment, the decline in the industry may be associated with the following risk groups:*

*1. Operational (production) risks related to wear and tear, violation of operational conditions, and critical changes in equipment working conditions. Materialization of such risks may result in equipment breakdown (emergency cases) and destruction of facilities. Systemic emergencies may result in division of the power system, rolling blackouts of offtakers, and operation of the main equipment under critical conditions.*

*Hydroelectric power plants are essential for the provision of the required quality of power supply covering uneven sections of daily load curves and acting as a short-term operative and emergency power reserve.*

*The unsatisfactory condition of equipment due to wear and tear is one of the main causes of operational risks, the most important of which are:*

- *A decrease in the operational and economic indicators of the HPP*
- *The risk of breakdowns resulting in underproduction of electric power and grave environmental and social effects*
- *Operation of technical equipment at hazardous production facilities (operation of pressurized lifting devices and equipment) of the branches and PJSC RusHydro beyond the normative term, which significantly increases the risk of breakdowns and accidents occurring at the hazardous production facilities*
- *Risk of personnel injury and death*

*Moreover, the Issuer's equipment is to a large extent subject to natural disasters, technical failures, etc. These factors can lead to a decrease in the reliability of equipment and an increase in the likelihood of failures and the cost of maintenance.*

*Actions for the management of these risks:*

*Industrial operational risk management of PJSC RusHydro branches forms the basis for decision making on feasibility matters by the Issuer when planning equipment technical work programs (as part of a prospective technical reconstruction and modernization, repair, and maintenance program).*

*To manage the risks related to production assets' reliability more effectively, PJSC RusHydro actively implements various methods of risk management, including implementation of technical policy requirements.*

*The probability of equipment failure is assessed as the industry average. All the Issuer's main production facilities are insured. In addition, a set of measures is being implemented to maintain the reliability of the equipment and facilities at an adequate level, namely:*

- *Planned repair works are carried out to their full extent.*
- *The Technical Policy approved by decision of the Board of Directors (Minutes No. 133 dated September 05, 2011) and based on the principle of achieving the Issuer's strategic aims, integrated management of the Issuer's engineering system, and the transparency and economic feasibility of adopted engineering decisions is applied in the Company. In 2011, the Board of Directors approved the Program of Complex Modernization ("PMC") for Generating Facilities for 2012–2025. Its aim is to maintain the long-term reliability and safety of the generating facilities of PJSC RusHydro. In 2017, capacity gain due to PTP realization was 42.5 MW. Modernization of the equipment is accompanied by improvement of operational and environmental performance. The new turbines and generators designed and manufactured in accordance with the current level of power engineering have higher efficiency, a longer run, require lower repair costs, and are more reliable and secure.*
- *Modern methods of diagnostics without equipment shutdown are being implemented.*
- *The structure and volumes of spare parts are being optimized.*
- *Competitive selection of service and supply organizations is carried out to improve the quality of services and materials provided, increase contractors' responsibility, and reduce the cost per unit.*

*Risk management within compliance with industrial safety requirements throughout the production risk management structure of PJSC RusHydro branches is ensured on the basis of the effective system of production control over compliance with the requirements of industrial safety at hazardous production facilities at the branches of PJSC RusHydro developed on the basis of industrial safety requirements of the federal legislation.*

**2. Environmental risks expressed in the form of oil leakage to bodies of water from the hydroelectric generating set of HPPs and the possibility of exceeding dam (reservoir) benchmarks in the upstream and downstream pools**

*Fines for possible oil leakages will not affect the creditworthiness of the Issuer, so this risk may be considered to be insignificant. Furthermore, during the implementation of actions called for by the prospective technical reconstruction and modernization program, the Issuer is replacing the elements and nodes of hydraulic turbines with modern ones whose design ensures the high environmental performance of the production process. An example of this is the modernization of hydraulic turbines at Zhigulevskaya HPP. In December 2017, the last updated hydroelectric unit with station number 20 is included in the unified energy system of the country. The modernization of the equipment prevents even the hypothetical possibility of oil entering the water.*

*The rising of the storage reservoir water level in the upper or lower benchmarks could result in the flooding of riparian zones where production/residential facilities and natural complexes are located.*

*Actions for the management of these risks:*

*Regulation of the reservoir level is carried out in strict compliance with the schedule issued by the Interdepartment Operation Group. To prevent minor flooding, protective dikes and installations are used. It is the owners' responsibility to ensure their proper condition and the timely fortification of deteriorating sections of dikes. The Issuer shall, for its part, inform water consumers in a timely manner, on the basis of meteorological forecasts for the flood period, of possible river levels to allow them to adopt the necessary protection measures.*

*To further improve the environmental protection management process that PJSC RusHydro implements based on experience gained at various RusHydro Group facilities through implementation of the provisions of international standard ISO 14001, the Environmental policy of PJSC RusHydro was updated in April 2016.*

*Due to the integration of JSC RusHydro and JSC RAO Energy Systems of the East, RusHydro Group's production operations have changed, which in turn has led to the development of a new version of the Environmental Policy, which takes into account not only modern challenges and trends in the field of environmental protection but also the specifics of the Company's hydropower and heat assets. In October 2017, public hearings of the new version of the RusHydro Group Environmental Policy took place. The hearings were attended by delegates from the environmental community, expert and scientific organizations, and the business community, including WWF-Russia, RUIE, UC RUSAL, JSC EuroSibEnergo, PJSC Rosseti, Lomonosov Moscow State University, and others. Participants in the public hearings highly appreciated the open nature of the conduct of public dialog by the Company and the involvement of stakeholders in the processes of discussing significant strategic documents in the field of environmental protection and ecology.*

*The introduction of the new version of the policy will allow the Issuer to increase the level of environmental safety of existing and created generation facilities through minimizing the negative impact on the environment and ensuring the preservation of a favorable environment for present and future generations.*

*Environmental audits of Company branches are performed on a regular basis. Recommendations issued as a result of environmental audits are implemented in accordance with the Nonconformity Elimination Action Plan.*

*On October 2017, PJSC RusHydro was the winner of the Third All-Russian competition "MediaTEK" in the category "Social and Environmental Initiative."*

*PJSC RusHydro has won the Russian competition "MediaTEK" for the third year in a row. In past years, "Information Coverage Project of the All-Russian Competitions of Operation Personnel of Hydroelectric Power Station," "The Bureya Compromise," and charitable ecological projects were honored.*

*PJSC RusHydro is among the top ten leaders of the "Environmental Initiative of Russian Companies in the Media. Mining and Metallurgy" rating prepared by the Institute of Modern Media (Modern Media Research Institute) in collaboration with the TV channel "Living Planet" at the end of H1 2017.*

### **3. Risks related to construction of proprietary power supply facilities by large offtakers**

*One of the objectives of the reform of the Russian power industry is to create competition within the Russian electric power generation and energy services sectors. Construction of proprietary power supply facilities by large offtakers may result in increased competition and reduction of the Issuer's future power production and sales volumes.*

*To reduce this risk, the Issuer is working actively with its offtakers to establish mutually advantageous and long-term relations.*

*Additional actions by the Issuer for the mitigation of said risks:*

- *Increase in operating performance through implementation of a program to reduce operating costs and save money*

- *Working to increase the share of long-term contracts for energy services in the total volume of executed contracts*

- *The Issuer's implementation of a balanced financial policy*

**4. Risks related to the uncertainty of power generation ("water content" risk) and the demand forecast**

*The risk of power generation uncertainty for the Issuer involves the impossibility of precisely forecasting the volumes of power generated in the mid-term and long-term. This risk mainly affects the Issuer's fulfillment of its commitments for electricity supply on the wholesale electricity and power market. The Issuer may face the inability to supply the electricity required by contracts and as a consequence may have to buy additional volumes at higher prices on the wholesale market.*

*The Issuer may also face the risk of annual, seasonal, and daily fluctuations of energy demand owing to weather conditions and other factors. Demand for electricity is usually higher from October to March because of longer nights and colder weather, and when considering a 24-hour period, demand is higher during office hours. Taking into account the production flexibility of HPP production capacity, this leads to maximum commitment of the Issuer's production capacity when adjusting for the periods indicated. In connection with this, the Issuer may face the risk of economically inefficient capacity utilization during periods of high demand for electricity and the inability to compensate for lost revenue over a period of decrease in demand for electricity due to the limited amount of drawdown of reservoirs.*

*The Issuer's actions for management of these risks:*

*This risk is mitigated as part of the production and sales activities of RusHydro through the following:*

- *Protection of the HPP's interests at the Interdepartment Operation Groups of the Federal Water Resources Agency*
- *Execution of hedging bilateral agreements on the day-ahead market (including for the purchase of electric power to secure liabilities)*

*In light of the foregoing, the Issuer believes that a possible decline in the Issuer's industry, adverse changes in the operation and production process, and construction of proprietary power supply facilities by large offtakers may affect the Issuer but should not substantially affect the fulfillment of its commitments under its securities.*

**5. Risks related to possible changes in prices for raw materials and services used by the Issuer (separately on domestic and foreign markets) and their influence on the Issuer's activities and fulfillment of the commitments under securities**

**Foreign markets:**

*Risks inherent in the volatility of global prices for raw materials and services used by the Issuer in its activity have no impact on the Issuer's activity as the share of import deliveries for the Issuer is insignificant.*

**Domestic markets:**

*Since the main raw material for the Issuer in the production of electricity is water resources, and an excess of the water tax rate over the price of electricity is not forecast, the risks associated with a possible change in the prices of raw materials are insignificant.*

**6. Risks related to a rise in prices for equipment and other material and technical resources used by the Issuer in its activity**

**Foreign markets:**

*Risks related to the volatility of global prices for equipment and other material and technical resources used by the Issuer in its activity have no impact on the Issuer's activity as the share of imports in the equipment cost is insignificant.*

**Domestic markets:**

*These risks are principally due to inflationary processes in the national economy and may be minimized by the following measures:*

- *Improvement of operational efficiency through the implementation of programs for reducing production costs (creation of competition in the works and services procurement sector, conclusion of fixed-price contracts, optimization of costs for repair and maintenance, capital construction, etc.)*
- *Implementation of a balanced financial policy as regards compliance with repayment discipline to mitigate insolvency risks and maintenance of the financial stability of the Issuer and compliance with standards of business planning*

*This risk should not materially influence the performance of the Issuer's liabilities under securities.*

**7. Risks related to possible changes in prices for the Issuer's products and/or services (separately on the domestic and foreign markets), their influence on the Issuer's activities, and the fulfillment of liabilities under securities**

**Foreign markets:**

*The Issuer does not export electricity to foreign markets; consequently, there are no risks related to possible changes in prices for products and/or services on foreign markets.*

**Domestic markets:**

*The most significant risks for the Issuer are those related to possible decrease in sales prices for electricity and power on the wholesale market. Materialization of these risks leads to a decrease in revenue for the Issuer.*

*At present, the abovementioned risk is assessed as being insignificant.*

**8. The influence of a possible deterioration of the situation in the Issuer's industry on its activities and performance of commitments under securities**

**Foreign markets:**

*The Issuer does not export electricity to the foreign market; therefore, there are no risks for the Issuer that are associated with a possible worsening of the situation in the global power industry and do not affect the Russian market.*

**Domestic markets:**

*The Issuer is the largest hydropower company in Russia. The Issuer believes that a possible decline in the Issuer's industry, adverse changes in the operation and production process, and construction of proprietary power supply facilities by large off-takers may affect the Issuer but should not substantially affect the fulfillment of its commitments under securities.*

## **2.4.2. Country and Regional Risks**

Risks related to the political and economic situation in the country (countries) and the region where the Issuer is registered as a taxpayer and/or performs its primary activity, provided that the primary activity of the Issuer in such country (region) brings in 10 or more percent of income for the last complete reporting period

**Country Risks**

*The economy of Russia is not protected against market recessions or slowdown in global economic development. The volume decrease of foreign investments in the Russian economy and vulnerability of the Russian economy for changes in international prices for energy carriers may lead to vital restrictions on the Company's access to capital and adversely affect the purchasing ability of the Company's off-takers.*

*Furthermore, due to the global financial market crisis and a slump in industrial production, there is a risk of a drop in demand for power, which may lead to a reduction in sales volumes and in the Issuer's revenue as well as a risk of accounts receivable growth due to nonpayment by power off-takers.*

*Exposure to country risk may be indirectly assessed by credit rating with some assumptions (notwithstanding political risks for business).*

*The long-term rating of Russia by liabilities in foreign currency for the end of 2017 is at the level of BB+ (Standard & Poor's), Ba1 (Moody's), BBB-(Fitch). This being said, in 2017, all three international rating agencies have improved the forecast for the sovereign rating of Russia: Moody's, to "stable," Standard & Poor's and Fitch, to "positive."*

*According to analysts, the external risks for Russia have decreased, and the Russian economy is adjusting to low global market prices for raw materials. A downgrade of ratings can occur if geopolitical developments lead to a tightening of sanctions by foreign states against Russia.*

**Political Risks**

*Due to the tightening of control on the part of the power industry regulatory agencies, the Issuer is taking steps necessary to avoid a detrimental effect of the abovementioned risks on its activity. In particular, key attention is paid to ensuring the transparency and reliability of procedures for controlling the expenditure of budgetary funds during the implementation of the Issuer's investment program as well as implementing the risk management measures described in this section.*

**Regional Risks**

*The Issuer is a taxpayer registered in the Krasnoyarsk Krai; however, its production assets are located, and its activities are carried out in a number of regions of Russia. There are specific risks associated with two of these: risks associated with possible terrorist activity are relevant for the North Caucasus, and the Far East region is characterized by seismic activity and difficulties with the accessibility of a number of territories. Measures are being taken with regard to these risks, and they are described in the following sections. Overall, the risk is assessed as insignificant.*

The planned actions of the Issuer in the event of the adverse effect of changes in the situation in the country (countries) and the region (regions) on its activities

*In the event of a significant restriction of access to the capital of the Issuer, the Issuer intends to carry out all actions aimed at reducing the impact of such events on their activities by optimizing the use of leverage.*

*To diversify the country risk, cooperation with European, Asian, and Latin American affiliates is developing in accordance with previously-signed intercompany agreements.*

*It is also worth noting the growing volume of interaction of Russia with affiliates in the SCO and BRICS, the establishment of new financial institutions, and the arrival to the country of capital of affiliates that influence country risk in a declining direction.*



*To ensure maximum transparency of expenditure of budgetary funds allocated by the state for the development of the power industry of the Far East, PJSC RusHydro has formed a conduit to the Ministry of Economic Development, the Ministry of Energy, and the Accounts Chamber of Russia to continuously assess and analyze the progress of the project, check the effectiveness of capital investments, and monitor targeted use of funds. Transparency of use of funds shall be ensured by Sberbank through a system of separate bank accounts opened for each participant of the construction. Independent pricing and technological audit of the design and estimate documentation for each facility are carried out by engineering companies selected by Sberbank on a competitive basis. More information on the parameters of the target budget spending control system can be found in the special “Development of the Power Industry of the Far East” section of RusHydro’s website at the following link: [http://www.rushydro.ru/activity/razvitiye\\_energetiki\\_dalnego\\_vostoka/](http://www.rushydro.ru/activity/razvitiye_energetiki_dalnego_vostoka/).*

*Changes in the situation in the country and regions of the Issuer’s activities, the nature and frequency of such changes, and risks inherent thereto are difficult to predict, as is the case with their effect on the future activities of the Issuer. Most of these risks are beyond the control of the Issuer due to their global scale. In the case of destabilization of the situation in Russia or the regions that could adversely affect the Issuer’s activities, the Issuer’s management will undertake a set of measures for crisis management to mitigate the adverse effect of the situation on the company to the greatest possible extent.*

Risks related to possible military conflicts, declaration of a state of emergency, or strikes in the country (countries) and region where the Issuer is a tax resident and/or carries out its principal activities

*In the case of possible military conflicts as well as the threat of terrorist attacks on the Issuer’s facilities (including under conditions of an aggravated international situation), there are risks of danger to the lives of personnel and breakdown of capital assets. The Issuer’s region of registration and most regions of the Issuer’s activities are characterized by a peaceful political situation. The probability of military conflicts and the declaration of a state of emergency or strikes in these regions is minimal, except for constituent entities of Russia located on the border with Ukraine and in the North Caucasian Federal District. In connection with the possible escalation of the Georgian-Ossetian conflict, the indicated risk may arise in a region of the Issuer’s activities, the Republic of North Ossetia-Alania.*

*As a result of sabotage at the Baksanskaya HPP (July 21, 2010) and detection of an explosive device at the Irganayskaya HPP (September 7, 2010), the Issuer carried out a comprehensive reassessment of safety systems at each facility. Based on the results, a comprehensive plan for enhancing the protection of the Issuer’s facilities has been implemented, as a part of which changes in the security program at the Issuer’s plants, including those under construction, have been introduced.*

*In the case of materialization of this risk, the Issuer will take measures to mitigate the consequences thereof, including:*

- *Evacuation of personnel and construction machinery located in close proximity*
- *Enhancement of the security of the Issuer’s facilities by engaging additional forces of the National Guard of Russia in order to prevent risks*

Risks related to geographic features of the country (countries) and region where the Issuer is registered as a tax resident and/or carries out its principal activities, including heightened danger of natural disasters, possible cessation of transportation due to remoteness and/or inaccessibility, etc.

*Generally, the regions of the Issuer’s activity are characterized by a well-developed transport infrastructure and are not exposed to risks connected with termination of transportation. However, some generating assets of the Issuer are located in remote areas with a severe, harsh climate, including in Krasnoyarsk Krai and some areas of the Far Eastern Federal District. The Issuer is constantly working to improve technologies for access to and work in the severe climatic conditions of these areas. However, there is no guarantee that the Issuer will not incur additional expenses in overcoming technical difficulties associated with the climate and accessibility of these areas, which may exert a negative influence on the Issuer’s business, income, financial standing, performance, and prospects. For the foreseeable future, these risks are assessed by the Issuer as insignificant.*

*Risks also related to geographic features of regions include risk of losses (for instance, lay up of fixed assets) in connection with seismic activity, avalanches, and mudslides, possible landslides and rain-caused floods, as well as other adverse weather conditions (tornadoes, strong snowfalls and frost, etc.). The majority of the Company’s facilities are located in seismically quiet regions; however, such facilities as the Pauzhetskaya GeoPC and the Verkhne-Mutnovskaya GeoPC are located in an earthquake zone with potential magnitude of up to 9 on the Richter Scale. An emergency action plan has been developed in the event of earthquakes, with continuous monitoring of the situation. Transport issues are being elaborated in advance with a focus on the aforesaid risk, and the cargo and personnel delivery scheme is being optimized.*

### **2.4.3. Financial Risks**

Exposure of the Issuer to risks related to change in interest rates and foreign currency exchange rates due to activity of the Issuer or due to hedging performed by the Issuer with a view to reducing the adverse effects of the above risks

Exposure of the Issuer's financial standing, its liquidity, sources of financing, performance, etc., to change in the currency exchange rate (exchange risks)

*The financial status of the Issuer, its liquidity, sources of financing and performance results do not depend heavily on foreign exchange differences and interest rate changes.*

*The Issuer sells power on the domestic market of Russia. Settlements with suppliers of resources and accrual and receipt of payments from power offtakers are performed mostly in the currency of Russia (rubles). The influence of the exchange rate volatility of the national currency of Russia on the Issuer's financial status is assessed as insignificant.*

*The Issuer's liabilities are also primarily denominated in rubles. For this reason, the exposure of the Issuer to the risk of foreign exchange fluctuations is assessed by the Issuer as immaterial.*

Expected actions of the Issuer in the event of a negative impact of changes in the currency exchange rate and interest rate on the Issuer's activity

*The credit portfolio of PJSC RusHydro features mainly loans with fixed interest.*

*Due to aggravation of the international situation, economic sanctions, and other force majeure events, there is a possibility of growth in risks connected with the Issuer's difficulties in gaining access to loan funds of foreign contracting parties, an increase in the value of the Issuer's debt liabilities, and losses due to an increase in the foreign exchange rate and interest rates. Control of these risks consists of decreasing limits for counterparty banks with reduced ratings, stress testing of possible losses due to the growth in the euro exchange rate under the currency and interest risk management methodology approved by the Issuer, and legal support of the contract base.*

*Information on credit ratings assigned by the leading rating agencies to the Issuer is presented in clause 8.1.6 of this Quarterly Report. Reports of rating agencies for 2017 noted improvement of indicators for operating activities, solvency and financial stability of RusHydro Group, and also the expectation of maintaining their positive dynamics, the high level of liquidity of the company, including the confirmed limits to financing at the largest Russian banks and access to the capital market, the strong market positions of RusHydro in the industry, and also preservation of a high level of support from the state.*

Influence of inflation on payments under securities.

*The inflation level directly depends on the political and economic situation in the country. The inflation rate dynamics are connected with general change dynamics in interest rates.*

*The adverse effect of inflation on the financial and economic activities of the Issuer may result from the following risks:*

- Risk of loss related to a decrease in the actual value of accounts receivable in the case of significant deferral or delay in payment*
- Risk of increase in the cost of Issuer's liabilities*
- Risk of increase in the cost of products, works, and services due to an increase in prices for energy carriers, transport expenses, salaries, etc.*
- Risk of reduction of the actual value of funds raised for financing the investment program*

*Inflation growth may lead to an increase in the Issuer's costs as a consequence of a fall in earnings and in the profitability of activities. Moreover, a rise in inflation is connected with an increase in the cost of borrowed funds for the Issuer, which is characterized by a risk of shortage of current assets of the Company.*

According to the Issuer, inflation has a critical influence on securities payments and inflation levels as well as expected actions of the Issuer with regard to a decrease in the abovementioned risk.

*Taking into account the level of potential earnings of the Issuer's activity, the critical inflation level under which the Issuer would have difficulties is equal to at least 20% per annum.*

*According to data of the Federal Statistics Service of Russia (Rosstat), the annual inflation rate in Russia (CPI) reached its lowest level since 1991 in 2017: 2.5%, vs. 5.4% in 2016 and 12.9% in 2015. According to the forecast of the socioeconomic development of Russia for 2018 and the planning period of 2019 and 2020 published by the Russian Ministry of Economic Development, the rate of annual inflation is estimated at no higher than 4.3% in 2018 for all forecast variants.*

*In the event of an increase in inflation, the Issuer plans to raise current asset turnover by amending contractual relations with its offtakers.*

Indices of the Issuer's financial statements most subject to change as a result of the aforesaid financial risks. Risks, probability, and nature of changes in statements

<b>Risk</b>	<b>Probability</b>	<b>Indices of financial statements subject to change to a greater extent as a result of the said financial risks</b>	<b>Nature of changes in statements</b>
Increase in loan rates of banks	Low	Balance sheet (form No. 1): 1) Accounts payable (other creditors) Statement of Financial Performance (form No. 2): 1) Interest payable 2) Net earnings	Earnings decrease, increase of debt service costs
Exchange risk	Medium	Balance sheet (form No. 1): 1) Accounts receivable 2) Accounts payable 3) Cash Statement of Financial Performance (form No. 2): 1) Other income and expenses 2) Net earnings 3) Interest payable	Growth in investment costs, increase in accounts payable, growth in other expenses, increase in expenditures connected with interest and reduction of net earnings
Inflation risks	Low	Statement of Financial Performance (form No. 2): 1) Other expenses 2) Cost of goods, products, works, services sold 3) Net earnings	Earnings decrease

#### **2.4.4. Legal Risks**

*Information was specified in the Quarterly Report for Q1 2017; there were no changes made to this information during Q4 2017.*

#### **2.4.5. Risk of Loss of Reputation (Reputational Risk)**

*Information was specified in the Quarterly Report for Q1 2017; there were no changes made to this information during Q4 2017.*

#### **2.4.6. Strategic Risk**

*Information was specified in the Quarterly Report for Q1 2017; there were no changes made to this information during Q4 2017.*

#### **2.4.7. Risks Related to the Issuer's Activities**

Description of intrinsic risks exclusive to the Issuer or related to the Issuer's main financial and economic activities

Risks related to current litigations in which the Issuer is involved:

*There are no litigations in which involvement may materially affect the financial and economic activities of the Issuer.*

Risks of the inability to renew any of the Issuer's licenses for any specific type of activity or to use any facilities with limited circulation (including natural resources):

*The Issuer's core activity does not require the receipt of licenses.*

*The Issuer does not use facilities with limited circulation in its activity (including natural resources), does not engage in banking or insurance activities, and is not a securities market professional or an investment fund. The Issuer likewise does not extract commercial minerals and does not render communication services.*

*After licensing of construction activities has been replaced by obligatory membership in self-regulated organizations (SRO), subsidiaries of PJSC RusHydro carrying out works on construction, reconstruction, and capital repair of objects of capital construction, preparation of design documentation of objects of capital*

construction, and engineering surveys of facilities joined ENERGOPROJECT (self-regulating organization in the field of project activities), EnergoStroyAlyans (self-regulating organization in building activities), and AISS (self-regulating organization in engineering surveys).

*The Issuer meets all license requirements in full and on time, and the Issuer does not foresee any difficulty in renewing current licenses (the list of the Issuer's licenses shall be disclosed in Clause 3.2.5 of this Quarterly Report for Q3 2017, the text of which is posted on the Internet (<http://www.rushydro.ru/investors/disclosure/greports/2017/>, <http://www.e-disclosure.ru/portal/company.aspx?id=8580>).*

*These risks are assessed by the Issuer as insignificant.*

Risks related to the potential liability of the Issuer for the debts of third parties, including subsidiaries of the Issuer:

*The Issuer acts as a guarantor for the liabilities of PJSC Boguchanskaya HPP under the loan provided by Vnesheconombank. Information on the amount of the Issuer's guarantees under the loan agreement is provided in clause 2.3.3 of this Quarterly Report. The Issuer estimates the risk of nonfulfillment of these liabilities as low. At the end of 2017, measures to cancel RusHydro's guarantee for the Boguchanskaya HPP loan were initiated. The cancellation of the guarantee is planned to be completed by the end of Q1 2018.*

*Liability for debts of subsidiaries of the Issuer may arise as stipulated by the applicable legislation of Russia, namely, if the Issuer's instructions that are binding for its subsidiaries result in losses or the bankruptcy of such subsidiaries. The probability of these risks materializing is low.*

*In connection with the acquisition of shares of JSC RAO Energy Systems of the East by the Issuer in 2011–2013 during the course of issuance, the Issuer has integrated all business processes of the two companies to detect and manage new risks. As a result, a project to create a corporate risk management system for JSC RAO Energy Systems of the East and its subsidiaries (the "Holding") in accordance with the requirements of the Issuer's Risk Management Policy was implemented.*

*In Q1 2017, the procedure for integrating the executive units of PJSC RusHydro and JSC RAO Energy Systems of the East was implemented with the goal of increasing the manageability standards to the best practices. Upon completion of integration, the Issuer expanded RusHydro Group's risk management perimeter—the Internal Control and Risk Management Policies were approved by 14 RusHydro Group companies located in the Far East.*

*Also, in Q1 2017, the Issuer entered into a transaction with VTB Bank (PJSC) to provide the Issuer with shareholder financing amounting to RUB 55 billion. Funds raised from VTB Bank (PJSC) were fully used to refinance debts on loans and borrowings of RAO Energy Systems of the East Holding, which allowed reduction of the amount of external debt of the companies of RAO Energy Systems of the East Holding by more than 60%.*

Risks related to the possible loss of offtakers providing turnover amounting to at least 10 percent of the total revenues from sales of the Issuer's products (works, services):

*Due to the fact that the Issuer sells practically all produced electricity on the wholesale market, this risk is insignificant.*

Risks related to the existence of covenants in loan agreements.

*In accordance with the terms and conditions of certain credit agreements, the Issuer is obliged to comply with financial and other restrictions imposed on it and its controlled organizations, limiting the ability of the Issuer and its controlled organizations, among other things, to pledge property or otherwise encumber it; acquire assets or invest; sell (alienate), transfer, or otherwise dispose of its assets or accounts receivable; carry out mergers or acquisitions; or make changes to its business or dividend payment policy. The terms of the loan agreements also require the Issuer to achieve certain financial ratios calculated on a consolidated basis according to RusHydro's financial statements under IFRS. The need to adhere to financial ratios and other restrictions may prevent the Issuer from performing a number of major transactions and executing its business strategies. In addition, a corresponding violation by the Issuer and/or entities controlled by the Issuer of the restrictions specified in existing loan agreements may lead to default on this type of commitment, which in turn may create cross-default risks for other financial liabilities of the Issuer and/or its controlled organizations as regards the emergence for a number of creditors of the right to bring debts to them for early repayment. A consequence thereof may be a significant adverse effect on the business, income, financial standing and performance of the Issuer, and its ability to fulfill its liabilities as well as to pay dividends.*

*The Issuer has formalized the process of control over compliance with covenants (a relevant local regulation is in force); when management decisions are made, these risks are assessed on an ongoing basis. The Issuer considers the likelihood of the materialization of these risks to be insignificant.*

Other risks related to the Issuer's activities.

*The Company is actively working on the prevention of corruption. By Decision of the President of the Russian Union of Industrialists and Entrepreneurs ("RUIE") No. RP-39 dated June 7, 2013, the Issuer is*

*included in the Consolidated Register of Participants of the Anticorruption Charter of Russian Business. The essence of this document lies in the implementation by companies of special anticorruption programs and practices that will affect not only the situation in the companies but also their relations with business affiliates and with the state. The Charter provides for renunciation of preferences, procurement through open bidding, financial control, training and work with personnel, assistance to law enforcement agencies, and other measures. In the autumn of 2014, the RUIE experts acknowledged the work on corruption prevention in JSC RusHydro as one of the best among the companies participating in the Anticorruption Charter of Russian Business. This conclusion is made on the basis of monitoring the implementation of the Charter. The assessment conducted by the Issuer revealed full compliance of JSC RusHydro with the provisions of the Charter. The Issuer improves the internal control and risk management system on a regular basis.*

*In May 2017, RusHydro sent a Declaration to the Russian Union of Industrialists and Entrepreneurs (RUIE) on compliance with the provisions of the Anticorruption Charter of Russian Business. The declaration lists the anticorruption measures in force in the Company. It was noted that the internal documents of RusHydro, adopted for the purpose of preventing and combating corruption, are consistent with the Charter. The organization identified and resolved business processes with increased corruption risks and controls anticorruption measures on the part of management, and work is being carried out to prevent conflicts of interest. When choosing economic affiliates, they are tested for compliance with anticorruption requirements. As a result of the consideration of the Declaration, the Company's participation in the Charter has been extended for two years.*

*Pursuant to Regulation No. 883 of Russia Government dated October 7, 2013, specifying the list of companies whose directors must submit information on income, expenses, property, and property-related liabilities, which includes PJSC RusHydro, the Company has set itself the task of optimizing such work, both in relation to labor costs and the accuracy of the submitted information. As a result, the algorithm for detecting concealment of information and conflict of interest (declared or secret participation in a legal entity having relations with any company from RusHydro Group) was automated, information collection for due diligence concerning detection of conflict of interest within RusHydro Group and the generation of reports as part of the declaration campaign were automated, and the number of errors made when completing declarations was decreased on account of built-in protection from input errors. The program was called the "Affiliates Client" and certificate No. 2014617320 dated July 17, 2014, was issued for it by Rospatent.*

*A Code of corporate ethics, a Regulation on notification of the employer regarding instances of inducing employees to commit illegal actions, a Regulation on notification regarding gifts received by employees in connection with hospitality events, business trips, and other official events, and a Regulation on the prevention and settlement of conflicts of interest, and an Anticorruption Policy have been implemented. Informational and promotional materials warning about responsibility for committing illegal actions have been developed and approved.*

*A hotline operates on an ongoing basis. Uninterrupted operation of the hotline has been ensured. Mechanisms for periodic performance checks of hotline with recording of information about line malfunctions have been developed and implemented. Special web pages about the hotline on the Company's official website have been completed. In December 2017, by order of the Company, the Rules of Operation of the RusHydro Group hotline were approved, so was the Regulation on the procedure for receiving, reviewing, and preparing responses to appeals received on the Company's hotline.*

#### Risks related to the actions of third parties.

*1. Failure to fulfill commitments by the Issuer's counterparties within the term stipulated by a contract may result in power generating equipment not being commissioned on time, and that may affect power generation.*

*2. If defaults of the counterparty of the Issuer under contracts as regards the term of completion of works become widespread, this may lead to an extension of the term for completion of repair works and lead to wear and tear on the plant and equipment, which can adversely affect the reliability of power plant equipment.*

*3. Due to improper management and performance of works, the contractors may cause harm to plant equipment, which may result in emergency shutdowns of equipment potentially affecting power generation.*

*4. There are risks related to trade unions and the retention of qualified managerial personnel.*

*These risks are assessed as being insignificant due to significant efforts undertaken by the Issuer to preserve and develop the personnel, in particular, creation of a targeted order for specialist training, recovery of human resources of the hydropower industry with secondary technical education, creation of "Young Hydropower Industry Worker" interest groups based on technical creativity centers for youth in the regions where the Issuer operates, and enhancement of interaction with specialized universities and scientific institutes.*

*Special attention is paid to increasing motivation, material and moral incentives, and social protection of staff.*

*RusHydro's policy regarding employees is based on the following principles:*

- Increasing the qualification of employees through implementation of training programs*
- Offering its employees the best social packages in the electric power industry*

- *Development of an employee motivation/stimulation system for the purposes of growth in operational efficiency of the staff and the Issuer as a whole*

*Due to the need for staffing for the commissioning of capacities of the main facilities of new construction within the framework of the Issuer's investment program implementation and implementation of key objectives of the Issuer's production plan, such as maintaining the reliable and uninterrupted operation of facilities and increasing operating performance, mitigation of human factor risks by means of better professional training and staff accountability at all levels, in September 2010, the Chairman of the Company's Management Board approved the Human Resources Priority Development Concept as part of the campaign "From the New School to the Workplace" and the Program for its implementation. The primary objective of the Program is to develop technical education, increase the prestige of technical professions, and to create the conditions for satisfying RusHydro's need for highly trained professionals to operate the capacities of RusHydro, both current and planned for commissioning, and to maintain their reliable and uninterrupted operation.*

*The risk of the impossibility of concluding a labor agreement on conditions acceptable for employees is assessed by the Issuer as insignificant in the medium term. The risk of the impossibility of selecting qualified managerial personnel is minimized by the Issuer's measures for the creation of a candidate pool and the training of newcomers in specialized professions, for which a number of partner agreements with specialized universities have been concluded.*

#### *5. Occupational health and safety*

*Powers, responsibilities, and accountability in the occupational health and safety management system at facilities are distributed from the site manager to employees in accordance with administrative and functional subordination under local administrative and regulatory documents (acts) of the facilities (orders, regulations, procedures).*

*At RusHydro, strict observance of occupational safety standards for all employees performing work at the Issuer's facilities is carried out.*

*Control over observance of labor protection standards in the branches of RusHydro is entrusted to labor protection and industrial control services, and control over compliance with labor protection standards in the production of specific works is entrusted to the responsible managers of the work.*

*The facilities are provided with the entire necessary regulatory technical and legal base and local documents (acts) (occupational safety regulations, industrial instructions) for all professions and types of work.*

*Blue-collar employees have monthly briefings on 3–4 health and safety matters, both general and for the profession and types of work being performed.*

*Blue-collar employees undergo an annual test of their knowledge of occupational health and safety standards.*

*Management of all levels involved in production is also briefed and their competence is tested annually.*

*Certification of workplace conditions has been carried out at all facilities of the Issuer.*

*Independent specialized organizations are involved for special assessment of working conditions (attestation of workplaces).*

*Specialized medical institutions are engaged for mandatory periodic professional medical examinations.*

*Independent specialized organizations are engaged to assess the safety of hydropower plants and equipment.*

*An alert system that records and immediately informs about all undesirable events (incidents) is successfully operating in RusHydro.*

*Each and every incident is subject to investigation.*

*Operation of hazardous production facilities of the Issuer is carried out in accordance with the requirements of legislation in the field of industrial safety: a system of in-process monitoring of compliance with industrial safety requirements is in operation, there are necessary permits for the operation of hazardous facilities ("HF"), the public liability risk when operating hazardous facilities is insured, and the personnel of the Issuer's facilities are certified in the field of industrial safety.*

*Fire safety declarations have been developed. The Issuer's activities in the field of fire safety at production facilities are carried out strictly in accordance with the requirements of legislation in the field of fire safety.*

*Safety declarations and hydropower plant safety declarations have been developed and updated at all facilities of the Issuer.*

*The Issuer's actions for management of these risks:*

- *Enhanced control over the activities of counterparties (contractors and subcontractors) at the Issuer's facilities*
- *Insuring power plant equipment against damage by third parties*
- *Granting work permits to qualified personnel only*
- *Claim settlement with contractors who have violated the term of works performance as regards payment of penalties for defaults under a contract*
- *Monitoring of the progress of works at the plants on a monthly basis*

*This section covers only risks that the Issuer considers significant. Other risks not mentioned in this section may also exist. Other risks unknown to or insignificant for the Issuer at present may also negatively affect the Issuer's business activities and the fulfillment of its commitments as well as dividend payments.*

### III. Detailed Information on the Issuer

#### 3.1. History of the Issuer's Foundation and Development

##### 3.1.1. Information on the Issuer's Corporate Name

Full corporate name of the Issuer:

- In Russian: *Публичное акционерное общество «Федеральная гидрогенерирующая компания – РусГидро»*

- In English: *Public Joint-Stock Company Federal Hydro-Generating Company – RusHydro*

Effective date of the current full corporate name: *July 6, 2015*

Short corporate name of the Issuer:

- In Russian: *ПАО «РусГидро»*

- In English: *PJSC RusHydro*

Effective date of the current short corporate name: *July 6, 2015*

*Neither the full nor the short corporate name of the Issuer is similar to the name of another legal entity. The Issuer will use the full and/or short corporate name, location, INN, and/or assigned OGRN for its identification in formal contracts and documents.*

Corporate name of the Issuer (name of nonprofit organization) is registered as a trademark or service mark.

***Information on registration of the specified trademarks:***

***Certificate of trademark (service mark):***

*No. 454339 registered with the Public Register of Trademarks and Service Marks of Russia on February 20, 2012, the registration will expire on July 2, 2019;*

*No. 454053 registered with the Public Register of Trademarks and Service Marks of Russia on February 16, 2012, the registration will expire on February 16, 2021;*

*No. 440951 registered with the Public Register of Trademarks and Service Marks of Russia on July 13, 2011, the registration will expire on February 16, 2021;*

*No. 453894 registered with the Public Register of Trademarks and Service Marks of Russia on February 15, 2012, the registration will expire on February 16, 2021;*

*The Issuer's corporate name has changed during the period of its existence.*

*There were no changes in the organizational and legal form of the Issuer.*

The list of all previous full and short corporate names of the Issuer with indication of the date and grounds for the change:

Full corporate name: *Joint-Stock Company Federal Hydrogeneration Company RusHydro*

Short corporate name: *JSC RusHydro*

Effective date of the name: *July 13, 2011*

Name registration reason: *State registration of the new version of the Issuer's Articles of Association on July 13, 2011, approved by the decision of the Annual General Meeting of Shareholders of the Issuer dated June 30, 2011 (Minutes No. 7 dated July 4, 2011), and Resolution No. 1322-r of the Ministry of Justice of Russia dated June 17, 2011.*

Full corporate name: *Joint-Stock Company Federal Hydrogeneration Company*

Short corporate name: *JSC RusHydro*

Effective date of the name: *July 14, 2010*

Name registration reason: *State registration of the new version of the Issuer's Articles of Association on July 14, 2010, approved by the decision of the Annual General Meeting of Shareholders of the Issuer dated June 30, 2010 (Minutes No. 5 dated June 30, 2010), and Resolution No. 5006-r of the Ministry of Justice of Russia dated June 28, 2010.*

Full corporate name: *Joint-Stock Company RusHydro*

Short corporate name: *JSC RusHydro*

Effective date of the name: *July 4, 2008*

Name registration reason: *State registration of the new version of the Issuer's Articles of Association on July 4, 2008, approved by the decision of the Annual General Meeting of Shareholders of the Issuer dated June 25, 2008 (Minutes No. 1 dated June 26, 2008).*

Full corporate name: *Joint-Stock Company Federal Hydrogeneration Company*

Short corporate name: *OJSC HidroOGK*



Effective date of the name: *December 26, 2004*

Name registration reason: *State registration of legal entity on December 26, 2004.*

### **3.1.2. Information on State Registration of the Issuer**

Primary state registration number (OGRN) of the Issuer: *1042401810494*

Date of state registration of the Issuer (date of making entry on establishment of the legal entity in the Unified State Register of Legal Entities): *December 26, 2004.*

Name of the registering authority that made the entry on the establishment of the Issuer in the Unified State Register of Legal Entities: *Inspectorate of the Ministry of Taxation of Russia for Zheleznodorozhniy District of Krasnoyarsk, Krasnoyarsk Krai.*

### **3.1.3. Information on Foundation and Development of the Issuer**

*The Issuer is established for an unspecified period of time.*

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

*RusHydro was established in accordance with Resolution No. 526 of Russia Government dated July 11, 2001, "Main Directions of Electrical Power Industry Reform in Russia" and Directive No. 1254-p of Russia Government (as amended on October 25, 2004, No. 1367-p) as a wholly owned subsidiary of OAO RAO UES of Russia.*

*State registration of the Issuer took place on December 26, 2004.*

*In 2005, the Board of Directors of RAO UES of Russia approved a target model of RusHydro in the form of an Operating Company managing its branches established on the basis of JSC HPPs during reorganization of subsidiaries and affiliates (S&A) in the form of affiliation with RusHydro (Minutes No. 2005 dated September 30, 2005–October 4, 2005).*

*On April 27, 2005, the Board of Directors of RAO UES of Russia approved a plan of accelerated consolidation of the Issuer into a unified Operating Company, providing for affiliation with RusHydro of subsidiary JSC HPPs (without construction sites and infrastructure subsidiaries), other JSC HPPs, as well as OJSC State Holding HidroOGK and OJSC Minority Holding HidroOGK established as a result of reorganization of RAO UES of Russia in the form of split-off (Minutes No. 250 dated April 27, 2007). The Issuer's Operating Company with the direct participation in the Issuer's authorized capital of shareholders of subsidiaries and affiliates (S&A) as well as shareholders of RAO UES of Russia (through OJSC Minority Holding HidroOGK and OJSC State Holding HidroOGK) was formed within 2007–2008 through reorganization in the form of affiliation with RusHydro of the following joint-stock companies (the "Affiliated Companies"):*

*OJSC Bureyskaya HPP, OJSC Volzhskaya HPP, OJSC Votkinskaya HPP, OJSC Dagestan Regional Generation Company, OJSC Zhigulevskaya HPP, OJSC Zagorskaya PSHPP, OJSC Zeyskaya HPP, OJSC Zelenchukskiye HPPs, OJSC Kabardino-Balkarian Hydrogeneration Company, OJSC KabbalkHPP, OJSC Kamskaya HPP, OJSC Cascade of VV HPPs, OJSC Cascade of NChHPPs, OJSC Nizhegorodskaya HPP, OJSC Saratovskaya HPP, OJSC Northern Ossetian HGC, OJSC Stavropol Electricity Generating Company, OJSC Sulakenergo, OJSC Cheboksarskaya HPP, OJSC Neporozhny SShHPP, CJSC EOZ, OJSC Irganayskaya HPP, OJSC State Holding HidroOGK, OJSC Minority Holding HidroOGK.*

*Therefore, in July 2008, the Company's target model was implemented. In the same year, the Company's shares were brought to the Russian shares market. To upsurge liquidity, increase market capitalization, attract new investors, and observe the interests of former holders of depositary receipts of OAO RAO UES of Russia, the Company launched a program of depositary receipts, with the depositary bank being Bank of New York Mellon.*

*Following the results of consolidation, the Company consolidated over 50 HPPs in 18 regions of Russia.*

*In 2011, the control block of stocks of PJSC RAO Energy Systems of the East was included into the authorized capital of PJSC RusHydro by Russia followed by the increase of the installed capacity of RusHydro Group from 26.1 GW to 35.2 GW.*

*During 2015–2016, in accordance with the decision of the Board of Directors of PJSC RusHydro (Minutes No. 223 dated October 7, 2015), measures were taken on consolidation to 100 percent of stocks of PJSC RAO Energy Systems of the East owned by RusHydro Group.*

*In 2012, the first aggregate of Boguchanskaya HPP was issued, and in 2014 the HPP reached full capacity. In 2012, the Ust-Srednekanskaya HPP start-up facility was brought into operation. In 2015, the Gotsatlinskaya HPP was put into operation; in 2016, Zelenchukskaya HPP-PSHPP and Zaragizhskaya HPP were put into operation. In 2017, RusHydro completed the construction of the Boguchanskaya HPP and completed all the works on the comprehensive restoration of the Sayano-Shushenskaya HPP.*

*In accordance with Decree of the President of Russia No. 1564 dated November 22, 2012, on the development of the Far Eastern energy sector, RusHydro Group started implementing four priority projects in*

*the Far Eastern Federal District: HPP in Sovetskaya Gavan in Khabarovsk Krai, the first stage of Sakhalinskaya SDPP-2, the first stage of Yakutskaya SDPP-2, and the second stage of Blagoveshchenskaya HPP. The second stage of Blagoveshchenskaya HPP was put into operation in 2015, and in Q4 2017 the construction of the first stage of Yakutskaya SDPP-2 was completed. Civil works are in progress on the HPP in Sovetskaya Gavan in Khabarovsk Krai and the first stage of Sakhalinskaya SDPP.*

*The installed capacity of RusHydro Group's power plants as of December 31, 2017, is 39.1 GW (including the Holding Companies RAO Energy Systems of the East, Boguchanskaya HPP).*

*The Issuer's mission: Efficient use of water resources and creation of conditions for reliability control of Russia's Unified Energy System as well as ensuring proper conditions for socioeconomic development of the Far Eastern regions by providing access to the energy infrastructure for existing and prospective off-takers.*

*In June 2016, the Company's Board of Directors approved the RusHydro Group development strategy for the period until 2020 with an outlook for 2025 (Minutes No. 238 dated June 8, 2016), according to which the strategic objectives of the Company are:*

- Safe and secure operation of the Company's facilities*
- The sustainable development of power generation*
- Far East power industry development*
- Increase in the Company's value*

*In October 2017, the Board of Directors of RusHydro (Minutes No. 259 dated October 30, 2017) approved RusHydro Group's Value Increase Plan for the period up to 2021 (the "Plan"). The key goal of the Plan is to maximize RusHydro Group's value and increase its investment attractiveness for shareholders and investors.*

Other information on the Issuer's activities that is important when taking decisions on acquisition of the Issuer's securities: *N/A.*

### **3.1.4. Contact Information**

Issuer's location: *Krasnoyarsk, Krasnoyarsk Krai.*

Issuer's address indicated in the Unified State Register of Legal Entities: *43/1 Dubrovinskogo St., Krasnoyarsk, Krasnoyarsk Krai 660017*

Other address for correspondence to the Issuer: *7 Malaya Dmitrovka St., Moscow 127006*

Telephone: *+7 800 333 8000*

Fax: *+7 (495) 225 37 37*

E-mail: *office@rushydro.ru*

Address of website (websites) where information on the Issuer, its securities issued or being issued is available: *www.rushydro.ru, http://www.e-disclosure.ru/portal/company.aspx?id=8580*

Name of the Issuer's special division working with shareholders and investors of the Issuer: *Strategy and IR Department*

Location of the unit: *7 Malaya Dmitrovka St., Moscow 127006, Russia*

Telephone: *+7 800 333 8000*

Fax: *+7 (495) 225-37-37*

E-mail: *ir@rushydro.ru*

Website: *www.rushydro.ru*

Name of the Issuer's special division working with shareholders and investors of the Issuer: *Corporate Governance and Property Management Department*

Location of the unit: *7 Malaya Dmitrovka St., Moscow 127006, Russia*

Telephone: *+7 800 333 8000*

Fax: *+7 (495) 225-37-37*

E-mail: *office@rushydro.ru*

Website: *www.rushydro.ru*

### **3.1.5. Taxpayer Identification Number**

INN assigned to the Issuer by tax authorities: *2460066195*

### **3.1.6. Branches and Representative Offices of the Issuer**

Changes that have taken place in the reporting quarter in the information on branches of the Issuer:

*The position of the director of the branch of PJSC RusHydro KorUnG has been occupied by Dmitry Valeryevich Zavrazhny since October 1, 2017 (the power of attorney is valid until January 31, 2020).*

*The director of the branch of PJSC RusHydro Zagorskaya PSHPP Vladimir Ivanovich Magruk was dismissed on October 20, 2017.*

*From October 23, 2017, deputy chief engineer for the operation of the branch of RusHydro Zagorskaya PSHP Viktor Viktorovich Zhiznevskiy was entrusted with additional work in the position of director of the branch of RusHydro Zagorskaya PSHPP without exemption from work determined by the employment contract (the power of attorney is valid until April 30, 2018).*

*There were no changes in the list of the Issuer's branches in Q4 2017.*

## **3.2. Core Business Activity of the Issuer**

### **3.2.1. Main Economic Activities of the Issuer**

Codes of major economic sectors of the Issuer according to OKVED (All-Russian Classifier of Economic Activities): **35.11.2**

Other All-Russian Classifier of Economic Activities codes granted to the Issuer: **35.11.4, 35.14, 70.22, 71.12.53, 77.39, 85.42**

### **3.2.2. Core Business Activity of the Issuer**

*Not to be specified in the report for Q4.*

### **3.2.3. Materials, Goods (Raw Materials), and Suppliers of the Issuer**

*Not to be specified in the report for Q4.*

### **3.2.4. Sales Markets for Products (Works, Services) of the Issuer**

Description of key markets where the Issuer conducts its business.

Possible factors that may have a negative impact on the sale of the Issuer's products (works, services) and possible actions of the Issuer for reducing such impact.

*Key markets where the Issuer conducts its business:*

#### **Wholesale Market for Electricity and Power**

*The Issuer operates within several territorial entities of Russia. The Issuer's current core business is electricity (capacity) production and sale.*

*In accordance with Regulation of the Government of Russia No. 1172 dated December 27, 2010, "On Approval of Regulations for the Wholesale Electricity and Capacity Market and Introduction of Amendments to Certain Acts of the Government of Russia Regarding Functioning of the Wholesale Electricity and Capacity Market" (the "Wholesale Market Regulations"), the Issuer carries out its activities connected with the sale of electricity (capacity) in the following segments of the wholesale market:*

#### **Regulated Contracts (RC):**

*Trade in electricity (capacity) is carried out under the terms and conditions of regulated contracts concluded on the wholesale electricity (capacity) market at regulated prices (rates) approved by the Federal Tariff Service of Russia. The cumulative volume of electricity and the cumulative volume of capacity supplied under RCs in the relevant calendar year by the Issuer shall not exceed 35 percent of the overall electricity and capacity production specified in the budgeted balance sheet for the regulatory period for the Issuer.*

#### **Competitive trade in generating capacity, capacity auction (CA):**

*There are several mechanisms for implementing capacity on the wholesale market:*

- *Purchase/sale of capacity taken off based on the results of a capacity auction or under capacity purchase and sale agreements concluded based on the results of a capacity auction*
- *Purchase/sale of capacity under free agreements of purchase and sale of power*
- *Purchase/sale of capacity under capacity supply agreements and under capacity purchase and sale agreements with new nuclear power plants and hydropower plants similar to Capacity Delivery Agreements (CDA)*
- *Purchase/sale of capacity of generating facilities classified as must-run generating facilities*
- *Purchase/sale of capacity under regulated contracts (in the volumes of supply to the population and equated categories)*
- *Purchase/sale of the capacity produced by qualified generating facilities that operate through the use of renewable energy sources ("RES") on contracts for supply of capacity concluded as a result of competitive selection of investment projects for the construction of generating facilities operating on the basis of renewable energy sources*

*Capacity auction (CA) conducted by the system operator is the basis of the capacity market and determines how much capacity will be paid for on the wholesale market.*

Until 2015, the CA was conducted only 1 year in advance (for next year). Under Regulation of the Government of Russia No. 893 dated August 27, 2015, the new Rules of the CA and the improvement of principles of capacity trade on the wholesale market were approved. Beginning in 2016, as part of the CA, each year, power is selected for the year that is three calendar years after the year of the CA. In 2015, the CA for 2016–2019 took place. In 2017, the CA for 2021 took place.

The CA is conducted in price zones without separation of free power transfer zones (FTZ). Indexing is made when the CA took place for more than 1 year in advance. The price of CA indexed for the period from January 1 of the year following the year of the CA until January 1 of the year of delivery in accordance with the CPI decreased by 0.1%.

In the long-term capacity market, demand volume in the capacity auction puts dependence of the volume of demand on the price of power: at a lower price, buyers are willing to purchase a larger amount of power; at a higher price, a lower amount. Graph of the demand function is a straight line segment passing through two points, the values of which are set separately for each price zone and for each CA. The first point of the volume of demand is determined by the procedure of the Ministry of Energy on the basis of the forecast peak demand in the price zone and the planned reserve ratio. For the CA 2017, the price is set at 150,000 rubles/MWh for the first price zone, and 210,000 rubles/MWh for the second price zone. The second point of the demand volume is increased by 12% relative to the value of the first point. For the CA 2017, the price is set at 110,000 rubles/MWh for the first price zone and 150,000 rubles/MWh for the second price zone.

The price of the CA corresponds to the maximum of prices in selected applications and the price at which the demand function takes a value equal to the total volume of the selected power (including power paid for regardless of the results of CA). The CA price for each zone is the same for all the selected generating facilities. Power that has not undergone capacity auction is not paid for.

As we approach the year of delivery, in case of exceeding the adjusted demand for power over the payable amount of generating capacity, a corrective competitive capacity auction is possible. A mandatory fee that does not depend on the results of the CA is imposed on the power introduced by CDA and similar agreements with new nuclear power plants and hydropower plants as well as generating facilities whose work is essential for maintaining the technological modes of operation of the power or heat supply (forced generators).

Payment for power delivered by internal generators carried out at the price established by the authorized federal agency (or the Government of Russia) is not higher than the power price in the previous year for a sale as a result of capacity auction or forced mode. The decision to classify the generator as forced is taken prior to the CA. The only exception is the generating facilities for which intent to decommission after the CA has been stated, and for which the Ministry of Energy also has demanded the postponement of output due to the threat of the onset of an energy services deficit. Power generators operating in forced mode and power introduced by CDA and similar contracts with new nuclear power plants and hydropower plants is included in the spot price acceptance of the offer during the CA.

Payment for capacity is distributed as follows: the financial burden to pay for power-generating facilities selected by the CA and power facilities receiving payment under the CDA is distributed to all offtakers of the price zone. The power of facilities designated as forced generators in connection with the threat of an onset of energy services deficit is paid for by offtakers of the corresponding FTZ. The power of facilities designated as forced generators in connection with the threat of an onset of heat deficit is paid for by offtakers of the corresponding subject of Russia.

Federal Law No. 508-FZ dated December 28, 2016, "On Amendments to the Federal Law 'On Electric Power Industry'" introduced an increase in the price of power in the I and II price zones, due to which the prices in the Far East will be reduced to the average level. This law is a law of indirect action. On July 31, 2017, Resolution of the Government of Russia No. 895 dated July 28, 2017, "On Achievement in Territories of the Far Eastern Federal District of Basic Levels of the Prices (Tariffs) for Electricity (Power)" for realization of the specified support mechanism came into force (and has extended the action to the relations that have arisen from July 1, 2017). On July 28, 2017, Order of the Government of Russia No. 1614-r, according to which PJSC RusHydro is recognized as a receiver of a price markup on the power delivered in price zones of the wholesale market established for achievement of the basic levels of the prices (tariffs) for electricity (power) planned for the next period of regulation in territories of the Far Eastern Federal District, was issued.

#### Day-Ahead Market (DAM):

The volume of electricity generated above the RC volumes is sold at nonregulated prices on the day-ahead market, and shortages are purchased on the DAM as security for RCs. The rules of the wholesale market provide for the possibility of electricity sale/purchase under free bilateral contracts (FBC). Participants in the wholesale market independently determine the counterparties under contracts as well as prices and volumes of deliveries under nonregulated bilateral contracts.

#### Balancing Market (BM):

Deviations of the actual electricity production volume from the planned production volume are traded on the balancing market at prices formed on the basis of competitive selection of the bids of participants.

The Issuer sells a share of the electricity produced on the retail market at nonregulated prices.

## **2. Renewable energy sources (RES)**

*Regulation No. 449 and Decree of the Government of Russia No. 861-P dated May 28, 2013, determine the mechanism and parameters supporting generation based on RES in Russia for wind, solar energy, and SHPPs that create new opportunities for the company to implement cost-effective projects in those areas on the wholesale market.*

*On September 19, 2014, JSC ATS published the results of selection of projects on construction of generating facilities operating on the basis of renewable energy resources (RES project selection).*

*Based on the results of the selection in 2014 and 2017, agreements with offtakers were concluded on the provision of the capacity of qualified generating facilities operating on the basis of renewable energy sources in relation to the 5 SHPPs of RusHydro.*

### **Retail electricity markets.**

*On the electricity retail markets, electricity acquired on the wholesale electricity and power market is sold, so is electricity of generating companies that are not participants in the wholesale market.*

*The main provisions of the functions of retail electricity markets are approved by Regulation of the Government of Russia No. 442 dated May 4, 2012, "On the Operation of Retail Electricity Markets and Complete and/or Partial Restrictions of Electricity Consumption."*

### **3. System services market**

*The market for services of system reliability maintenance (system services) is one of the tools for maintaining the desired level of quality and reliability of operation of the Unified Energy System of Russia under the conditions of full deregulation of the electricity and capacity market. The system services market has been operating in the UES of Russia since 2011.*

*Types of services for maintenance of system reliability, procedures for selection of electric power industry entities and electric power offtakers rendering such services, as well as the rules for their rendering and pricing models are determined by Regulation of the Government of Russia No. 117 dated March 3, 2010, "On the Procedure for Selection of Electric Power Industry Entities and Electric Power Offtakers Rendering Services for System Reliability Maintenance and for the Rendering of Such Service and On the Approval of Changes in Acts of the Government of Russia Regarding the Rendering of Services for System Reliability Maintenance."*

*As of 2017, PJSC RusHydro and JSC SO UPS had concluded a Services Contract for Reactive Power Control without Electricity Generation (the "RRSK Contract").*

*According to such RRSK Contract, RusHydro shall render services to JSC SO UPS connected with reactive-power control.*

Factors that may adversely affect the sale by the Issuer of its products (works, services):

*Change in the regulatory and legal framework in the electric power industry associated with the liberalization of the electricity and capacity market.*

The Issuer's measures for the mitigation of negative factors:

*Formation of a regulatory and legal framework for the functioning of the electricity and capacity market that is favorable to the Issuer. To achieve this objective, the Issuer is fully engaged in processes for the development of laws and regulations in the electric power industry performed by the Ministry of Energy of Russia, the Nonprofit Partnership Market Council, and the Federal Tariffs Service of Russia.*

## **3.2.5. Information on the Issuer's Authorizations (Licenses) or Permits for Separate Types of Works**

*Information was specified in the Quarterly Report for Q3 2017; there were no changes made to this information during Q4 2017.*

## **3.2.6. Information on the Activities of Separate Categories of Issuers**

*The Issuer is not a joint-stock investment fund, an insurance or credit organization, a mortgage agent, or a specialized company.*

## **3.2.7. Additional Information on Issuers Whose Primary Line of Business Is Mining Operations**

*The primary line of business of the Issuer is not mining operations.*

*The organization controlled by the Issuer, JSC LCM, carries out activities on the extraction of minerals.*

a) Mineral reserves

The list of mineral deposits that have significant financial and economic importance for the Issuer, the usage right of which belong to the Issuer or organizations under its control.

1. Name of the field: ***Bikin Brown Coal Mine, Luchegorskiy-1 mine***

Owner of the field

Full corporate name: ***Joint-stock Company Luchegorskiy Coal Mine***

Short corporate name: ***JSC LCM***

Location: ***The settlement of Luchegorsk, Pozharskiy District, Primorskiy Krai, Russia***

INN: ***2526006224***

OGRN: ***1152721004963***

Type of mineral: ***brown coal grade B1***

Amount of proven reserves: ***226,919,000 tons***

Production rate for the relevant reporting period(s): ***for 2017: 2,404,284 tons***

2. Name of the field: ***Bikin Brown Coal Mine, Luchegorskiy-2 mine***

Owner of the field

Full corporate name: ***Joint-stock Company Luchegorskiy Coal Mine***

Short corporate name: ***JSC LCM***

Location: ***The settlement of Luchegorsk, Pozharskiy District, Primorskiy Krai, Russia***

INN: ***2526006224***

OGRN: ***1152721004963***

Type of mineral: ***brown coal grade B1***

Amount of proven reserves: ***272,020,000 tons***

Production rate for the relevant reporting period(s): ***for 2017: 2,478,407 tons***

3. Name of the field: ***Luchegorskiy deposit of andesite porphyrites (building stone), Southern quarry***

Owner of the field

Full corporate name: ***Joint-stock Company Luchegorskiy Coal Mine***

Short corporate name: ***JSC LCM***

Location: ***The settlement of Luchegorsk, Pozharskiy District, Primorskiy Krai, Russia***

INN: ***2526006224***

OGRN: ***1152721004963***

Type of mineral: ***Andesite porphyrite***

Proven reserves: ***2,757,000 m<sup>3</sup>***

Production rate for the relevant reporting period(s): ***for 2017: 99,887 m<sup>3</sup>***

Licenses for subsoil use obtained by the Issuer or its controlled organizations for the use of fields of significant financial and economic value to the Issuer

***1. License: VLV No. 02503 TE***

Subsoil facility: ***Section Luchegorskiy-1***

Legal entity that obtained the license: ***JSC LCM***

License issue date: ***January 14, 2016 (as amended on June 20, 2016)***

Expiration date of the license: ***December 31, 2034***

***When the license conditions are fulfilled, the license will be extended in accordance with the current legislation.***

Reason for issuance of the license: ***The right to use field section Luchegorskiy-1 of Bikin Brown Coal Deposit was granted to JSC LCM in accordance with Clause 7 of Article 10.1, Paragraph 5 of Part 1 of Section 17.1 of Law of Russia No. 2395-1 dated February 21, 1992, "On Subsoil" in connection with the reorganization of the legal entity/subsoil user (JSC Far East Generating Company ("JSC FEGC")) by isolating it from another entity (JSC LCM) based on the decision of the Commission of the Federal Agency for Subsoil Use for consideration of applications for amendments and additions to the license and renewal of licenses for subsoil areas within the competence of the Federal Agency for Subsoil Use (Minutes No. 470 dated November 19, 2015) by way of renewal of license VLV No. 14549 TE (Order of Dalnedra No. 2 dated January 12, 2016).***

Description of the subsurface allotted for use: ***Field of the Luchegorskiy-1 section of the Bikin Brown Coal Deposit. The subsurface site is located in the territory of Primorskiy Krai, Pozharskiy Municipal District.***

Type of license: ***For exploration and mining of mineral deposits, including the use of waste mining and related processing plants.***

Main provisions of the license concerning subsoil user commitments indicating the period of performance of these commitments:

*- Geological information concerning subsoil resources is subject to be presented in federal and territorial reserves of geological information according to established procedure.*

*- The Subsoil User is obliged to ensure the protection of primary geological information obtained in the course of works on the subsoil.*

*- The Subsoil User is obliged annually, not later than February 15 of the following reporting year, to present an information report on conducted works on sites of subsoil resources provided for use to the proper local agency of the Federal Subsurface Management Agency in accordance with the Federal Subsurface Management Agency and its local agencies.*

*- The Subsoil User is obliged to fulfill requirements established by legislation on conservation of subsoil resources and environment and safe work practices related to subsoil resource use.*

*- Production level of materials and date of reaching project capacity are determined by a detailed mineral deposit development plan.*

*All commitments are satisfied by the Subsoil User at a stated time.*

Obligatory payments to be made by the user of subsoil under the terms of the license: *The Subsoil User is obliged to pay payments, tax, and fees for subsoil use, land, and water established by the legislation.*

Description of the degree of execution of the specified commitments of the subsoil user with indication of any factors that may adversely affect the fulfillment of license commitments with the probability of their occurrence: *the commitments resulting from the license are fulfilled. Factors that may have an adverse effect on the performance of commitments under the license are not observed.*

## **2. License: VLV No. 02502 TE**

Subsoil facility: *Plot No. 4 of the Bikinskiy Brown Coal Deposit (Luchegorskiy-2 mine)*

Legal entity that obtained the license: *JSC LCM*

License issue date: *January 14, 2016 (as amended on June 20, 2016)*

Expiration date of the license: *December 31, 2034*

*When the license conditions are fulfilled, the license will be extended in accordance with the current legislation.*

Reason for issuance of the license: *The right to use the field in area No. 4 of Bikin Brown Coal Deposit (box cut Luchegorskiy-2) was granted to JSC LCM in accordance with Clause 7 of Article 10.1, Paragraph 5 of Part 1 of Section 17.1 of Law of Russia No. 2395-1 dated February 21, 1992, "On Subsoil" in connection with the reorganization of the legal entity/subsoil user (JSC FEGC) by isolating it from another entity (JSC LCM) based on the decision of the Commission of the Federal Agency for Subsoil Use for consideration of applications for amendments and additions to the license and renewal of licenses for subsoil areas within the competence of the Federal Agency for Subsoil Use (Minutes No. 470 dated November 19, 2015) by way of renewal of license VLV No. 14514 TE (Order of Dalnedra No. 3 dated January 12, 2016).*

Description of the subsurface allotted for use: *Area No. 4 of Bikin Brown Coal Deposit, Pozharskiy Municipal District. The subsurface site is located in the territory of Primorskiy Krai.*

Type of license: *For exploration and mining of mineral deposits, including the use of waste mining and related processing plants.*

Main provisions of the license concerning subsoil user commitments indicating the period of performance of these commitments:

*- Geological information concerning subsoil resources is subject to be presented in federal and territorial reserves of geological information according to established procedure.*

*- The Subsoil User is obliged to ensure the protection of primary geological information obtained in the course of works on the subsoil resources, including rock samples, core borings, and reservoir fluids. According to federal and territorial funds of geological information, the Subsoil User is obliged to provide free temporary storage of geological information that the user is the owner of, including the temporary storage of samples of rocks, core borings, and reservoir fluids.*

*- The Subsoil User is obliged annually, not later than February 15 of the following reporting year, to present an information report on conducted works on sites of subsoil resources provided for use to the proper local agency of the Federal Subsurface Management Agency in accordance with the Federal Subsurface Management Agency and its local agencies.*

*- The Subsoil User is obliged to fulfill requirements established by legislation on conservation of subsoil resources and environment and safe work practices related to subsoil resource use.*

*- Production level of materials and date of reaching project capacity are determined by a detailed mineral deposit development plan.*

*All commitments are satisfied by the Subsoil User at a stated time.*

Obligatory payments to be made by the user of subsoil under the terms of the license: ***The Subsoil User is obliged to pay payments, tax, and fees for subsoil use, land, and water established by the legislation of Russia.***

Description of the degree of execution of the specified commitments of the subsoil user with indication of any factors that may adversely affect the fulfillment of license commitments with the probability of their occurrence: ***the commitments resulting from the license are fulfilled. Factors that may have an adverse effect on the performance of commitments under the license are not observed.***

### **3. License: POZh 00787 OShch**

Subsoil facility: ***Luchegorskiy Deposit (Southern Section)***

Legal entity that obtained the license: ***JSC LCM***

License issue date: ***October 7, 2015***

Expiration date of the license: ***September 15, 2024***

***When the license conditions are fulfilled, the license will be extended in accordance with the current legislation.***

Reason for issuance of the license: ***Order of the Department of Natural Resources and Environmental Protection of Primorskiy Krai No. 114 dated October 7, 2015***

Description of the subsurface allotted for use:

***The site is located in the territory of Pozharskiy Municipal Region, 6 km to the south of the village Luchegorsk.***

Type of license: ***for subsoil use with the purpose and types of work: mining andesite porphyries (building stone) on Luchegorskiy Deposit (Southern Section).***

Main provisions of the license concerning subsoil user commitments indicating the period of performance of these commitments: ***To provide annual production of up to 500 thousand m3. Production quota is agreed upon annually.***

***All commitments are satisfied by the Subsoil User at a stated time.***

Obligatory payments to be made by the user of subsoil under the terms of the license: ***The subsoil user is obliged to pay tax on the extraction of minerals (the size of the tax rate is determined in accordance with the Tax Code) as well as other charges and fees, a fee for the land and payment for the negative impact on the environment in the amount and terms set by the legislation of Russia.***

Description of the degree of execution of the specified commitments of the subsoil user with indication of any factors that may adversely affect the fulfillment of license commitments with the probability of their occurrence: ***the commitments resulting from the license are fulfilled. There are no factors that may have an adverse effect on the performance of commitments under the license.***

#### **b) Mineral processing**

In the event that the Issuer or entities under its control conduct complete or partial processing of minerals prior to their sale, the fixed assets used for processing and/or the contractors involved for processing are described in an arbitrary form.

In the case of attracting counterparties for processing of minerals, the cost of processing for the last completed reporting period is indicated.

***The Issuer and its subsidiaries or affiliates do not engage any contractors to process mineral resources.***

#### **c) Product sales**

Information on permits of authorized state bodies for the sale of minerals and products of their processing, quotas, including for export: ***Permits of authorized state bodies for the sale of minerals and products of their processing, quotas, including for export, are not required by federal law.***

### **3.2.8. Additional Information on Issuers Whose Primary Line of Business Is Rendering Communication Services**

***The primary line of business of the Issuer is not rendering communication services.***

### **3.3. Plans for the Issuer's Future Activities**

A brief description of the Issuer's plans for future activities and sources of future revenues, including plans for the organization of new production, expansion or reduction of production, development of new types of products, modernization and reconstruction of fixed assets, and possible changes in core business.

Brief description of the Issuer's plans in relation to its future activities



*In accordance with the Articles of Association, the purposes of the Issuer's activities are as follows:*

- Creating conditions for maintaining the reliability and safety of generating facilities*
- Implementing state policy in the field of the hydropower industry*
- Provision of conditions for efficient functioning of the wholesale electricity (capacity) market*
- Exercising effective operation and centralized process management of hydropower facilities; pursuing a uniform investment and capital raising strategy to address system-wide objectives of hydropower development*
- Developing and implementing science and technology policy and introducing new, advanced facilities and technologies, including development of renewable electrical energy sources*
- Generating earnings*

Sources of future income:

*In the future, the Issuer plans to gain earnings from its core business: production and sale of electricity and power on the retail and wholesale electricity and power markets.*

Plans for organizing new production, expanding or reducing production, developing new types of products, upgrading and reconstructing fixed assets:

*Actual execution of the investment program of the Company in 2017 came to RUB 44,337.19 million and RUB 20,520.58 million related to the facilities implemented by affiliates and RTD.*

*Actual financing in the amount of RUB 44,337.19 million consisted of the following areas:*

- Projects of modernization and reconstruction: RUB 23,706.47 million*
- Priority projects in the Far East (TPP in Sovetskaya Gavan, Sakhalinskaya SDPP-2 (1st stage), Yakutskaya SDPP-2 (1st stage), Blagoveshchenskaya TPP (2nd stage) implemented in execution of Russia Presidential Decree No.1564 dated November 22, 2012, "On Further Development of Public Joint-Stock Company Federal Hydrogeneration Company RusHydro": RUB 19,853.70 million*
  - Comprehensive reconstruction of Sayano-Shushenskaya HPP: RUB 104.49 million*
  - Zelenchukskaya HPP-PSHPP project: RUB 337.52 million*
  - Other projects: RUB 335,01 million*

*According to RusHydro's investment program for 2018 approved as part of the Business Plan of the Company by the decision of the Board of Directors of the Company on December 26, 2017 (Minutes No. 264 dated December 28, 2017), in 2018, input of capacities of 987.5 MW and 18.2 Gcal/hour is provided, including projects of modernization and reconstruction: 63 MW, Sakhalinskaya SDPP-2 (1st stage): 120 MW and 18.2 Gcal/h, due to new construction sites of a RusHydro subsidiary: 804.5 MW (Ust-Srednekanskaya HPP on the Kolyma River: 142.5 MW, Zaramagaskiy HPPs: 342 MW, Nizhne-Bureyskaya HPP: 320 MW).*

*Amount of investment in 2018 is RUB 72,571.14 million, including:*

- Projects of modernization and reconstruction: RUB 25,048.73 million*
  - Priority projects in the Far East: RUB 17,219.18 million*
  - Completion of the Sayano-Shushenskiy hydro complex: RUB 648.28 million*
  - Implementation of the technical and economic assessment of the option to complete the construction of the Cheboksarskaya HPP at 63 meters: RUB 110.73 million*
  - Ust-Srednekanskaya HPP on the Kolyma River: RUB 5,175.24 million*
  - Zaramagaskiy HPPs: RUB 11,907.50 million*
  - Zagorskaya PSHPP-2: RUB 456.47 million*
  - Nizhne-Bureyskaya HPP: RUB 6,641.81 million*
  - Small-HPP of the North Caucasus Federal District: RUB 5,045.83 million*
  - R&D: RUB 317.37 million*

Information on possible change of main activity:

*The Issuer does not plan to change its core activities.*

### ***3.4. The Issuer's Participation in Banking Groups, Banking Holdings, Holdings, and Associations***

The Issuer does not participate in banking groups, banking holdings, or holdings.

The Issuer participates in associations and noncommercial partnerships, which are also referred to by civil legislation on associations.

No.	Name of noncommercial organization/association	Role and functions of the Issuer in organization	NP's (non-commercial partnership's) sphere of activity/functions of the Issuer in organization	Issuer's term of participation
<b>Nonresidents of Russia</b>				
1	International Hydropower Association, IHA	Member of Association	Support and dissemination of knowledge on issues of hydropower under the aegis of the International Hydrological Program of UNESCO	since 2006
2	Global Sustainable Energy Partnership, GSEP.	associate	Development of joint political platforms and implementation of relative initiatives both on internal markets and internationally	since 2008
<b>Residents of Russia</b>				
3	NP Market Council Association	Member of Association	Organization of buying and selling of electricity in the wholesale electricity market	since 2008
4	Proprietaries and Investors of Land and Property Association Noncommercial Partnership	associate	Dialog with governmental authorities on issues of improvement of land-property legislation	since 2012
5	Hydropower Industry of Russia Association	Member of Association	Enhancement of efficiency of hydropower facilities function and use of hydropower resources of Russia	since 2008
6	All-Russian Association of Employers Russian Union of Industrialists and Entrepreneurs	associate	Protection of general economical and social interests and statutory rights for associates that are necessary for sustainable development of companies and the market economy in general	since 2006
7	Noncommercial Partnership Council of Energy Veterans	associate	Carrying out of activities aimed at all-around assistance to energy veterans	since 2008
8	Russian Chinese Business Council Noncommercial Partnership	associate	Promotion of joint economic projects of Russia and China, protection of mutual investments and settlement of corporate disputes, as well as assistance to development of cooperation between Russian and Chinese business groups	since 2015
9	Directory Club of Science and Innovations Noncommercial Partnership	associate	Research, development, and innovations	Since 2013
10	Scientific and Technical Council of the Unified Energy System Noncommercial Partnership	associate	Assisting in forming scientific, technical, and economic policy in the Unified Energy System of Russia	since 2008

11	All-Russian branch merging of employers of power industry	associate	Assistance to business development in the power industry through representation and protection of the employers' interests in social-labor, economic, and other spheres, in relationships with employee associations, governmental authorities, local governmental authorities, formulation and adopting of agreed-upon socially responsible policy of the organizational members of the Association	since 2006
12	Self-regulating Corporation of Builders of Krasnoyarsk Krai Association	Member of Association	Prevention of infliction of harm of life or to health of natural persons, property of natural or legal entities, the state or municipal property, the environment, life or health of animals and plants, objects of cultural heritage (historical and cultural monuments) of the people of Russia owing to shortcomings of works on construction that exert an impact on the safety of capital construction projects and are carried out by individual entrepreneurs and/or legal entities that are members of the Association	since 2017

### **3.5. Companies Controlled by the Issuer and Having Substantial Significance for It**

1. Full corporate name: **Joint-Stock Company Zagorskaya PSHPP-2**

Short corporate name: **JSC Zagorskaya PSHPP-2**

Issuer's location: **Bogorodskoye Industrial Community, Sergiyev-Posadskiy District, Moscow Region, Russia.**

INN: **5042086312**

OGRN: **1065042071137**

Type of control over the organization in relation to which the Issuer is a controlling entity (direct control, indirect control): **Direct control**

Nature of control over the organization in relation to which it is a controlling entity (the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer, the right to appoint (elect) the sole executive body of the company controlled by the Issuer, or the right to appoint (elect) over 50 percent of the collective management entity of the company controlled by the Issuer): **the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer**

Share of the Issuer in the authorized capital of the controlled company: **100%**

Share of ordinary shares of the controlled company held by the Issuer: **100%**

Share of the controlled company in the Issuer's authorized capital: **0%**

Share of the Issuer's ordinary shares held by the controlled company: **0%**

Description of the controlled company's core business: **control of delegated works in projects for the reconstruction of electric power facilities and new construction of power industry facilities as well as of other industrial and civilian facilities.**

Members of the controlled company's Board of Directors

Full name	Share of the person in the authorized capital of the Issuer, %	Share of the Issuer's equity shares of the Issuer, %
Olga Stanislavovna Zotova (Chairwoman)	0	0
Galina Viktorovna Gorina	0.000023	0.000023

Aleksandr Sergeyevich Charikov	0	0
Aleksey Nikodimovich Kalinin	0	0
Yuriy Valentinovich Mironov	0	0

Members of the Collective Executive Body: *The collective executive body is not provided for by the Articles of Association.*

*Authorities of the Company's sole executive body are transferred to the management company*

Full corporate name: *Joint-Stock Company Managing Company HydroOGK*

Short corporate name: *JSC MC HydroOGC*

Location: *Moscow*

INN: *5260096381*

OGRN: *1025203040136*

Share of the Issuer in the authorized capital of the management company, %: *100*

Portion of the management company's equity shares held by the Issuer, %: *100*

Share of the management company (manager) in the Issuer's authorized (reserve) capital (unit fund), %: *0*

Portion of the Issuer's equity shares held by the management company, %: *0*

2. Full corporate name: *Joint-Stock Company RAO Energy Systems of the East*

Short corporate name: *JSC RAO Energy Systems of the East*

Location: *Khabarovsk, Khabarovsk Krai*

INN: *2801133630*

OGRN: *1087760000052*

Type of control over the organization in relation to which the Issuer is a controlling entity (direct control, indirect control): *Direct control*

Nature of control over the organization in relation to which it is a controlling entity (the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer, the right to appoint (elect) the sole executive body of the company controlled by the Issuer, or the right to appoint (elect) over 50 percent of the collective management entity of the company controlled by the Issuer): *the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer*

Share of the Issuer in the authorized capital of the controlled company: *84.39%*

Share of ordinary shares of the controlled company held by the Issuer: *85.163759%*

Share of the controlled company in the Issuer's authorized capital: *0.0113820%*

Share of the Issuer's ordinary shares held by the controlled company: *0.0113820%*

Description of the controlled company's core business: *management of generating companies to satisfy demand for electricity and heat in the Far Eastern Federal District and in the neighboring territories effectively and with quality; agency activities; investment activities.*

Members of the controlled company's Board of Directors

Full name	Share of the person in the authorized capital of the Issuer, %	Portion of the Issuer's equity shares held by the person, %
Sergey Nikolayevich Tolstoguzov	0.000379	0.000379
Dmitriy Vitalyevich Perminov	0	0
Andrey Valentinovich Kazachenkov (Chairman)	0	0
Bayrta Nikolayevna Perveyeva	0	0
Viktor Viktorovich Khmarin	0	0

Members of the controlled company's collective executive body: *The collective executive body is not provided for by the Articles of Association.*

*Authorities of the Company's sole executive body are transferred to the management company*

Full corporate name: *Public Joint-Stock Company Federal Hydrogeneration Company RusHydro*

Short corporate name: *PJSC RusHydro*

Location: *Krasnoyarsk, Krasnoyarsk Krai.*

INN: *2460066195*

OGRN: *1042401810494*

Share of the Issuer in the authorized capital of the management company, %: *0*

Portion of the management company's equity shares held by the Issuer, %: *0*

Share of the management company (manager) in the Issuer's authorized (reserve) capital (unit fund), %: *0*

Portion of the Issuer's equity shares held by the management company, %: *0*

3. Full corporate name: *Public Joint-Stock Company Far East Energy Company*

Short corporate name: *PJSC FEEC*

Location: *Vladivostok, Russia*

INN: *2723088770*

OGRN: *1072721001660*

Type of control over the organization in relation to which the Issuer is a controlling entity (direct control, indirect control): *indirect control*

Nature of control over the organization in relation to which it is a controlling entity (the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer, the right to appoint (elect) the sole executive body of the company controlled by the Issuer, or the right to appoint (elect) over 50 percent of the collective management entity of the company controlled by the Issuer): *the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer*

Share of the Issuer in the authorized capital of the controlled company: *1.037643%*

Share of ordinary shares of the controlled company held by the Issuer: *1.037643%*

In case of indirect control—successively all the Issuer's controlled companies (chain of companies under direct or indirect control of the Issuer), through which the Issuer controls the company in relation to which it is a controller. Full name, location, INN (if applicable), and OGRN (if applicable) shall be specified for each such company:

*Joint-Stock Company RAO Energy Systems of the East, Khabarovsk, Khabarovsk Krai, INN 2801133630, OGRN 1087760000052*

*Joint-Stock Company RAO Energy Systems of the East is a company controlled by the Issuer (direct control). Public Joint-Stock Company Far East Energy Company is a controlled company of Joint-Stock Company RAO Energy Systems of the East (direct control).*

Share of Joint-Stock Company RAO Energy Systems of the East in the authorized capital of the controlled company PJSC FEEC, %: *51.03*

Portion of equity shares of PJSC FEEC held by RAO Energy Systems of the East, %: *51.03*

Share of the controlled company in the authorized capital of the Issuer, %: *0.017146*

Portion of the Issuer's equity shares held by the controlled company, %: *0.017146.*

Description of the controlled company's core business:

- *Acquisition of electricity on wholesale and retail electricity (capacity) markets*
- *Sale of electricity on wholesale and retail electricity (capacity) markets to off-takers (including civilians)*
- *Rendering services to third parties, including on collection of payments for sold goods and rendered services*
- *Diagnostics, operation, repair, replacement, and check of electricity and heat measuring devices*

Members of the controlled company's Board of Directors

Full name	Share of the person in the authorized capital of the Issuer, %	Portion of the Issuer's equity shares held by the person, %
Aleksey Valeryevich Vlasov (Chairman)	0	0
Viktor Vladimirovich Milush	0	0
Lada Aleksandrovna Linker	0	0
Sergey Konstantinovich Storozhuk	0	0
Yevgeniya Aleksandrovna Kozlova	0	0
Natalya Gennadyevna Kovaleva	0	0
Aleksey Dmitriyevich Yakovlev	0.0000095	0.0000095
Sergey Vyacheslavovich Vasilyev	0	0
Anton Leonidovich Belchenko	0	0

Mikhail Varfolomeyevich Kuznetsov	0	0
Vladimir Grigoryevich Akulshin	0	0
Aleksey Yevgenevich Bay	0	0
Sergey Anatolyevich Tverdokhlebo	0	0
Kirill Andreyevich Trubitsyn	0	0
Aleksey Aleksandrovich Kovalenko	0	0

Members of the controlled company's collective executive body

Full name	Share of the person in the authorized capital of the Issuer, %	Portion of the Issuer's equity shares held by the person, %
Vladimir Anatolyevich Kimerin (Chairman)	0	0
Viktor Vladimirovich Milush	0	0
Aleksandr Sergeyevich Yefremov	0	0
Yelena Yuryevna Tyurina	0	0
Sergey Andreyevich Khitun	0.000011	0.000011
Vitaliy Ivanovich Pravilo	0	0

**Authorities of the Company's sole executive body are transferred to the management company**

Full corporate name: **Joint-Stock Company Energy Retailing Company RusHydro**

Short corporate name: **ESC RusHydro**

Location: **Moscow**

INN: **7804403972**

OGRN: **1089848039973**

Share of the Issuer in the authorized capital of the management company, %: **99.99**

Portion of the management company's equity shares held by the Issuer, %: **99.99**

Share of the management company (manager) in the Issuer's authorized (reserve) capital (unit fund), %: **0**

Portion of the Issuer's equity shares held by the management company, %: **0**.

4. Full corporate name: **JSC Far East Generating Company**

Short corporate name: **JSC FEGC**

Location: **Khabarovsk, Russia**

INN: **1434031363**

OGRN: **1051401746769**

Type of control over the organization in relation to which the Issuer is a controlling entity (direct control, indirect control): **indirect control**

Nature of control over the organization in relation to which it is a controlling entity (the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer, the right to appoint (elect) the sole executive body of the company controlled by the Issuer, or the right to appoint (elect) over 50 percent of the collective management entity of the company controlled by the Issuer): **the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer**

Share of the Issuer in the authorized capital of the controlled company: **0%**

Share of ordinary shares of the controlled company held by the Issuer: **0%**

In case of indirect control—successively all the Issuer's controlled companies (chain of companies under direct or indirect control of the Issuer), through which the Issuer controls the company in relation to which it is a controller. Full name, location, INN (if applicable), and OGRN (if applicable) shall be specified for each such company:

**Joint-Stock Company RAO Energy Systems of the East, Khabarovsk, Khabarovsk Krai, INN 2801133630, OGRN 1087760000052.**

**JSC Far East Generating Company, Vladivostok, Russia, INN 2723088770, OGRN 1072721001660**

**Joint-Stock Company RAO Energy Systems of the East is a company controlled by the Issuer (direct control).**

**Public Joint-Stock Company Far East Energy Company is a controlled company of the Issuer (indirect control).**

Share of Public Joint-Stock Company Far East Energy Company in the authorized capital of the controlled company JSC FEGC: **100% – 1 share**

share of ordinary shares of JSC FEGC held by PJSC FEED: **100% – 1 share.**  
 Share of the controlled company in the authorized capital of the Issuer, %: **0**  
 Portion of the Issuer's equity shares held by the controlled company, %: **0.**

Description of the controlled company's core business:

- **Supply (sale) of electricity and heat under the set rates and in accordance with electrical and heat load dispatch schedules**
- **Electricity and heat generation**
- **Arrangement of power-saving mode of equipment operation at power plants and energy delivery according to agreements**
- **Sale of heat at retail heat markets to offtakers (including citizens)**

Members of the controlled company's Board of Directors

Full name	Share of the person in the authorized capital of the Issuer, %	Portion of the Issuer's equity shares held by the person, %
Sergey Vyacheslavovich Vasilyev (Chairman)	0	0
Viktor Nikolayevich Borodin	0	0
Larisa Vladimirovna Kabanova	0	0
Stanislav Sergeyevich Koptiyakov	0	0
Denis Vladimirovich Toropov	0	0
Dmitriy Viktorovich Churilov	0	0
Mikhail Innokentyevich Shukaylov	0.000002	0.000002

Members of the controlled company's collective executive body: **The collective executive body is not provided for by the Articles of Association.**

Sole executive body of the controlled company

Full name	Share of the person in the authorized capital of the Issuer, %	Portion of the Issuer's equity shares held by the person, %
Mikhail Innokentyevich Shukaylov	0.000002	0.000002

5. Full corporate name: **Public Joint-Stock Company Krasnoyarskenergosbyt**

Short corporate name: **PJSC Krasnoyarskenergosbyt**

Location: **Krasnoyarsk**

INN: **2466132221**

OGRN: **1052460078692**

Type of control over the organization in relation to which the Issuer is a controlling entity (direct control, indirect control): **indirect control**

Nature of control over the organization in relation to which it is a controlling entity (the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer, the right to appoint (elect) the sole executive body of the company controlled by the Issuer, or the right to appoint (elect) over 50 percent of the collective management entity of the company controlled by the Issuer): **The right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer**

Share of the Issuer in the authorized capital of the controlled company: **0%**

Share of ordinary shares of the controlled company held by the Issuer: **0%**

In case of indirect control—successively all the Issuer's controlled companies (chain of companies under direct or indirect control of the Issuer), through which the Issuer controls the company in relation to which it is a controller. Full name, location, INN (if applicable), and OGRN (if applicable) shall be specified for each such company:

**Joint-Stock Company ESC RusHydro, Moscow, INN 7804403972, OGRN 1089848039973.**

**Joint-Stock Company ESC RusHydro is a subsidiary of the Issuer.**

Share of Joint-Stock Company ESC RusHydro in the authorized capital of the controlled company PJSC Krasnoyarskenergosbyt, %: **51.75**

Portion of equity shares of PJSC Krasnoyarskenergosbyt held by JSC ESC RusHydro, %: **66.33**

**Joint-Stock Company Hydroinvest, Russia, Sakha Republic (Yakutia) INN 7814382859, OGRN 1077847558381.**

**Joint-Stock Company ESC RusHydro is a subsidiary of the Issuer.**

Share of Joint-Stock Company ESC RusHydro in the authorized capital of the controlled company PJSC Krasnoyarskenergosbyt, %: **14.06**

Portion of equity shares of PJSC Krasnoyarskenergosbyt held by JSC Hydroinvest, %: **3.07**

Share of the controlled company in the Issuer's authorized capital: **0%**

Share of the Issuer's ordinary shares held by the controlled company: **0%**

Description of the controlled company's core business:

- **Sale of electricity in Krasnoyarsk Krai**
- **Acquisition and/or sale (supply) of electricity on the wholesale electricity and capacity market**
- **Acquisition and/or sale (supply) of capacity on the wholesale electricity and capacity market**
- **Sale (supply) of electricity (capacity) on the retail electricity and capacity market to electricity (capacity) off-takers, including energy services to electrical (capacity) users, including conclusion of a services agreement for power transfer to consumers with network organizations on behalf of electrical (capacity) users or on its own behalf, but in the interests of electrical (capacity) users**
- **Acquisition of electricity (capacity) on retail electricity (capacity) markets**

#### **Members of the controlled company's Board of Directors**

Full name	Share of the person in the authorized capital of the Issuer, %	Portion of the Issuer's equity shares held by the person, %
Aleksandr Olegovich Muravyev (Chairman)	0	0
Aleksandr Yuryevich Arkhipchenko	0	0
Galina Viktorovna Gorina	0.000023	0.000023
Marina Aleksandrovna Morozova	0	0
Anton Leonidovich Belchenko	0	0
Vadim Vladislavovich Nedotko	0	0
Anatoliy Vladimirovich Slyusar	0	0
Oleg Vladimirovich Dyachenko	0	0
Mikhail Yuryevich Khardikov	0	0

Members of the controlled company's collective executive body: **The collective executive body is not provided for by the Articles of Association.**

**Authorities of the Company's sole executive body are transferred to the management company**

Full corporate name: **Joint-Stock Company Energy Retailing Company RusHydro**

Short corporate name: **ESC RusHydro**

Location: **Moscow**

INN: **7804403972**

OGRN: **1089848039973**

share of the Issuer in the authorized capital of the management company, %: **99.99**

portion of the management company's equity shares held by the Issuer, %: **99.99**

share of the management company (manager) in the Issuer's authorized (reserve) capital (unit fund), %: **0**

portion of the Issuer's equity shares held by the management company, %: **0**

6. Full corporate name: **Public Joint-Stock Company Yakutskenergo**

Short corporate name: **Yakutskenergo**

Location: **Yakutsk, Russia**

INN: **1435028701**

OGRN: **1021401047260**

Type of control over the organization in relation to which the Issuer is a controlling entity (direct control, indirect control): **indirect control**

Nature of control over the organization in relation to which it is a controlling entity (the right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer, the right to



appoint (elect) the sole executive body of the company controlled by the Issuer, or the right to appoint (elect) over 50 percent of the collective management entity of the company controlled by the Issuer): ***The right to control over 50 percent of votes in the supreme management entity of the company controlled by the Issuer***

Share of the Issuer in the authorized capital of the controlled company: **29.795104%**

Share of ordinary shares of the controlled company held by the Issuer: **29.002941%**

In case of indirect control—successively all the Issuer's controlled companies (chain of companies under direct or indirect control of the Issuer), through which the Issuer controls the company in relation to which it is a controller. Full name, location, INN (if applicable), and OGRN (if applicable) shall be specified for each such company:

***Joint-Stock Company RAO Energy Systems of the East, Khabarovsk, Khabarovsk Krai, INN 2801133630, OGRN 1087760000052.***

***Joint-Stock Company RAO Energy Systems of the East is a company controlled by the Issuer (direct control).***

Share of Joint-Stock Company RAO Energy Systems of the East in the authorized capital of the controlled company PJSC Yakutskenergo, %: **49.37**

Portion of equity shares of PJSC Yakutskenergo held by RAO Energy Systems of the East, %: **57.63.**

Share of the controlled company in the authorized capital of the Issuer, %: **0.000013**

Portion of the Issuer's equity shares held by the controlled company, %: **0.000013**

Description of the controlled company's core business: ***Electricity and heat generation, transportation, and sale.***

**Members of the controlled company's Board of Directors**

<b>Full name</b>	<b>Share of the person in the authorized capital of the Issuer, %</b>	<b>Portion of the Issuer's equity shares held by the person, %</b>
Viktor Nikolayevich Borodin	0	0
Sergey Vyacheslavovich Vasilyev (Chairman)	0	0
Nikolay Nikiforovich Durayev	0	0
Yevgeniya Aleksandrovna Kozlova	0	0
Yelena Vladimirovna Kolmogorova	0	0
Stanislav Sergeyevich Koptyakov	0	0
Oleg Vladimirovich Tarasov	0	0
Denis Vladimirovich Toropov	0	0
Dmitriy Viktorovich Churilov	0	0

**Members of the controlled company's collective executive body**

<b>Full name</b>	<b>Share of the person in the authorized capital of the Issuer, %</b>	<b>Portion of the Issuer's equity shares held by the person, %</b>
Irina Petrovna Sysolyatina	0.0000032	0.0000032
Sergey Yuryevich Gavrilov	0	0
Aleksandr Stepanovich Sloik (Chairman)	0	0
Oksana Leonidovna Sologub	0	0
Yuriy Stepanovich Savchuk	0	0
Petr Mikhaylovich Dyakonov	0	0
Andrey Fedorovich Sanachev	0	0

**Sole executive body of the controlled company**

<b>Full name</b>	<b>Share of the person in the authorized capital of the Issuer, %</b>	<b>Portion of the Issuer's equity shares held by the person, %</b>
Aleksandr Stepanovich Sloik	0	0

***3.6. Composition, Structure, and Value of the Issuer's Fixed Assets and Information on Plans for the Acquisition, Replacement, and Retirement of Fixed Assets as Well as on All Encumbrances on the Issuer's Fixed Assets***

*Not to be specified in the report for Q4.*

## **IV. Information on Financial and Economic Activities of the Issuer**

### **4.1. Financial and Economic Performance of the Issuer**

*Not to be specified in the report for Q4.*

### **4.2. Liquidity of the Issuer, Capital and Current Asset Adequacy**

*Not to be specified in the report for Q4.*

### **4.3. Financial Investments of the Issuer**

*Not to be specified in the report for Q4.*

### **4.4. Intangible Assets of the Issuer**

*Not to be specified in the report for Q4.*

### **4.5. Information on the Issuer's Policy and Expenses in the Area of Scientific and Technical Development and in Relation to Licenses and Patents, New Developments, and Research**

*Not to be specified in the report for Q4.*

### **4.6. Analysis of Development Trends in the Area of the Issuer's Core Business**

Basic development trends of the branch of the economy where the Issuer carries out its core activities for the last completed reporting year and for the corresponding reporting period, consisting of 3, 6, 9, and 12 months of the current year, as well as the main factors affecting the state of the industry

#### **1. Strategic developments of the sector**

*Regulation of the Government of Russia No. 1715-r dated November 13, 2009, approved the Energy Strategy of Russia until 2030. The main goal of the document is the creation of priority areas for long-term development of the power industry until 2030.*

*Currently, the Ministry of Energy of Russia has prepared and is now discussing a draft of the Energy Strategy of Russia up to 2035. The strategy project was developed in accordance with Federal Law No. 172-FZ dated June 28, 2014, "On the Strategic Planning in Russia" and is an interindustry document for the power-generating sector (oil, gas, coal, electricity and heat industry) and for energy as a sphere of government control.*

*The Development Program and Scheme of the Unified Energy System of Russia for 2017–2023 (Order of the Ministry of Energy of Russia No. 147 dated March 1, 2016) was approved within implementation of med-term planning tools. The main objective of the plan and program is to facilitate the development of networked infrastructure and generating capacities and to ensure the satisfaction of long-term and med-term demand for electric power and capacity.*

*Decree of the Government of Russia No. 1634-r dated August 1, 2016, approves the Area Planning Scheme of Russia applicable to the power industry. The document includes new power engineering facilities planned to be constructed by 2030 and expandable power engineering facilities in respect of which the need for additional land allotment has not been determined, as well as maps of the scheduled allocation of objects of federal significance for the period up to 2030.*

*The Plan of Power Industry Facilities Allocation until 2035 was approved by Decree of the Government of Russia No. 1209-r dated June 9, 2017. The general layout of the objects of the electricity industry is directed in particular toward the formation of the structure of generating capacities and facilities of electric grid economy to ensure a promising balance of production and consumption of electricity and power in the Unified energy system of Russia and technologically isolated territorial power systems, prevention of projected deficits*

of electricity and power in effective ways, taking into account the projected operating modes of work of energy systems, the necessary technological reserve, and basic technological limitations.

A number of regulatory legal documents for supporting the Russian economy, including the energy industry, were adopted. The Issuer was included in the list of the country's strategic enterprises, which means it can count on the implementation of state support measures.

Federal Laws No. 508-FZ dated December 28, 2016, and No. 129-FZ dated June 30, 2017, "On Amendments to the Federal Law 'On Electric Power Industry'" were introduced to increase the price of power in the I and II price zones due to which the prices in the Far East will be reduced to the average level; also, the scheme of transfer of means to budgets of subjects of the Far Eastern Federal District was defined.

By Resolution of the Government of Russia No. 895 dated July 28, 2017, "On Achievement in Territories of the Far Eastern Federal District of Basic Levels of Prices (Tariffs) for Electricity (Power)," the following are confirmed:

- The rules of definition and application of an extra charge to the price of the power delivered in price zones of the wholesale market by wholesale market participants/producers of electricity (power) for achievement in territories of the Far Eastern Federal District of the basic levels of the prices (tariffs) for electricity (power) planned for the next period of regulation
- Rules of bringing prices (tariffs) for electricity (power) for territories of the Far Eastern Federal District to the basic levels of the prices (tariffs) for electricity (power) planned for the next period of regulation
- The rules of target use of the means received from application of a price markup of the power delivered in price zones of the wholesale market by wholesale market participants/producers of electricity (power) for achievement of the basic levels of the prices (tariffs) for electricity (power) planned for the next period of regulation in territories of the Far Eastern Federal District, control of target use of such means, transfer of gratuitous target contributions to budgets of the territorial subjects of Russia which are a part of the Far Eastern Federal District, conclusion of agreement (contract) on gratuitous target contributions

Order of the Government of Russia No. 1614-r dated July 28, 2017, defines PJSC RusHydro as a wholesale market participant/producer of electricity (power), to whose power a price markup of the power delivered in price zones of the wholesale market established for achievement in territories of the Far Eastern Federal District of the basic levels of the prices (tariffs) for electricity (power) planned for the next period of regulation is applied.

Order of the Government of Russia No. N1615-r dated July 28, 2017, has established a basic level of the prices (tariffs) for electricity (power) for 2017 for the territorial subjects of Russia that are a part of the Far Eastern Federal District of RUB 4 per kWh (without value added tax). The size of the means (RUB 23,995 million) considered when determining an extra charge to the price of the power delivered in price zones of the wholesale market by wholesale market participants/producers of electricity (power) established for achievement in the territorial subjects of Russia that are a part of the Far Eastern Federal District, basic levels of the prices (tariffs) for electricity (power) for the territorial subjects of Russia that are a part of the Far Eastern Federal District are also approved, and the formula of calculation of the abovementioned extra charge to the price of power is defined.

Order of the Government of Russia No. 2527-r dated November 15, 2017, has established a basic level of the prices (tariffs) for electricity (power) for 2018 for the territorial subjects of Russia that are a part of the Far Eastern Federal District of RUB 4.3 per kWh (without value added tax). The size of the means (RUB 35,032 million) considered when determining an extra charge to the price of the power delivered in price zones of the wholesale market by wholesale market participants/producers of electricity (power) established for achievement in the territorial subjects of Russia that are a part of the Far Eastern Federal District, basic levels of the prices (tariffs) for electricity (power) for the territorial subjects of Russia that are a part of the Far Eastern Federal District are also approved, and the formula of calculation of the abovementioned extra charge to the price of power is defined.

## 2. Electricity and capacity consumption and production

According to operation data from JSC SO UPS, electricity consumption in the UES of Russia in 2017 was 1,039.7 billion kWh, which is 1.3% more than the volume of consumption for the same period of 2016. Electricity consumption in Russia as a whole in 2017 was 1,059.5 billion kWh, which is 0.5% more than for the same period of 2016.

Without taking into account the influence of February 29, 2016, electricity consumption by UES of Russia and Russia as a whole increased by 1.6% and 0.8%, respectively.

Electricity generation in Russia in 2017 was 1,073.6 billion kWh, which is 0.2% more than in 2016. The power plants of the UES of Russia generated 1,053.7 billion kWh, which is 0.5% more than in 2016. Without taking into account the effect of the additional day of the leap year, electricity generation by the UES of Russia and Russia as a whole increased by 0.8% and 0.5%, respectively.

### **3. Innovative development of the power industry and energy efficiency**

*In accordance with the instructions of the Prime Minister of Russia D. A. Medvedev (list of instructions No. DM-P36-6057 dated July 25, 2014), the Company developed an Innovative Development Program for 2016–2020 with a perspective up to 2025 (the "Program") in 2016. The Program was approved by the Board of Directors of PJSC RusHydro (Minutes No. 244 dated November 23, 2016).*

*The Program is formed in accordance with the Methodological Guidelines for the Development and Adjustment of Innovative Development Programs for Joint-Stock Companies with State Participation, State-Owned Corporations, State-Owned Companies, and Federal State Unitary Enterprises approved by Instruction of the Government of Russia No. DM-P36-7563 dated November 7, 2015, based on the results of an independent technological audit.*

*The program includes as an application the Program for Innovative Development of the Holding Company RAO Energy Systems of the East for 2016–2020 with a perspective up to 2025 approved by the Board of Directors of PAO RAO Energy Systems of the East (Minutes No. 145 dated July 1, 2016) and is synchronized with it as concerns the list and values of key performance indicators.*

*The quality of the development of the Program has been assessed by the Interdepartmental Commission for Technological Development of the Presidium of the Council under the President of Russia for the Modernization of Economics and Innovative Development of Russia (Minutes No. 23-DOI dated December 26, 2014). The rating is 95.2%, which is one of the highest assessments of the quality of Program development among fuel and energy companies.*

*The assessment was approved by the Interdepartmental Working Group on the Implementation of Innovation Development Priorities at the Presidium of the Council under the President of Russia on Modernization of the Economy and Innovative Development of Russia (Minutes No. 1 dated April 14, 2017).*

Main factors influencing the sector:

- *GDP growth rates determining the demand for electrical power and setting requirements for the schedules of its consumption, for the level of investment in new capacities*
- *The legislative base determining the payback period for projects in the electrical power sector, sources and structure of the investment portfolio of energy companies, the level of competition, etc.*
- *The level of state stimulation concerning development of specific types of electrical power generation*
- *The condition of fixed production assets used by enterprises in the sector*
- *The socioeconomic situation in the country*
- *Accessibility of capital markets, including credit resources*
- *The level of payment discipline of electrical power oftakers*

The overall assessment of the Issuer's results in the given sector.

Assessment of the compliance of the Issuer's performance with industry development trends:

*The overall assessment of the Issuer's results in the given sector is positive.*

*The results of the Issuer's activities correspond to the trends of the sector's development.*

Reasons justifying the results of operations (satisfactory and unsatisfactory results, in the Issuer's opinion):

*The main reasons for the obtained results are effective performance of the Issuer on the wholesale electricity and power market, efficient management of expenses, and appropriate job management.*

*PJSC RusHydro was fifth among generating companies participating in the wholesale market as regards Efficiency on the Market in the Final Annual Rating of the Association of Nonprofit Partnership Market Council for 2016 (one place higher than last year). According to the results of Q3 2017, the Company has taken fourth place in the Rating of the Association of Nonprofit Partnership Market Council on the indicator "Market Efficiency" among generating companies. On the indicator "Economic efficiency," the Company has taken third place for Q3 2017.*

*The opinions of the Issuer's management entities on the information provided are the same.*

*The members of the management entities of the Issuer do not have a special opinion on the information provided reflected in the minutes of the meeting of the Issuer's management entities where the relevant issues were considered and do not insist on reflecting such (different) opinions in this Quarterly Report.*

## **4.7. Analysis of Factors and Conditions Influencing the Issuer's Activities**

*Information was specified in the Quarterly Report for Q1 2017; there were no changes made to this information during Q4 2017.*

## 4.8. Competitors of the Issuer

The main existing and prospective rivals of the Issuer in the main types of activities, including competitors abroad.

The list of the Issuer's competitive factors with a description of their degree of influence on the competitiveness of products (works, services):

***On the Russian market for electricity generation, PJSC RusHydro takes the leading position: the main competitors are independent Russian energy companies formed as a result of the reformation of RAO UES of Russia.***

No.	Holding Company	Installed capacity according to the Company, GW
1	LLC Gazprom Energoholding	39
2	PJSC INTER RAO	32
3	Rosatom State Atomic Energy Corporation	28
4	JSC EuroSibEnerg	20
5	PJSC T Plus	16
6	PJSC Unipro (previously E.ON Russia)	11
7	Enel Russia	9
8	LLC Siberian Generating Company (SUEK)	8
9	JSC Tatenergo	5
10	Fortum (formerly TGK-10)	5
11	PJSC LUKOIL	4
12	JSC SIBECO, JSC Biyskenergo (RU-COM)	3
13	OJSC TGK-2 (Synthesis Group)	3
14	PJSC Quadra (Onexim Group)	3
15	OJSC TGK – 16 (OJSC TAIF)	2
16	PJSC TGK – 14 (OJSC Russian Railways)	1

The list of the Issuer's competitive factors with a description of their degree of influence, in the Issuer's opinion, on the competitiveness of products (works, services):

***1. Environmental friendliness. Water resources are renewable and the most ecological source of energy, the use of which makes it possible to cut discharges into the atmosphere by thermal plants and to preserve hydrocarbon reserves.***

***2. A high degree of maneuverability because it is HPPs that are the most maneuverable and capable, if necessary, of substantially increasing the volumes produced in just a few minutes, covering peak loads.***

***3. Absence of a fuel component in the production cost, independence from changes in prices for energy carriers and, as a consequence, the possibility of long-term price guarantees for offtakers.***

### ***The Issuer's analogous companies abroad***

No.	Company	Installed capacity, GW
1	China Three Gorges Corporation (China)	69
2	Eletrobras (Brazil)	47
3	Hydro-Québec (Canada)	37
4	U.S. Army Corps of Engineers (USA)	20
5	Statkraft (Norway)	19
6	Edelca (Venezuela)	15
7	US Bureau of Reclamation	15
8	BC Hydro (Canada)	12

*There are a number of generation companies in the world whose capacities are based on hydropower plants:*

*1. The largest hydrogeneration company in the world is China Three Gorges Corporation (China). The largest hydropower plants are Three Gorges (22,500 MW), Xiluodu (13,860 MW), Xiangjiaba (6,400 MW), and Gezhoubu (2,735 MW).*

*The company is a 100% state-owned company.*

*2. Brazilian Eletrobras is the second largest hydrogeneration company in the world. At the same time, it is the largest generation company in Brazil and Latin America. Its assets include a series of large HPPs, including Itaipu HPP on the Parana River, the second largest HPP in the world in terms of capacity (14,000 MW). The company is controlled by the state, which holds 54% of its shares.*

*3. Canadian Hydro-Québec, the largest generation company of Canada, which played a considerable role in the economic development of the Province of Quebec. The company's assets include a great number of HPPs, including large cascades at the Manicouagan and La Grande rivers. The company is owned by the authorities of the Province of Quebec.*

*4. The United States Corps of Engineers (USCE). This is not an energy company in the truest sense of the word but a state office engaged in the construction and operation of HPPs (electricity is sold by other state structures).*

*5. Norwegian Statkraft. It is the largest energy producer in Norway and the third in Scandinavia. About 150 HPPs are held by the company, the majority with long-term storage reservoirs. The company is a 100% state-owned company.*

*6. Venezuelan Edelca. The main asset of the company is the Guri HPP on the Caroni River with a capacity of 10.2 GW, which is third in the world in terms of capacity. The company provides the majority of energy services for Venezuela and is fully controlled by the state.*

*7. US Bureau of Reclamation. Again, this is not an energy company in a traditional sense, but it operates a variety of HPPs, including the famous Hoover Dam.*

*8. Canadian BC Hydro, the largest electricity producer in the province of British Columbia. The company owns 30 HPPs, and the company itself is owned by the authorities of the province.*

*Issuer's competitors in the Armenian electricity market*

*In 2011, RusHydro acquired 90% of the shares of Sevan-Razdanskiy Cascade of HPPs in the Republic of Armenia with a total capacity of 562 MW of installed capacity. Thus, entering the electric power market of Armenia, RusHydro has occupied a substantial share of that market.*

*The Issuer's competitors in Armenia*

Generation Facility	Type	Installed Capacity, MW	Generating Companies
Vorotanskiy Cascade of HPPs	HPP	404	CJSC Vorotanskiy Cascade of HPPs
Dzoragetskaya HPP	HPP	25	CJSC Dzora HPP
Small HPPs	HPP	66	SHPPs
Armenian NPP	NPP	440	CJSC Armenian NPP
Razdanskaya TPP	HPP	1,110	LLC RazTES
Yerevanskaya TPP	TPP	271	CJSC Yerevanskaya TPP

## V. Detailed Information on Members of the Issuer's Management Entities, the Issuer's Bodies Monitoring Financial and Economic Activities, and Backgrounds of the Issuer's Employees (Workers)

### 5.1. Information on the Structure and Competencies of the Issuer's Management Entities

Information was specified in the *Quarterly Report for Q3 2017*; there were no changes made to this information during Q4 2017.

### 5.2. Information on Members of the Issuer's Management Entities

#### 5.2.1. Composition of the Board of Directors (Supervisory Board) of the Issuer

(approved by resolution of the General Meeting of Shareholders on June 26, 2017)

Name, patronymic, surname: *Artem Davidovich Avetisyan*

Year of Birth: *1976*

Education: *Higher education, Finance Academy under the Government of Russia, specialty: Appraisal activity Finance and Credit, year of graduation: 1998.*

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	To		
2010	2015	JSC Regional credit Commercial Bank	Chairman of the Board of Directors
2011	present	Agency of Strategic Initiatives for new projects promotion, Autonomous Nonprofit Organization	New Business Line Director
2012	2016	MSP Bank JSC	Member of the Supervisory Board
2012	present	Club of Leaders in Promotion of Initiatives of Business nonprofit partnership	Chairman
2012	2015	OJSC Rosselkhozbank	Member of the Supervisory Board
2013	2014	JSC Russian racetracks	Member of the Board of Directors
2013	2014	Russian Railways JSC	Member of the Board of Directors
2013	2015	JSC Rosagroleasing	Member of the Board of Directors
2014	2016	LLC NEO Center	Vice President
2015	present	PJSC RusHydro	Member of the Board of Directors
2015	2017	LLC Uniastrum Commercial Bank	President
2016	04.2017	PJSC CB Vostochnyy	Member of the Board of Directors
11.2017	present	PJSC CB Vostochnyy	Chairman of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: *none.*

Portion of the Issuer's equity shares held by the person, %: *none.*

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: *Issuer options have not been issued.*

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: *none.*

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: *none.*



The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***the options of subsidiaries and affiliated companies of the Issuer have not been issued.***

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: ***there is no said kinship.***

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: ***no said sanctions have been imposed upon the person.***

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: ***the person has not held such positions.***

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): ***the person is not a member of any Committees of the Board of Directors of RusHydro PJSC.***

Name, patronymic, surname: ***Maksim Sergeyevich Bystrov***

Year of Birth: ***1964***

Education: ***higher education, Kuybyshev Moscow Civil Engineering Institute, Hydraulic Engineering of River Installations and Hydro Power Plants, graduation year: 1986; Russian Academy for Foreign Trade, Global Economics, graduation year: 1998.***

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2010	2013	Administration of the President of Russia	Deputy Plenipotentiary of the President of Russia in North Caucasian Federal District
2012	2017	OJSC Managing Company Mineralnyye Vody Airport	Chairman of the Board of Directors, member of the Board of Directors
2013	present	PJSC RusHydro	Member of the Board of Directors
2013	2017	JSC Northern Caucasus Resorts	Member of the Board of Directors
2013	present	JSC ATS	Chairman of the Management Board, Member of the Board of Directors
2013	present	NP Market Council Association	Chairman of the Management Board, Member of the Supervisory Board
2014	2016	PJSC FGC UES	Member of the Board of Directors
2014	present	JSC SO UPS	Chairman of the Board of Directors, member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: ***none.***

Portion of the Issuer's equity shares held by the person, %: ***none.***

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***Issuer options have not been issued.***

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: ***none.***

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: ***none.***

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***the options of subsidiaries and affiliated companies of the Issuer have not been issued.***

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship.**

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person.**

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions.**

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Audit Committee, Staff, and Award (Nomination) Committee and the Investment Committee of the Board of Directors of RusHydro PJSC.**

Name, patronymic, surname: **Pavel Sergeyevich Grachev**

Year of Birth: **1973**

Education: **Higher education, Saint Petersburg State University, jurisprudence, legal studies, graduation year: 1998, University of Trieste, jurisprudence, Doctor of Law, graduation year: 1997.**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2011	2013	Representative office of ALPINACAPITAL A.C.L. LIMITED, LLC (the Republic of Cyprus), Moscow	Head of Representative Office
2013	2013	FAR EAST AND BAIKAL REGION DEVELOPMENT FUND JSC	General Director
2013	2014	PJSC FGC UES	Member of the Board of Directors
2013	2016	Polyus Gold International Limited	Member of the Board of Directors
2013	2014	Polyus Gold International Limited	Temporary Lead Operating Officer
2014	2014	Representative office of Nafta Moscow Limited LLC (the Republic of Cyprus) Moscow	Chairman of the Board of Managing Directors
2014	2016	Polyus JSC	President
2016	to present	Management Company Polyus LLC	General Director
2014	2016	Polyus Gold International Limited	Chief Operating Officer
2014	to present	Polyus PJSC	General Director
2015	to present	Polyus PJSC	Member of the Board of Directors
2015	to present	PJSC FGC UES	Member of the Board of Directors
2016	present	PJSC RusHydro	Member of the Board of Directors
2017	present	SL Zoloto LLC	Member of the Board of Directors (Chairman)

Share of the person in the authorized capital of the Issuer, %: **none.**

Portion of the Issuer's equity shares held by the person, %: **none.**

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***Issuer options have not been issued.***

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: ***none.***

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: ***none.***

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***the options of subsidiaries and affiliated companies of the Issuer have not been issued.***

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: ***there is no said kinship.***

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: ***no said sanctions have been imposed upon the person.***

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: ***the person has not held such positions.***

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): ***the person is a member of the Committee for the Development of the Energy Industry of the Far East and the Strategy Committee of the Board of Directors of RusHydro PJSC***

Name, patronymic, surname: ***Sergey Nikolayevich Ivanov***

Year of Birth: ***1961***

Education: ***higher, MEdPhI, faculty: theoretical nuclear physics, graduation year: 1984; Doctor of Economics, 2007; professor, 2010; Corresponding Member of the Russian Academy of Natural Sciences, 1999.***

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2002	2015	CJSC Investment Scientific and Production Company Russian Energy Technologies	Member of the Board of Directors
2007	2013	Malaya Energetika OJSC	Member of the Board of Directors
2007	2014	ANO National Institute of Energy Security	Chairman of the Presidium
2011	2016	JSC ERKO	General Director
2011	2016	Nechernozemagropromstroy Corporation JSC	Member of the Board of Directors
2012	2013	JSC Exhibition Pavilion Electrification	Member of the Board of Directors
2012	2013	Sberkredbank CJSC	Member of the Board of Directors
2012	2015	LENTENT LLC	General Director
2014	2015	Novoyeniseyskiy Wood-Chemical Complex JSC	Member of the Board of Directors
2015	2016	JSC ERKO	Member of the Board of Directors
2015	2016	Nechernozemagropromstroy Corporation JSC	General Director
2015	present	PJSC RusHydro	Member of the Board of Directors
2016	present	RT Capital LLC	General Director Member of the Board of Directors

2017	present	RT Stroytech JSC	Member of the Board of Directors
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Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Audit Committee, Staff, and Award (Nomination) Committee and the Investment Committee of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: **Vyacheslav Mikhailovich Kravchenko**

Year of Birth: **1967**

Education: **higher, Lomonosov Moscow State University, major: legal studies, graduation year: 1995**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2011	2015	Tsentr Finansovykh Raschyotov CJSC	Member of the Board of Directors (Chairman)
2011	2015	ROSSETI PJSC	Member of the Board of Directors
2011	2012	OJSC Petersburg Sales Company	Member of the Board of Directors
2011	2012	Saratovenergo PJSC	Member of the Board of Directors
2011	2012	Mosenergosbyt PJSC	Member of the Board of Directors
2011	2012	Tambov Energy Retailing Company OJSC	Member of the Board of Directors
2011	2012	OJSC Altayenergosbyt	Member of the Board of Directors
2011	2012	OJSC United Energy Retailing Company	Member of the Board of Directors
2011	present	NP Market Council Association	Representative of the state on the Supervisory Board
2012	2013	JSC ATS	Chairman of the Management Board

2012	2013	NP Market Council Association	Chairman of the Management Board
2012	2014	JSC ATS	Member of the Board of Directors
2012	2016	PJSC FGC UES	Member of the Board of Directors
2012	present	JSC SO UPS	Member of the Board of Directors (Chairman)
2013	2014	Russian Regional Development Bank (RRDB) JSC	Member of the Supervisory Board
2013	present	Ministry of Energy of Russia	Deputy Minister of Energy of Russia
2014	present	MOESK PJSC	Member of the Board of Directors
2014	present	PJSC RusHydro	Member of the Board of Directors
2014	present	MPEI National Research University	Member of the Board of Trustees
2015	2017	Interregional Distribution Grid Company of Siberia PJSC	Member of the Board of Directors
2016	present	ROSSETI PJSC	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Committee for the Development of the Energy Industry of the Far East and the Reliability, Energy Efficiency, and Innovations Committee of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: **Yuriy Petrovich Trutnev**

Year of Birth: **1956**

Education: **higher, Perm National Research Polytechnic University, major: mining engineering, graduation year: 1978**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2005	present	RUSSIAN MARTIAL ARTS UNION All-Russian public association union	Cochairman
2012	2013	Administration of the President of Russia	Assistant to the President of Russia
2012	present	Rosatom State Atomic Energy Corporation	Member of the Supervisory Board
2013	present	Government of Russia	Deputy Head of the Government of Russia – Russian Presidential Plenipotentiary Envoy to the Far Eastern Federal District
2015	present	Far Eastern Federal University Federal State Autonomous Educational Institution for Higher Education	Chairman (member) of the Supervisory Board
2016	present	PJSC RusHydro	Chairman (member) of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Committee for the Development of the Energy Industry of the Far East of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: **Vyacheslav Viktorovich Pivovarov**

Year of Birth: **1972**

Education: **higher, Sergo Ordzhonikidze State University of Management, major: global economics, graduation year: 1995; American University of Paris, major: applied economics, graduation year: 1995; Stanford University, MBA, graduation year: 2002**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2011	2017	Altera Capital LLC	President
2012	2013	Quadra PJSC	Member of the Board of Directors

2013	present	PJSC RusHydro	Member of the Board of Directors
2014	present	GeoProMining, Ltd	Member of the Board of Directors
2017	present	Altera Capital LLC	President

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Strategy Committee, the Audit Committee, the Staff and Award (Nomination) Committee, and the Investment Committee of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: **Nikolay Radiyevich Podguzov**

Year of Birth: **1974**

Education: **higher, Saint Petersburg State Technical University, graduation year: 1997; Moscow State Institute of International Relations (University) of the Ministry of Foreign Affairs of Russia, graduation year: 2000**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2012	2013	The Executive Office of the Government of Russia	Deputy Director of the Economy and Finance Department
2013	2017	The Ministry of Economic Development of Russia	Deputy Minister of Economic Development of Russia
2015	2016	Rosgeo JSC	Member of the Board of Directors
2015	present	State Corporation Deposit Insurance Agency of Russia	Member of the Board of Directors
2015	2017	Agency for Housing Mortgage Lending JSC	Member of the Supervisory Board
2016	2017	Russian Railways JSC	Member of the Board of Directors
2016	present	ROSSETI PJSC	Member of the Board of Directors

2016	present	PJSC RusHydro	Member of the Board of Directors
2017	present	Russian Post Federal State Unitary Enterprise	General Director
2017	present	Pochta Bank PJSC	Member of the Supervisory Board
2017	present	VTB Bank JSC	Member of the Supervisory Board

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is not a member of any Committees of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: **Nikolay Dmitriyevich Rogalev**

Year of Birth: **1962**

Education: **higher, Moscow Power Engineering Institute, thermal power plants, graduation year: 1985**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2001	2013	Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute	Head of Department (part-time)
2013	2013	Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute	Acting Rector
2013	to present	Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute	Rector
2014	2015	Engineering Center Gas Turbine technology LLC	Member of the Board of Directors
2015	to present	Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute	Head of Department (part-time)



2015	2016	PJSC INTER RAO	Independent Director
2016	to present	Scientific and Technical Council of the Unified Energy System Noncommercial Partnership	President
2016	to present	RusHydro PJSC	Member of the Board of Directors
2016	to present	ROSSETI PJSC	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Strategy Committee, the Investments Committee, and the Reliability, Energy Efficiency, and Innovations Committee of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: **Aleksey Olegovich Chekunkov**

Year of Birth: **1980**

Education: **higher, Moscow State Institute of International Relations, economist, graduation year: 2001**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2011	2013	The Russian Direct Investment Fund, Management Company, LLC	Director, Member of the Management Board
2013	2014	Kada-Neftegaz LLC	First Deputy General Director
2014	present	Far East and Baikal Region Development Fund JSC	General Director
2015	present	ALROSA JSC (PJSC)	Member of the Supervisory Board
2015	2017	Autonomous nonprofit organization The Agency for Human Capital Development in the Far East	Member of the Supervisory Board
2015	2017	Joint-Stock Company Far East Development Corporation	Member of the Board of Directors
2015	to present	Autonomous Nonprofit Organization Far East Investment and Export Agency	Chairman, member of the Supervisory Board

2016	to present	PJSC RusHydro	Member of the Board of Directors
2017	to present	Skolkovo Ventures LLC	Member of the Board of Directors
2017	to present	Voskhod JSC	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Reliability, Energy Efficiency, and Innovations Committee, the Committee for the Development of the Energy Industry of the Far East, and the Investments Committee of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: **Sergey Vladimirovich Shishin**

Year of Birth: **1963**

Education: **higher, USSR KGB Higher Border Guard School, graduation year: 1984; USSR KGB Higher School, graduation year: 1990; the Russian Presidential Academy of National Economy and Public Administration, state and municipal administration, graduation year: 1999**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2007	present	VTB Bank (PJSC)	Senior Vice President
2011	2013	Rosneft Oil Company OJSC	Member of the Board of Directors Deputy Chairman of the Board of Directors
2011	present	PJSC RusHydro	Member of the Board of Directors
2011	2017	Russian Regional Development Bank (RRDB) JSC	Member of the Supervisory Board

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none.**

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued.**

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship.**

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person.**

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions.**

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Strategy Committee of the Board of Directors of RusHydro PJSC.**

Name, patronymic, surname: **Andrey Nikolayevich Shishkin**

Year of Birth: **1959**

Education: **higher, Gubkin Russian State University of Oil and Gas, major: industrial heat-and-power engineering, graduation year: 1985.**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2006	2016	OJSC Tyumen Energy Retail Company	Member of the Board of Directors
2012	2015	Rusenergo Fund	Member of the Board of Directors
2012	present	Rosneft Oil Company OJSC	Energy, Health and Safety, and Ecology Vice President (until August 17, 2014), Energy and Localization Vice President (since August 18, 2014), Energy, Localization, and Innovations Vice President (since April 18, 2016)
2013	2016	ROSSETI PJSC	Member of the Board of Directors
2013	2017	United Shipbuilding Corporation JSC	Member of the Board of Directors
2013	2016	NP Market Council Association	Member of the Supervisory Board
2013	2017	Nonprofit Partnership Russian National Committee of the World Energy Council	Member of the Presidium
2013	present	Okha HPP JSC	Member of the Board of Directors
2014	present	PJSC RusHydro	Member of the Board of Directors
2014	present	RIG Research Pte. Ltd,	Chairman of the Board of Directors
2014	2017	National Oil Consortium LLC	Member of the Board of Directors

2014	2016	RN-R&D Center LLC	Member of the Board of Directors
2015	present	Far Eastern Shipbuilding and Ship Repair Center OJSC	Chairman of the Board of Directors
2015	present	RN-Aktiv LLC	General Director
2016	present	Lazurit Central Design Bureau JSC	Chairman of the Board of Directors
2016	2017	Saras S.p.A.	Member of the Board of Directors
2016	present	82 Ship-Repair Plant JSC	Chairman of the Board of Directors
2016	present	Zvezda Marine Technology Ltd.	Member of the Board of Directors
2016	present	Antares Singapore Pte. Lte	Member of the Board of Directors
2016	present	Arctic Scientific Center LLC	Chairman of the Board of Directors
2016	present	VNIPIneft OJSC	Member of the Board of Directors
2016	present	Giprotyumenneftegaz PJSC	Member of the Board of Directors
2016	present	Joint-Stock Oil Company Bashneft PJSC	President, Chairman of the Management Board, member of the Board of Directors
2017	present	TomskNIPIneft OJSC	Member of the Board of Directors
2017	present	SNGT LLC	Member of the Board of Directors
2017	present	SPA Burovaya Tekhnika OJSC	Member of the Board of Directors
2017	present	Zvezda-Hyundai LLC	Chairman of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is not a member of any Committees of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: *Nikolay Grigoryevich Shulginov*

Year of Birth: *1951*

Education: *higher, Order of the Red Banner of Labor Sergo Ordzhonikidze Novocherkassk Polytechnic Institute, major: industrial enterprise and city electrical supply, graduation year: 1973; Candidate of Technical Sciences.*

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2008	present	Scientific and Technical Council of the Unified Energy System Noncommercial Partnership	Member of the Supervisory Board (Deputy Chairman of the Supervisory Board)
2009	2015	JSC SO UPS	First Deputy Chairman of the Management Board
2013	2016	PJSC FGC UES	Member of the Board of Directors
2015	present	Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute	Member of the Board of Trustees
2015	present	PJSC RusHydro	Chairman of the Management Board – General Director
2016	present	Federal State Autonomous Educational Institution of Higher Education Siberian Federal University	Member of the Board of Trustees
2016	present	PJSC RusHydro	Member of the Board of Directors
2016	2017	JSC RAO Energy Systems of the East	Member of the Board of Directors (Chairman)
2016	present	ROSSETI PJSC	Member of the Board of Directors
2016	present	Nonprofit organization Hydropower Industry Company and Employee Association Hydropower Industry of Russia	Member of the Supervisory Board (Chairman of the Supervisory Board)
2016	present	Nonprofit Partnership Council for Organizing Efficient System of Trading at Wholesale and Retail Electricity and Capacity Market	Member of the Supervisory Board
2016	present	All-Russian Association of Employers Russian Union of Industrialists and Entrepreneurs	Member of the Board
2017	present	Global Sustainable Energy Partnership	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: *none.*

Portion of the Issuer's equity shares held by the person, %: *none.*

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: *Issuer options have not been issued.*

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: *none.*

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: *none.*

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: *the options of subsidiaries and affiliated companies of the Issuer have not been issued.*

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: *there is no said kinship.*

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: *no said sanctions have been imposed upon the person.*

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: *the person has not held such positions.*

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): *the person is a member of the Strategy Committee of the Board of Directors of RusHydro PJSC.*

Information on the members of the Board of Directors (the Supervisory Board) the Issuer considers independent:

1. *Maksim Sergeevich Bystrov – Chairman of the Management Board of NP Market Council Association, ATS JSC.*
2. *Pavel Sergeevich Grachyov, General Director, Polyus Management Company LLC and Polyus PJSC.*
3. *Sergey Nikolayevich Ivanov – General Director, RT-Capital LLC.*
4. *Vyacheslav Viktorovich Pivovarov – President, Altera Capital LLC.*

### **5.2.2. Information on the Issuer's Sole Executive Body**

Name, patronymic, surname: *Nikolay Grigoryevich Shulginov*

Year of Birth: *1951*

Education: *higher, Order of the Red Banner of Labor Sergo Ordzhonikidze Novocherkassk Polytechnic Institute, major: industrial enterprise and city electrical supply, graduation year: 1973; Candidate of Technical Sciences.*

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2008	present	Scientific and Technical Council of the Unified Energy System Noncommercial Partnership	Member of the Supervisory Board (Deputy Chairman of the Supervisory Board)
2009	2015	JSC SO UPS	First Deputy Chairman of the Management Board
2013	2016	PJSC FGC UES	Member of the Board of Directors
2015	present	Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute	Member of the Board of Trustees
2015	present	PJSC RusHydro	Chairman of the Management Board – General Director
2016	present	Federal State Autonomous Educational Institution of Higher Education Siberian Federal University	Member of the Board of Trustees
2016	present	PJSC RusHydro	Member of the Board of Directors
2016	2017	JSC RAO Energy Systems of the East	Member of the Board of Directors (Chairman)
2016	present	ROSSETI PJSC	Member of the Board of Directors
2016	present	Nonprofit organization Hydropower Industry Company and Employee Association Hydropower Industry of Russia	Member of the Supervisory Board (Chairman of the Supervisory Board)
2016	present	Nonprofit Partnership Council for Organizing Efficient System of Trading at Wholesale and Retail Electricity and Capacity Market	Member of the Supervisory Board

2016	present	All-Russian Association of Employers Russian Union of Industrialists and Entrepreneurs	Member of the Board
2017	present	Global Sustainable Energy Partnership	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Strategy Committee of the Board of Directors of RusHydro PJSC**.

### 5.2.3. Composition of the Issuer's Collective Executive Body

Name, patronymic, surname: **Nikolay Grigoryevich Shulginov**

Year of Birth: **1951**

Education: **higher, Order of the Red Banner of Labor Sergo Ordzhonikidze Novocherkassk Polytechnic Institute, major: industrial enterprise and city electrical supply, graduation year: 1973; Candidate of Technical Sciences**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions

Period		Name of the company	Title
from	to		
2008	present	Scientific and Technical Council of the Unified Energy System Noncommercial Partnership	Member of the Supervisory Board (Deputy Chairman of the Supervisory Board)
2009	2015	JSC SO UPS	First Deputy Chairman of the Management Board
2013	2016	PJSC FGC UES	Member of the Board of Directors
2015	present	Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute	Member of the Board of Trustees
2015	present	PJSC RusHydro	Chairman of the Management Board – General Director
2016	present	Federal State Autonomous Educational Institution of Higher Education Siberian Federal University	Member of the Board of Trustees

2016	present	PJSC RusHydro	Member of the Board of Directors
2016	2017	JSC RAO Energy Systems of the East	Member of the Board of Directors (Chairman)
2016	present	ROSSETI PJSC	Member of the Board of Directors
2016	present	Nonprofit organization Hydropower Industry Company and Employee Association Hydropower Industry of Russia	Member of the Supervisory Board (Chairman of the Supervisory Board)
2016	present	Nonprofit Partnership Council for Organizing Efficient System of Trading at Wholesale and Retail Electricity and Capacity Market	Member of the Supervisory Board
2016	present	All-Russian Association of Employers Russian Union of Industrialists and Entrepreneurs	Member of the Board
2017	present	Global Sustainable Energy Partnership	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Information on participation (as a member of a committee, Chairman of a committee) in the operation of the Committee of the Board of Directors (the Supervisory Board), including the name of the committee (committees): **the person is a member of the Strategy Committee of the Board of Directors of RusHydro PJSC**.

Name, patronymic, surname: **Boris Borisovich Bogush**

Year of Birth: **1952**

Education: **higher, Saratov Polytechnic Institute, graduation year: 1975, major: mechanical engineering; Academy of National Economy under the Government of Russia, major: company development management, graduation year: 2004**.

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2009	present	PJSC RusHydro	Chief Operating Officer, Head of the Production business unit, member of the Management Board, member of the Board – Chief Engineer; member of the Board, First Deputy General Director – Chief Engineer



2013	2016	LLC VOLGAHYDRO	Member of the Board of Directors
2013	present	Nonprofit Charitable Fund Soprichastnost	Member of the Board of Trustees
2014	present	NP Hydraulic Power of Russia	Member of the Supervisory Board

Share of the person in the authorized capital of the Issuer, %: **0.003843**.

Portion of the Issuer's equity shares held by the person, %: **0.003843**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued.**

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none.**

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none.**

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued.**

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship.**

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person.**

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions.**

Name, patronymic, surname: **Sergey Anatolyevich Kirov**

Year of Birth: **1976**

Education: **higher, Pryanishnikov Perm State Agro-Technological University, major: economics and agricultural enterprise management, graduation year: 1998; Regional Interindustry Staff Retraining Center Perm Technical University, the Economics and Management program, graduation year: 2004.**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2010	present	PJSC RusHydro	Chief Operating Officer for Economy, Director for Economy, Chief Operating Officer for Procurement Activity, Deputy General Director for Economy, Investments, and Procurement Activity, member of the Management Board, First Deputy General Director
2010	2014	LLC RusHydro IT Service	General Director, member of the Board of Directors
2010	2015	JSC MC HydroOGC	Member of the Board of Directors
2010	2012	UstSrednekanGESstroi JSC	Member of the Board of Directors
2010	2012	ESC RusHydro	Member of the Board of Directors
2011	2012	JSC Gidroinvest	Member of the Board of Directors

2011	2012	LLC EZOP	Member of the Board of Directors
2011	2012	YUYAGEK JSC	Member of the Board of Directors
2011	2012	JSC Zagorskaya PSHPP-2	Member of the Board of Directors
2011	2012	SNRG LLC	Member of the Board of Directors
2011	2014	JSC Nizhne-Bureyskaya HPP	Member of the Board of Directors
2011	2015	JSC Scientific and Research Institute of Energy Structures	Member of the Board of Directors
2011	2012	PJSC Kolymaenergo	Member of the Board of Directors
2011	2015	PJSC Krasnoyarskenergosbyt	Member of the Board of Directors
2011	2015	MEK CJSC	Member of the Board of Directors
2011	2012	JSC Mosoblhydroproject	Member of the Board of Directors
2011	2015	RESK PJSC	Member of the Board of Directors
2011	2012	SShHPP SSC JSC	Member of the Board of Directors
2011	2015	ESKB LLC	Member of the Board of Directors
2012	2014	Ust-Srednekanskaya HPP JSC	Member of the Board of Directors
2012	2014	RusHydro Bashkortostan Efficiency JSC	Member of the Board of Directors
2012	2015	JSC Verkhne-Narynskiye HPPs	Member of the Board of Directors
2012	2015	JSC RAO Energy Systems of the East	Member of the Board of Directors
2013	2014	JSC Boguchanskiy Aluminum Smelter	Member of the Board of Directors
2013	2014	ENEX LLC	Member of the Board of Directors
2013	2015	JSC Videneyev VNIIG	Member of the Board of Directors
2013	2015	JSC Hydroremont-VCC	Member of the Board of Directors
2013	2015	JSC Geotherm	Member of the Board of Directors
2013	2015	ESC RusHydro	Member of the Board of Directors
2013	2014	JSC Zagorskaya PSHPP-2	Member of the Board of Directors
2013	2014	SNRG LLC	Member of the Board of Directors
2013	2015	PJSC Kolymaenergo	Member of the Board of Directors
2013	2015	SShHPP SSC JSC	Member of the Board of Directors

2014	2015	JSC Mosoblhydroproject	Member of the Board of Directors
2014	2015	JSC Malaya Dmitrovka	Member of the Board of Directors
2014	2015	JSC Hydroproject Institute	Member of the Board of Directors
2014	2015	Chuvash Energy Retail Company JSC	Member of the Board of Directors
2015	2015	JSC ESKO UES	Member of the Board of Directors
2015	2015	JSC Zaramagskiye HPPs	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none**.

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none**.

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Name, patronymic, surname: **George Ilyich Rizhinashvili**

Year of Birth: **1981**

Education: **higher, Lomonosov Moscow State University, major: economics, graduation year: 2004, Candidate of Economic Sciences (2011)**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2009	present	PJSC RusHydro	member of the Management Board, Deputy Chairman of the Management Board; member of the Management Board, First Deputy General Director
2010	2014	NP KONTs UES	Member of the Supervisory Board
2013	present	Nonprofit Charitable Fund Soprichastnost	Member of the Board of Trustees
2016	present	The Economics Faculty Development Assistance Fund of Lomonosov MSU	Chairman of the Management Board
2017	present	Lomonosov MSU	Member of the Boards of Regents of the Economics Faculty

Share of the person in the authorized capital of the Issuer, %: **0.012860**.

Portion of the Issuer's equity shares held by the person, %: **0.012860**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued.**

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: **none.**

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: **none.**

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **the options of subsidiaries and affiliated companies of the Issuer have not been issued.**

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship.**

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person.**

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions.**

Name, patronymic, surname: **Andrey Valentinovich Kazachenkov**

Year of Birth: **1980**

Education: **higher, Saint Petersburg State University of Engineering and Economics, major: economics and management in machinery, Management; an MBA degree from the University of Wisconsin–Madison (USA).**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2009	2015	PJSC FGC UES	Member of the Board; Deputy Chairman of the Management Board, First Deputy Chairman of the Management Board.
2012	2015	Nonstate Pension Fund of the Electrical Energy Industry OJSC	Member of the Fund Board
2012	2014	Lenenergo PJSC	Member of the Board of Directors (Chairman)
2012	2013	IDGC of Centre PJSC	Member of the Board of Directors
2012	2013	Engineering Center UES Real Estate OJSC	Member of the Board of Directors (Chairman)
2013	2014	MOESK PJSC	Member of the Board of Directors (Deputy Chairman)
2015	present	PJSC RusHydro	Advisor to the Chairman of the Management Board – General Director; First Deputy General Director; Member of the Management Board, First Deputy General Director;
2015	2016	NP Market Council Association	Member of the Supervisory Board
2016	present	JSC RAO Energy Systems of the East	Member of the Board of Directors (Chairman)

Share of the person in the authorized capital of the Issuer, %: **none.**

Portion of the Issuer's equity shares held by the person, %: **none.**

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***Issuer options have not been issued.***

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: ***none.***

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: ***none.***

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***the options of subsidiaries and affiliated companies of the Issuer have not been issued.***

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: ***there is no said kinship.***

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: ***no said sanctions have been imposed upon the person.***

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: ***the person has not held such positions.***

Name, patronymic, surname: ***Vladimir Ivanovich Markin***

Year of Birth: ***1956***

Education: ***higher, Lomonosov Moscow State University, graduation year: 1985, major: journalism; Nonstate Educational Institution of Higher Professional Education Institute of Economics and Culture, graduation year: 2009, major: legal studies.***

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2011	2016	the Investigative Committee of Russia	Head of Media Relations Directorate
2016	present	PJSC RusHydro	First Deputy General Director; member of the Management Board, First Deputy General Director
2016	present	The Football Union of Russia	Chairman of the Security and Supporter Affairs Committee

Share of the person in the authorized capital of the Issuer, %: ***none.***

Portion of the Issuer's equity shares held by the person, %: ***none.***

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***Issuer options have not been issued.***

Share of the person in the authorized capital of the Issuer's subsidiaries and affiliates: ***none.***

The stake of ordinary shares in the subsidiaries and affiliated companies of the Issuer held by the person: ***none.***

The number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***the options of subsidiaries and affiliated companies of the Issuer have not been issued.***

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: ***there is no said kinship.***

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: ***no said sanctions have been imposed upon the person.***

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: ***the person has not held such positions.***

### **5.3. Information on Remuneration, Benefits, and/or Compensation as to the Issuer's Management Entities**

Information on remuneration of each management entity (excluding the individual performing the functions of the Issuer's sole executive body). All types of remuneration, including salaries, bonuses, commission remuneration, benefits and/or compensation, as well as other types of remuneration:

#### **Board of Directors**

Measurement unit: *rubles*

<b>Index description</b>	<b>2017 year</b>
Remuneration for participation in the management entities' activities	7,472,307.70
Salary	0
Bonuses	0
Commission	0
Other types of remuneration	0
<b>TOTAL</b>	<b>7,472,307.70</b>
Expenses resulting from fulfillment of functions of a member of the Management Entity repaid by the Issuer	0

Information on decisions made by the authorized Management Entities of the Issuer and/or existing agreements concerning the amount of such remuneration to be paid and/or the amount of such expenses to be repaid:

*The payment of remunerations to the members of the Board of Directors is performed in accordance with the documents approved by the General Meeting of Shareholders and the separate decisions of the General Meeting of Shareholders.*

*On June 27, 2017, the General Meeting of Shareholders of RusHydro PJSC (Minutes No. 16 dated June 27, 2017) approved a new revision of the Resolution on the Payment of Remunerations and Compensations to the Members of the Board of Directors of RusHydro PJSC (<http://www.rushydro.ru/upload/iblock/3dc/2.6.-Pr-6.-Polozhenie-o-voznagrazhdenii-chlenov-SD-2017-novaya-redaktsiya.pdf>), and the following decision was made: "To pay remuneration to the members of the Board of Directors based on their work in the Board of Directors within the period from June 27, 2016, to June 26, 2017, in the amount as per the procedure and within the term specified by the Resolution on the Payment of Remunerations and Compensations to the Members of the Board of Directors of RusHydro PJSC approved by the decision of the Annual General Meeting of Shareholders of the Company dated June 29, 2016 (Minutes No. 15)."*

*The Resolution on the Payment of Remunerations and Compensations to the Members of the Board of Directors of RusHydro PJSC approved on June 27, 2017, does not extend to the members of the Board of Directors of the Company who are members of the collective executive body of the Company or exercising the functions of the sole executive body of the Company (during the full or partial term of the office of a Member of the Board of the Company).*

*Remuneration to the Chairman and members of the Board of Directors of the Company (during the full or partial term of office of a member of the Board of Directors) who are prohibited or restricted by the legislation of Russia from receiving any payments from profit organizations will not be charged or paid.*

*To a Member of the Board of Directors of the Company:*

*- Remuneration, to be paid within 60 days after the annual General Meeting of Shareholders of the Company at which a decision on the election of a new composition of the Board of Directors of the Company was made.*

*- Basic remuneration to each member of the Board of Directors amounts to: RUB 3.51 million.*

*- Remuneration depends upon the number of meetings in which the Board of Directors' member has participated.*

*- Remuneration is increased if the member of the Board of Directors is Chairman of the Board of Directors (by 30%), Chairman of the Board of Directors' committee (by 20%), Senior Independent Director (by 15%), or a member of the Board of Directors' committee (by 10%).*

### **Management Board**

Measurement unit: *rubles*

<b>Index description</b>	<b>2017 year</b>
Remuneration for participation in the management entities' activities	0
Salary	185,393,109.80
Bonuses	344,617,982.00
Commission	0
Other types of remuneration	0
<b>TOTAL</b>	<b>530,011,091.80</b>
Expenses resulting from fulfillment of functions of a member of the Management Entity repaid by the Issuer	1,697,447.58

Information on decisions made by the authorized Management Entities of the Issuer and/or existing agreements concerning the amount of such remuneration to be paid and/or the amount of such expenses to be repaid:

*Remuneration and compensation are paid to the members of the Management Board of the Issuer subject to the conditions of labor agreements and Regulations on Remunerations and Compensations to Members of the Management Board of RusHydro JSC<sup>1</sup> approved by the Resolution of the Company's Board of Directors dated November 11, 2016 (Minutes No. 243 dated November 14, 2016).*

### **5.4. Information on the Structure and Terms of Reference of the Issuer's Financial and Economic Supervisory Bodies as Well as on the Arrangement of Risk Management and Internal Control Systems**

*Information was specified in the Quarterly Report for Q3 2017; there were no changes made to this information during Q4 2017.*

### **5.5. Information on the Members of the Issuer's Bodies Monitoring Financial and Economic Activities**

Information on the personal composition of the Issuer's Internal Audit Commission and other bodies controlling its financial and operational activities

The name of the body controlling the financial and operational activities of the Issuer:  
**Internal Audit Commission**

Name, patronymic, surname: *Nataliya Nikolayevna Annikova*

Year of Birth: **1955**

Education: **Higher**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2010	2013	RZDstroy JSC	Advisor to the General Director
2013	present	Construction Department No. 308 OJSC	First Deputy General Director
2015	present	PJSC RusHydro	Member of the Internal Audit Commission

<sup>1</sup> The Resolution shall take effect on January 1, 2017.

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: **none**.

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: **the Issuer's subsidiaries and affiliates have not issued the Issuer's options**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Name, patronymic, surname: **Tatyana Valentinovna Zobkova**

Year of Birth: **1976**

Education: **higher**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2012	2013	KAM-STROY LLC	Development Director
2013	2013	Telemontazh LLC	Deputy General Economy and Finance Director
2013	2014	Administration of Voskresensk Municipal District, Moscow Region	Chief Specialist of the Financial Control Department; head of the Economic Planning Department
2014	2014	Uglichkhleb OJSC	Development Director
2014	present	Ministry of Energy of Russia	Principal Adviser; Deputy Head of the Department, Head of the Department Division
2017	present	PJSC RusHydro	Member of the Internal Audit Commission

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: **none**.

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: **the Issuer's subsidiaries and affiliates have not issued the Issuer's options**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.



Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: ***the person has not held such positions.***

Name, patronymic, surname: ***Igor Nikolayevich Repin***

Year of Birth: ***1966***

Education: ***higher***

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2003	present	Investment Rights Association Nonprofit Organization	Deputy Executive Director
2014	present	PJSC RusHydro	Member of the Internal Audit Commission

Share of the person in the authorized capital of the Issuer, %: ***none.***

Portion of the Issuer's equity shares held by the person, %: ***none.***

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: ***Issuer options have not been issued.***

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: ***none.***

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: ***the Issuer's subsidiaries and affiliates have not issued the Issuer's options.***

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: ***there is no said kinship.***

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: ***no said sanctions have been imposed upon the person.***

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: ***the person has not held such positions.***

Name, patronymic, surname: ***Marina Aleksandrovna Kostina***

Year of Birth: ***1980***

Education: ***higher***

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2008	2015	Federal Agency for State Property Management	Deputy Head of the Department of Social and Cultural Organizations and Foreign Property of the Federal Property Management Agency
2015	2015	The Ministry of Economic Development of Russia	Deputy Director of the Foreign Economic Activity Coordination, Development, and Regulation Department
2015	present	The Ministry of Economic Development of Russia	Deputy Director of the Corporate Management Department

2017	present	PJSC RusHydro	Member of the Internal Audit Commission
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Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: **none**.

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: **the Issuer's subsidiaries and affiliates have not issued the Issuer's options**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

Name, patronymic, surname: **Dmitriy Igorevich Simochkin**

Year of Birth: **1992**

Education: **higher**

**Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:**

Period		Name of the company	Title
from	to		
2015	present	Federal Agency for State Property Management	First-grade Specialist, Chief Expert Specialist, Advisor, Deputy Head of Department
2017	present	PJSC RusHydro	Member of the Internal Audit Commission

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: **none**.

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: **the Issuer's subsidiaries and affiliates have not issued the Issuer's options**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

The name of the body controlling the financial and operational activities of the Issuer: **Audit Committee under the Board of Directors**

Name, patronymic, surname: *Sergey Nikolayevich Ivanov (Chairman)*

Year of Birth: *1961*

Education: *higher, MPhI, faculty: theoretical nuclear physics, graduation year: 1984; Doctor of Economics (2007); professor (2010); Corresponding Member of the Russian Academy of Natural Sciences (1999).*

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2002	2015	CJSC Investment Scientific and Production Company Russian Energy Technologies	Member of the Board of Directors
2007	2013	Malaya Energetika OJSC	Member of the Board of Directors
2007	2014	ANO National Institute of Energy Security	Chairman of the Presidium
2011	2016	JSC ERKO	General Director
2011	2016	Nechernozemagropromstroy Corporation JSC	Member of the Board of Directors
2012	2013	JSC Exhibition Pavilion Electrification	Member of the Board of Directors
2012	2013	Sberkredbank CJSC	Member of the Board of Directors
2012	2015	LENSENT LLC	General Director
2014	2015	Novoyeniseyskiy Wood-Chemical Complex JSC	Member of the Board of Directors
2015	2016	JSC ERKO	Member of the Board of Directors
2015	2016	Nechernozemagropromstroy Corporation JSC	General Director
2015	present	PJSC RusHydro	Member of the Board of Directors
2016	present	RT Capital LLC	General Director Member of the Board of Directors
2017	present	RT Stroytech JSC	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: *none.*

Portion of the Issuer's equity shares held by the person, %: *none.*

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: *Issuer options have not been issued.*

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: *none.*

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: *the Issuer's subsidiaries and affiliates have not issued the Issuer's options.*

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: *there is no said kinship.*

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: *no said sanctions have been imposed upon the person.*

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: *the person has not held such positions.*

Name, patronymic, surname: **Maksim Sergeevich Bystrov**

Year of Birth: **1964**

Education: **higher education, Kuybyshev Moscow Civil Engineering Institute, Hydraulic Engineering of River Installations and Hydro Power Plants, graduation year: 1986; Russian Academy for Foreign Trade, Global Economics, graduation year: 1998.**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2010	2013	Administration of the President of Russia	Deputy Plenipotentiary of the President of Russia in North Caucasian Federal District
2012	present	OJSC Managing Company Mineralnyye Vody Airport	Chairman of the Board of Directors, member of the Board of Directors
2013	present	PJSC RusHydro	Member of the Board of Directors
2013	present	JSC Northern Caucasus Resorts	Member of the Board of Directors
2013	present	JSC ATS	Chairman of the Management Board
2013	present	NP Market Council Association	Chairman of the Management Board, Member of the Supervisory Board
2014	2016	PJSC FGC UES	Member of the Board of Directors
2014	present	JSC SO UPS	Chairman of the Board of Directors, member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none.**

Portion of the Issuer's equity shares held by the person, %: **none.**

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued.**

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: **none.**

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: **the Issuer's subsidiaries and affiliates have not issued the Issuer's options.**

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship.**

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person.**

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions.**

Name, patronymic, surname: **Vyacheslav Viktorovich Pivovarov**

Year of Birth: **1972**

Education: **higher, Sergo Ordzhonikidze State University of Management, major: global economics, graduation year: 1995; American University of Paris, major: applied economics, graduation year: 1995; Stanford Business School, MBA, graduation year: 2002.**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2009	2011	Ministry for Economic Development of Russia	Advisor to the Minister of Economic Development
2011	present	Altera Capital LLC	President
2013	present	PJSC RusHydro	Member of the Board of Directors
2014	present	GeoProMining Ltd.	Member of the Board of Directors

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: **none**.

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: **the Issuer's subsidiaries and affiliates have not issued the Issuer's options**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

The name of the body controlling the financial and operational activities of the Issuer: **Risk Control and Management Department**

Name, patronymic, surname: **Yelena Aleksandrovna Shchegoleva (Internal Control and Risk Management Director – Chief Auditor)**

Year of Birth: **1976**

Education: **Higher**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2007	2012	PJSC RusHydro	Head of the Liability Accounting and Methodology Administration of the Corporate Accounting and Reporting Department
2012	2016	MOESK PJSC	Deputy Director of the Internal Audit and Risk Management Department, Deputy Director of the Internal Audit Department, Director of the Internal Audit and Risk Management Department, Control Director – Head of Internal Audit and Risk Management Department, Audit Director of the Audit Division
2016	present	PJSC RusHydro	Director of Internal Control and Risk Management – Chief Auditor

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: **none**.

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: **the Issuer's subsidiaries and affiliates have not issued the Issuer's options**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

The name of the body controlling the financial and operational activities of the Issuer: **Internal Audit Service**

Name, patronymic, surname: **Oleg Yevgenyevich Azhimov (Head)**

Year of Birth: **1977**

Education: **higher**

Positions held by this person at the Issuer and other organizations in the past 5 years and currently, in chronological order, including part-time positions:

Period		Name of the company	Title
from	to		
2010	present	PJSC RusHydro	Head of the Internal Audit Department; Deputy Audit Director of the Internal Audit, Risk Control, and Management Department; Head of the Internal Audit Service

Share of the person in the authorized capital of the Issuer, %: **none**.

Portion of the Issuer's equity shares held by the person, %: **none**.

Number of the Issuer's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's options in its possession: **Issuer options have not been issued**.

The share of the person in the authorized (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates: **none**.

The number of the Issuer's subsidiary's or affiliate's shares of any category (type) that such person may acquire as a result of the exercise of rights under the Issuer's subsidiary's or affiliate's options in its possession: **the Issuer's subsidiaries and affiliates have not issued the Issuer's options**.

Information on the nature of any kinship with other individuals included in the Issuer's management entities and/or bodies monitoring financial and economic activities: **there is no said kinship**.

Information on imposition of administrative sanctions upon the person due to violations in finance, taxes and levies, securities market or imposition of penal sanctions (previous convictions) due to economic violations or wrongful acts against state authorities: **no said sanctions have been imposed upon the person**.

Information on the person holding any position in management entities of commercial organizations during any period when an action of bankruptcy was brought against the said organizations, and/or one of the bankruptcy procedures stipulated by the insolvency (bankruptcy) laws of Russia was implemented against the said organizations: **the person has not held such positions**.

## **5.6. Information on Remuneration, Benefits, and/or Compensation as to the Issuer's Bodies Monitoring Financial and Economic Activities**

Information on remuneration as to the Issuer's financial and economic monitoring bodies. All types of remuneration, including salaries, bonuses, commission remunerations, benefits and/or compensation, as well as other types of remuneration paid by the Issuer for the respective reporting period:

### **Internal Audit Commission**

Measurement unit: *rubles*

<b>Index description</b>	<b>2017 year</b>
Remuneration for participation in activities of the Issuer's financial and economic activities monitoring body	530,514.00
Salary	0
Bonuses	0
Commission	0
Other types of remuneration	0
<b>TOTAL</b>	<b>530,514.00</b>
Expenses resulting from fulfilling the functions of the members of bodies controlling the financial and operational activities of the Issuer, repaid by the Issuer	0

Information on decisions made by the authorized Management Entities of the Issuer and/or existing agreements concerning the amount of such remuneration to be paid and/or the amount of such expenses to be repaid:

*The payment of remunerations to the members of the Internal Audit Commission is performed in accordance with the documents approved by the General Meeting of Shareholders and the separate decisions of the General Meeting of Shareholders.*

*On June 27, 2017, the General Meeting of Shareholders of RusHydro PJSC (Minutes No. 16 dated June 27, 2017) approved a new revision of the Resolution on the Payment of Remunerations and Compensations to the Members of the Internal Audit Commission of RusHydro PJSC (<http://www.rushydro.ru/upload/iblock/acf/2.7.-Pr-7.-Polozhenie-o-voznagrazhdeniyah-chlenov-RK-2017-Nov.redaktsiya.pdf>), and a decision was made "to pay remuneration to the members of the Internal Audit Commission based on their work in the Internal Audit Commission within the period from June 27, 2016, to June 26, 2017, in the amount as per the procedure and within the term specified by the Resolution on the Payment of Remunerations and Compensations to the Members of the Internal Audit Commission of RusHydro PJSC approved by the decision of the Annual General Meeting of Shareholders of the Company dated June 29, 2016 (Minutes No. 15)."*

*No agreements on the amounts of remuneration have been entered into with the members of the Internal Audit Commission.*

### **Audit Committee under the Board of Directors**

Measurement unit: *rubles*

<b>Index description</b>	<b>2017 year</b>
Remuneration for participation in activities of the Issuer's financial and economic activities monitoring body	0
Salary	0
Bonuses	0
Commission	0
Other types of remuneration	0
<b>TOTAL</b>	<b>0</b>
Expenses resulting from fulfilling the functions of the members of bodies controlling the financial and operational activities of the Issuer, repaid by the Issuer	0

Information on decisions made by the authorized Management Entities of the Issuer and/or existing agreements concerning the amount of such remuneration to be paid and/or the amount of such expenses to be repaid:

*The payment of remunerations to the members of the Audit Committee is performed in accordance with the documents approved by the General Meeting of Shareholders.*

*The payment of remunerations to the members of the Audit Committee of the Board of Directors is performed in accordance with the Regulation on the Payment of Remunerations and Compensation to the members of the Board of Directors of RusHydro PJSC approved on June 26, 2017, by the General Meeting of Shareholders of RusHydro PJSC (Minutes No. 16 dated June 27, 2017) <http://www.rushydro.ru/upload/iblock/3dc/2.6.-Pr-6.-Polozhenie-o-voznagrazhdenii-chlenov-SD-2017-novaya-redaktsiya.pdf>.*

*The Resolution on the Payment of Remunerations and Compensations to the Members of the Board of Directors of RusHydro PJSC approved on June 26, 2017, does not extend to the members of the Board of Directors of the Company being (within the full or partial term of the office of a Member of the Board of the Company) the members of the collective executive body of the Company or exercising the functions of the sole executive body of the Company.*

*Remuneration to the Chairman and members of the Board of Directors of the Company (during the full or partial term of office of a member of the Board of Directors) who are prohibited or restricted by the legislation of Russia from receiving any payments from profit organizations will not be charged or paid.*

*No agreements on the amounts of remuneration have been entered into with the members of the Audit Committee of the Board of Directors.*

#### ***Risk Control and Management Department***

Measurement unit: *rubles*

<b>Index description</b>	<b>2017 year</b>
Remuneration for participation in activities of the Issuer's financial and economic activities monitoring body	0
Salary	42,252,075.84
Bonuses	21,709,281.00
Commission	0
Other types of remuneration	0
<b>TOTAL</b>	<b>63,961,356.84</b>
Expenses resulting from fulfilling the functions of the members of bodies controlling the financial and operational activities of the Issuer, repaid by the Issuer	588,192.00

#### ***Internal Audit Service***

Measurement unit: *rubles*

<b>Index description</b>	<b>2017 year</b>
Remuneration for participation in activities of the Issuer's financial and economic activities monitoring body	0
Salary	9,741,611.45
Bonuses	6,587,307.00
Compensation of expenses	0
Other types of remuneration	0
<b>TOTAL</b>	<b>16,328,918.45</b>
Expenses resulting from fulfilling the functions of the members of bodies controlling the financial and operational activities of the Issuer, repaid by the Issuer	72,209.00

Information on decisions made by the authorized Management Entities of the Issuer and/or existing agreements concerning the amount of such remuneration to be paid and/or the amount of such expenses to be repaid:

*Remuneration is paid to the employees in accordance with the terms and conditions of their labor agreements.*

### ***5.7. Information on the Number, General Information on Content of the Issuer's Employees (Workers), and Alterations of the Number of the Issuer's Employees (Workers)***

An average number of employees (workers) of the Issuer, including employees (workers) working at its branches and representative offices, as well as the amount of wages accrued and social benefits paid

<b>Index description</b>	<b>2017 year</b>
Average number of employees, persons	5,410.3
Total payroll for the reporting period, RUB	7,881,839,300



Social payments to the employees for the reporting period, RUB	335,819,300
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*Workers of the Issuer include workers who have a significant impact on the financial and economic activities of the Issuer (key management personnel), namely:*

*- Chairman of the Management Board – General Director, member of the Board of Directors Nikolay Grigoryevich Shulginov*

*Members of the Management Board*

*Deputy General Directors of the Issuer*

*- Heads of the Issuer's Departments and their Deputies*

*Workers of the Issuer did not create a trade union committee. As a result of the absorption of the joint-stock companies mentioned in Clause 3.1.3 hereof by the Company (Companies to be absorbed), the employees of the given companies who currently participate in trade union organizations established in the companies to be absorbed before their absorption by the Issuer became workers of the Issuer as a result of Issuer restructuring.*

### ***5.8. Information on Any Liabilities of the Issuer to its Employees (Workers) Concerning Their Possible Participation in the Issuer's Authorized Capital***

Information on any Agreements or Liabilities of the Issuer concerning the possible participation of the employees (workers) of the Issuer in its authorized capital:

*The Issuer does not hold any liabilities to its workers, nor has it entered into any agreements concerning their possible participation in the Authorized Capital of the Issuer (the acquisition of the Issuer's shares).*

Information on the Offer or Possible Offer of the Issuer's Options to Employees (Workers): *no options offered.*

## **VI. Information on the Issuer's Participants (Shareholders) and Non-Arm's-Length Transactions Made by the Issuer**

### **6.1. Information on Total Number of the Issuer's Participants (Shareholders)**

Total number of persons with nonzero balances on their personal accounts recorded in the Issuer's register of shareholders as of the end of the latest reporting quarter: **304,800**.

The persons registered in the Shareholder Register include the nominal shareholders of the Issuer. Total number of the Issuer's nominee shareholders: **15**

Total number of persons included in the latest list of persons that had (have) the right to participate in the General Meeting of Shareholders of the Issuer (other list of persons composed for purposes of execution of rights attached to the Issuer's shares and for composition of which the Issuer's nominee shareholders presented data on persons, in the interests of which they hold the Issuer's shares): **345,289**

Categories (types) of the Issuer's shares, the holders of which were subject to inclusion in such list: **uncertificated registered ordinary shares**.

Date of such list: **June 2, 2017**.

Number of treasury shares on the balance of the Issuer as of the date of the end of the reporting quarter: **There are no treasury shares on the balance of the Issuer**

Number of Issuer's registered ordinary shares held by controlled entities: **3,852,267.925 pcs**.

### **6.2. Information on the Issuer's Participants (Shareholders) Holding at Least 5 Percent of the Authorized Capital or at Least 5 Percent of Its Equity Shares as Well as Information on Persons Controlling Such Participants (Shareholders) and, in the Absence Thereof, on Such Participants (Shareholders) Holding at Least 20 Percent of the Authorized (Reserve) Capital (Unit Fund) or at Least 20 Percent of Their Equity Shares**

The Issuer's participants (shareholders) holding at least 5 percent of its authorized capital or at least 5 percent of its equity shares:

Name: **Russia represented by the Federal Agency for State Property Management**

Location: **9 Nikolskiy Pereulok, Moscow 109012**

INN: **7710723134**

OGRN: **1087746829994**

Stake of shareholder in authorized capital of the Issuer, %: **60.5602**

Portion of the Issuer's equity shares held by the shareholder, %: **60.5602**

Persons controlling Issuer's shareholder: **there are no said persons**.

Participants (shareholders) of such shareholder holding at least 20 percent of its authorized (reserve) capital (unit fund) or at least 20 percent of its equity shares: **there are no said persons**.

**Issuer's shares amounting to at least 5 percent of authorized capital and at least 5 percent of ordinary shares registered in the Issuer's shareholder register to nominal shareholder's name.**

**Nominal Shareholder (Central Depository)**

Information on the nominee holder:

Full corporate name: **Nonbanking Credit Organization National Settlement Depository JSC**

Short corporate name: **NBCI NSD JSC**

Location: **12 Spartakovskaya St., Moscow**

INN: **7702165310**

OGRN: **1027739132563**

Telephone: **+7 (495) 234-4827**

Fax: **+7 (495) 956-0938**

E-mail: [info@ndc.ru](mailto:info@ndc.ru)

Information on the license of the securities market professional

Number: **045-12042-000100**

Date of issue: *February 19, 2009*

Expiry date: *unlimited*

Issuing body: *Federal Financial Markets Service of Russia*

Number of the Issuer's equity shares registered in the Issuer's register of shareholders in favor of the nominee holder: *157,755,858,118*

Number of the Issuer's preferred shares registered in the Issuer's register of shareholders in favor of the nominee holder: *0 (the Issuer has not issued preferred shares).*

### **6.3. Information on the Share of the State or Municipal Entity in the Authorized Capital of the Issuer and Availability of the Special Right ("Golden Share")**

Information on the share <sup>2</sup>of the state, municipal entity in the authorized capital of the Issuer and special rights:

share of the Issuer's authorized capital in state (federal, Russia constituent entities), municipal ownership: *60.6434%*<sup>3</sup>

Information on managers of state, municipal blocks of shares:

*there are no said persons.*

Persons acting as the Issuer's participant (shareholder) on behalf of Russia, constituent entity of Russia, or municipal entity:

#### ***Federal property***

1. Name: *Russia represented by the Federal Agency for State Property Management*

Location: *9 Nikolskiy Pereulok, Moscow 109012*

Share of the Issuer's authorized (reserve) capital (unit fund) in state (federal, Russia constituent entities), municipal ownership: *60.5602%*

2. Name: *Federal State Unitary Enterprise Information Telegraph Agency of Russia (ITAR-TASS)*

Location: *10–12 Tverskoy Bulvar, Moscow 125993*

Share of the Issuer's authorized (reserve) capital (unit fund) in state (federal, Russia constituent entities), municipal ownership: *0.0001%*

#### ***Property of Russia constituent entities***

1. Name: *Rostov Region represented by State Public Institution of Rostov Region Property Fund of Rostov Region*

Location: *112 Sotsialisticheskaya St., Rostov-on-Don, Rostov Region 344050*

Share of the Issuer's authorized capital in state (Russia constituent entities) ownership: *0.0000195%*

2. Name: *Financial Department of the Administration for Orenburg Region*

Location: *54 Sovetskaya St., Orenburg 460311*

Share of the Issuer's authorized capital in state (Russia constituent entities) ownership: *0.00000008%*

#### ***Municipal property***

1. Name: *Bureyskiy District Administration for Amur Region*

Location: *49 Sovetskaya St., Novobureysk, Amur Region 676701*

Share of the Issuer's authorized capital in municipal ownership: *0.000357%*

2. Name: *Administration of Municipal Entity Selsoviet Zubutli-Miatlinskiy of Kizilyurtovskiy District of the Republic of Dagestan*

Location: *Lenina St., Zubutli-Miatli Rural Community, Kizilyurtovskiy District, Republic of Dagestan, Russia*

Share of the Issuer's authorized capital in municipal ownership: *0.002571%*

3. Name: *Administration of Verkhniy Chiryurt-Gelbakh Rural Community*

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<sup>2</sup> *information on the share of the state, municipal entity in the authorized capital of the Issuer is given, including, but not limited to, relying on mathematical rounding to the first figure after the decimal point that is not zero.*

<sup>3</sup> *information is provided by JSC VTB Registrar, a registrar of PJSC RusHydro*

Location: *2-11-38 Verkhniy Chiryurt Rural Community, Kizilyurtovskiy District, Republic of Dagestan 368100*

Share of the Issuer's authorized capital in municipal ownership: *0.009172%*

4. Name: *Administration of Gergebil Rural Community*

Location: *Gergebil Rural Community, Gergebilskiy District, Republic of Dagestan 368250*

Share of the Issuer's authorized capital in municipal ownership: *0.005031%*

5. Name: *Administration of Untsukul Rural Community*

Location: *Untsukul Rural Community, Untsukulskiy District, Republic of Dagestan 368240*

Share of the Issuer's authorized capital in municipal ownership: *0.002629%*

6. Name: *Municipal Entity of Rural Settlement Chirkata Rural Community of Gumbetovskiy District of the Republic of Dagestan*

Location: *Chirkata Rural Community, Gumbetovskiy District, Republic of Dagestan 368933*

Share of the Issuer's authorized capital in municipal ownership: *0.010610%*

7. Name: *Municipal Entity Chirkei Rural Community represented by the Administration of the Municipal Entity Chirkei Rural Community*

Location: *Chirkei Rural Community, Buynakskiy District, Republic of Dagestan 368114*

Share of the Issuer's authorized capital in municipal ownership: *0.046117%*

8. Name: *Municipal Entity Rural Council Khvartikuninskiy of Gergebilskiy District of the Republic of Dagestan represented by the Administration of the Rural Settlement*

Location: *Khvartikuni Rural Community, Gergebilskiy District, Republic of Dagestan 368258*

Share of the Issuer's authorized capital in municipal ownership: *0.005031%*

9. Name: *Municipal Property Management Committee of Zeya*

Location: *217 Mukhina St., Zeya, Amur Region 676246*

Share of the Issuer's authorized capital in municipal ownership: *0.000322%*

10. Name: *MUNICIPAL EDUCATIONAL INSTITUTION CHILDREN'S HOME OF MIXED TYPE*

Location: *32 Chkalova St., Partizansk, Primorskiy Krai*

Share of the Issuer's authorized capital in municipal ownership: *0.00000001%*

11. Name: *Administration of Municipal Entity Selsovet Miatlinskiy of Kizilyurtovskiy District of the Republic of Dagestan*

Location: *Miatli Rural Community, Kizilyurtovskiy District, Republic of Dagestan, Russia*

Share of the Issuer's authorized capital in municipal ownership: *0.001274%*.

Availability of the special right of Russia, constituent entities of Russia, municipal entities to participate in management of the Issuer, joint-stock company ("golden share"), validity of the special right ("golden share"): *there is no such right.*

#### ***6.4. Information on Restrictions to Participation in the Issuer's Authorized Capital***

*There are no restrictions on participation in the Issuer's authorized capital.*

#### ***6.5. Information on Changes in the Structure and Interests of the Issuer's Shareholders (Participants) Holding at Least 5 Percent of Its Authorized Capital or at Least 5 Percent of Its Equity Shares***

Structure of the Issuer's shareholders (participants) holding at least 5 percent of the Issuer's authorized capital (unit fund) and being joint-stock companies for the Issuer as well as at least 5 percent of the Issuer's equity shares specified as of the date of the list of persons that had the right to participate in each General Meeting of Shareholders (Participants) of the Issuer held for the last complete financial year preceding the end date of the reporting quarter as well as for the period after the start date of the current year and up to the end date of the reporting quarter according to the list of persons who had the right to participate in every such meeting.

**2016**

Preparation date of a list of persons entitled to take part in the General Meeting of Shareholders of the Issuer: **May 23, 2016**

Name: **Russia represented by the Federal Agency for State Property Management**

Location: **9 Nikolskiy Pereulok, Moscow 109012**

INN: **7710723134**

OGRN: **1087746829994**

Share of the person in the authorized capital of the Issuer, %: **66.84**

Share of the Issuer's equity shares held by the person: %: **66.84**

Name: **Gazprombank (Joint-Stock Company)**

Location: **16/1 Nametkina St., Moscow 117420**

INN: **7744001497**

OGRN: **1027700167110**

Share of the person in the authorized capital of the Issuer, %: **6.37**

Share of the Issuer's equity shares held by the person: %: **6.37**

**2017**

Preparation date of a list of persons entitled to take part in the General Meeting of Shareholders of the Issuer: **June 2, 2017**

Name: **Russia represented by the Federal Agency for State Property Management**

Location: **9 Nikolskiy Pereulok, Moscow 109012**

INN: **7710723134**

OGRN: **1087746829994**

Share of the person in the authorized capital of the Issuer, %: **66.56**

Share of the Issuer's equity shares held by the person: %: **66.56**

Name: **VTB Bank (Public Joint-Stock Company)**

Location: **29 Bolshaya Morskaya St., Saint Petersburg 190000**

INN: **7702070139**

OGRN: **1027739609391**

Share of the person in the authorized capital of the Issuer, %: **13.51**

Share of the Issuer's equity shares held by the person: %: **13.51**

## **6.6. Information on Non-Arm's-Length Transactions Made by the Issuer**

Information on the number and volume of transactions in monetary terms made by the Issuer, which in accordance with the laws of Russia are considered as non-arm's-length transactions requiring approval of the authorized management entities of the Issuer according to the results of the last reporting quarter:

Measurement unit: rubles.

Index description	Total number	Total volume in monetary terms
Non-arm's-length transactions made by the Issuer for the reporting period requiring approval of the authorized management entity of the Issuer	—	—
Non-arm's-length transactions made by the Issuer for the reporting period that have been approved by the General Meeting of Shareholders (Participants) of the Issuer	—	—
Non-arm's-length transactions made by the Issuer for the reporting period that have been approved by the Board of Directors (the Supervisory Board of the Issuer)	—	—
Non-arm's-length transactions made by the Issuer for the reporting period requiring approval of but that	—	—

have not been approved by the authorized management entity of the Issuer		
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Transactions (groups of related transactions), the price of which is 5 percent or more of the Issuer's balance sheet assets, determined according to its accounting statements at the closing date before settlement of the transaction made by the Issuer for the last reporting quarter: *the stated transactions were not made.*

Non-arm's-length transactions (groups of related transactions), the decision on approval of which has not been taken by the Board of Directors (Supervisory Board) or the General Meeting of Shareholders (Participants) of the Issuer, if such approval is mandatory according to the laws of Russia: *the stated transactions were not made.*

## **6.7. Information on Accounts Receivable**

*Not to be specified in the report for Q4.*

## **VII. Accounting (Financial) Statements of the Issuer and Other Financial Information**

### **7.1. Annual Accounting (Financial) Statements of the Issuer**

*Annual Accounting (Financial) Statements of the Issuer for 2016 and the Auditor's Report thereto are included in the Quarterly Report for Q1 2017.*

*The Issuer does not prepare annual financial statements in accordance with IFRS or other internationally accepted rules besides IFRS.*

*The Issuer prepares the consolidated financial statements of PJSC RusHydro and its subsidiaries in accordance with IFRS.*

### **7.2. Interim Accounting (Financial) Statements of the Issuer**

*Not to be specified in the report for Q4.*

### **7.3. Consolidated Financial Statements of the Issuer**

*The Issuer prepares consolidated financial statements in accordance with IFRS, which meets the requirements of Article 22 of Federal Law No. 208-FZ dated July 27, 2010, "On Consolidated Financial Statements."*

*Consolidated financial statements of the Group prepared in accordance with IFRS and the auditor's report for the year ended on December 31, 2016, and as at that date are included into the Quarterly Report for Q1 2017.*

*The composition of the Condensed Consolidated Interim Financial Information (not audited) prepared in accordance with IFRS 34 for three and nine months that ended on September 30, 2017, and as of that date enclosed with this Quarterly Report (Schedule 1):*

*Report on Assessment Review of Interim Financial Information  
Condensed Consolidated Interim Statement of Financial Position  
Condensed Consolidated Interim Profit and Loss Statement  
Condensed Consolidated Interim Statement of Comprehensive Income  
Condensed Consolidated Interim Statement of Cash Flows  
Condensed Consolidated Interim Statement of Changes in Equity  
Notes to the Condensed Consolidated Interim Financial Information*

### **7.4. Information on the Accounting Policy of the Issuer**

*In the reporting quarter, no amendments were made to the accounting policy adopted by the Issuer for the current year. Information is specified in the Quarterly Report for Q1 2017.*

### **7.5. Information on the Total Amount of Export as Well as on Export Share in Total Sales**

*Not to be specified in the report for Q4.*

### **7.6. Information on Material Changes in the Issuer's Property since the Expiry Date of the Last Complete Reporting Year**

*Information on material changes in the Issuer's property that took place within 12 months prior to the expiry date of the reporting quarter: there were no material changes in the Issuer's property within 12 months prior to the expiry date of the reporting quarter.*

***7.7. Information on the Issuer's Participation in Litigation, if Such Participation May Have a Material Effect on the Financial and Business Activities of the Issuer***

*The Issuer did not participate/is not participating in any litigations that had/may have a material effect on the financial and business activities of the Issuer within the period from the start date of the last complete reporting year to the expiry of the reporting quarter.*



## VIII. Additional Information on the Issuer and Equity Securities Placed by It

### 8.1. Additional Information on the Issuer

#### 8.1.1. Information on the Size and Structure of the Issuer's Authorized Capital

Information on the size and structure of the Issuer's authorized capital

The size of the Issuer's authorized capital as of the expiry date of the reporting quarter: *Four hundred twenty-six billion two hundred eighty-eight million eight hundred thirteen thousand five hundred and fifty-one (426,288,813,551) rubles*

Breakdown of the Issuer's authorized capital into equity shares and preferred shares specifying the total par value of each category of shares and the size of each category of shares in the Issuer's authorized capital:

##### Equity shares

Total par value: *Four hundred twenty-six billion two hundred eighty-eight million eight hundred thirteen thousand five hundred and fifty-one (426,288,813,551) rubles*

Share in the authorized capital: *100%*

Preferred shares *were not issued by the Issuer.*

*Size of the authorized capital specified herein is in conformity with the Issuer's Articles of Association.*

*Issuer's shares are traded outside Russia through trading of depositary securities (securities of a foreign Issuer certifying rights with respect to the specified shares of a Russian Issuer):*

category (type) of shares traded outside Russia: *equity*

percentage of shares traded outside Russia from the total shares of the relevant category (class): *4.38%*

name and location of foreign Issuer, depositary securities of which certify rights with respect to the Issuer's shares of the respective category (type): *The Bank of New York Mellon, One Wall Street & 101 Barclay Street, New York City, New York;*

summary description of the program (program type) on issue of securities of a foreign Issuer, certifying rights in respect to shares of such category (class):

Program type	GDR under Rule 144A and ADR of the 1st level
	The Bank of New York Mellon
Depositary bank	1 GDR, 1 ADR = 100 equity shares
Relation	HYDR
Ticker	782183503
CUSIP number GDR 144A	782183404
CUSIP number ADR 1st level	832 131 000
Maximum possible program capacity, pcs.	GDR under Rule 144A and ADR of the 1st level

information on receipt of the authorization of Bank of Russia and/or competent governmental authority (competent government agency) of Russia for placement and/or trading of the Issuer's shares of the respective category (type) outside Russia:

*Permission of the FFMS of Russia No. 08-EK-03/10335 dated May 23, 2008 (Order of the FFMS of Russia No. 08-1116 / pz-i dated May 20, 2008), Permission of the FFMS of Russia No. 09-EK-03/27137 dated November 19, 2009 (Order of the FFMS of Russia No. 09-3711 / pz-i dated November 19, 2009), Permission of the FFMS of Russia No. 11-SH-03/350 dated January 17, 2011 (Order of the FFMS of Russia No. 11-22 / pz-i dated January 13, 2011), Permission of the FFMS of Russia No. 11-SH-03/21348 dated August 18, 2011 (Order of the FFMS of Russia No. 11-2064 / pz-i dated August 16, 2011);*

name of the foreign listing authority (listing authorities) through which the Issuer's shares (depositary securities certifying rights with respect to the Issuer's shares) are traded: *London Stock Exchange, Main Market (trading with listing procedure), and in the USA, OTCQX electronic system of over-the-counter trading, 304 Hudson Street, 2nd Floor, New York, NY 10013, USA;*

other information on trading of the Issuer's shares outside Russia specified by the Issuer at its sole discretion: *authorizations of the FFMS of Russia specified in this Quarterly Report for placement and/or trading of the Issuer's shares of the respective category (type) outside Russia shall apply to the Issuer's shares*

*of the respective category (type) that have already been placed and to the shares of this category (type) that are being placed, including shares of additional issue(s) that are being placed, state registration of which is performed after issue of the specified authorizations, subject to compliance with the standard set by Clause 3.6 of the Regulation "On the Procedure of Issue by Bank of Russia of Authorization for Placement and/or Trading of Equity Securities of Russian Issuers Outside Russia" (approved by Bank of Russia with No. 436-P on October 13, 2014) and within the limits of the authorized quantity (interest) of the Issuer's shares of the respective category (type), with respect to which the specified authorizations were issued.*

### **8.1.2. Information on Changes in the Size of the Issuer's Authorized Capital**

Information on changes in the size of the Issuer's authorized capital for the last completed financial year as well as for the period from the beginning date of the current year to the end date of the reporting quarter:

*The size and the structure of the authorized capital of the Issuer prior to relevant change:*

size of the authorized capital: *Three hundred eighty-six billion two hundred fifty-five million four hundred sixty-four thousand eight hundred and ninety (386,255,464,890) rubles*

Breakdown of the Issuer's authorized capital into equity shares and preferred shares specifying the total par value of each category of shares and the size of each category of shares in the Issuer's authorized capital:

#### **Equity shares**

Total par value: *Three hundred eighty-six billion two hundred fifty-five million four hundred sixty-four thousand eight hundred and ninety (386,255,464,890) rubles*

Share in the authorized capital: *100%*

**Preferred shares were not issued by the Issuer.**

Name of the Issuer's management entity taking the decision on change in the size of the authorized capital of the Issuer: ***The Board of Directors***

The date and the number of the minutes of the meeting of the Issuer's management entity on which the decision on change in the size of the authorized capital of the Issuer has been taken: ***Minutes No. 244 dated November 23, 2016. It was thereby resolved to increase the authorized capital of the Issuer by placement of additional shares in the amount of 40,429,000,000 pcs.***

Date of change in the size of the authorized capital of the Issuer: ***August 4, 2017***

*The size and the structure of the authorized capital of the Issuer prior to relevant change:*

size of the authorized capital: *Four hundred twenty-six billion two hundred eighty-eight million eight hundred thirteen thousand five hundred and fifty-one (426,288,813,551) rubles*

Breakdown of the Issuer's authorized capital into equity shares and preferred shares specifying the total par value of each category of shares and the size of each category of shares in the Issuer's authorized capital:

#### **Equity shares**

Total par value: *Four hundred twenty-six billion two hundred eighty-eight million eight hundred thirteen thousand five hundred and fifty-one (426,288,813,551) rubles*

Share in the authorized capital: *100%*

**Preferred shares were not issued by the Issuer.**

### **8.1.3. Information on Convening and Holding the Meeting of the Issuer's Supreme Management Entity**

*Information was specified in the Quarterly Report for Q2 2017; there were no changes made to this information during Q4 2017.*

### **8.1.4. Information on Commercial Organizations in Which the Issuer Holds at Least 5 Percent of the Authorized Capital or at Least 5 Percent of Equity Shares**

The list of commercial organizations where as of the end date of the last reporting quarter the Issuer holds at least 5 percent of the authorized capital or at least 5 percent of equity shares

Full corporate name: ***Joint-Stock Company HydroEngineering Siberia***

Short corporate name: ***JSC HydroEngineering Siberia***

Location: *Moscow, Russia*

INN: *7804328940*

OGRN: *1057813314525*

Share of the Issuer in the authorized capital of the profit-making organization, %: *100*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *100*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

2. Full corporate name: *Joint-Stock Company Russian National Scientific and Research Institute of Hydraulic Engineering named after B.E. VNIIG*

Short corporate name: *JSC Videneyev VNIIG*

Location: *Saint Petersburg*

INN: *7804004400*

OGRN: *1027802483400*

Share of the Issuer in the authorized capital of the profit-making organization, %: *100*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *100*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

3. Full corporate name: *Joint-Stock Company Geoterm*

Short corporate name: *JSC Geoterm*

Location: *Petropavlovsk-Kamchatskiy, Kamchatka Krai, Russia*

INN: *4101023932*

OGRN: *1024101023429*

Share of the Issuer in the authorized capital of the profit-making organization, %: *99.65*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *99.65*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

4. Full corporate name: *Joint-Stock Company Zaramagskiye HPPs*

Short corporate name: *JSC Zaramagskiye HPPs*

Location: *Moscow*

INN: *1505008701*

OGRN: *1021500822001*

Share of the Issuer in the authorized capital of the profit-making organization, %: *99.75*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *99.75*

Share of the person in the authorized capital of the Issuer, %: *0.0636*

Portion of the Issuer's equity shares held by the person, %: *0.0636*

5. Full corporate name: *Joint-Stock Company Hidroinvest*

Short corporate name: *JSC Hidroinvest*

Location: *Yakutsk, Republic of Sakha (Yakutia), Russia*

INN: *7814382859*

OGRN: *1077847558381*

Share of the Issuer in the authorized capital of the profit-making organization, %: *100*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *100*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

6. Full corporate name: *Joint-Stock Company Leningradskaya PSHP*

Short corporate name: *JSC Leningradskaya PSHP*

Location: *Yanega Settlement, Lodeynopolskiy District, Leningrad Region, Russia*

INN: *7804328926*

OGRN: *1057813313315*

Share of the Issuer in the authorized capital of the profit-making organization, %: *100*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *100*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

7. Full corporate name: *Joint-Stock Company Scientific and Research Institute of Energy Structures*

Short corporate name: *JSC Scientific and Research Institute of Energy Structures*

Location: *Moscow*

INN: *7733021533*

OGRN: *1027739536868*

Share of the Issuer in the authorized capital of the profit-making organization, %: *100*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *100*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

8. Full corporate name: *Joint-Stock Company Experimental – Industrial Verkhne-Mutnovskaya GeoPC*

Short corporate name: *JSC EI Verkhne-Mutnovskaya GeoPC*

Location: *Petropavlovsk-Kamchatskiy, Kamchatka Krai, Russia*

INN: *4101100400*

OGRN: *1054100011668*

Share of the Issuer in the authorized capital of the profit-making organization, %: *48.04*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *48.04*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

9. Full corporate name: *Joint-Stock Company Managing Company HydroOGK*

Short corporate name: *JSC MC HydroOGC*

Location: *Moscow*

INN: *5260096381*

OGRN: *1025203040136*

Share of the Issuer in the authorized capital of the profit-making organization, %: *100*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *100*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

10. Full corporate name: *Joint-Stock Company Energy Construction Complex UES\**

Short corporate name: *JSC ESKO UES*

Location: *Moscow*

INN: *7729540430*

OGRN: *1067746217373*

Share of the Issuer in the authorized capital of the profit-making organization, %: *100*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *100*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

*\* The company is undergoing bankruptcy proceedings.*

11. Full corporate name: *Joint-Stock Company Boguchanskaya HPP Construction Organizer*

Short corporate name: *JSC Boguchanskaya HPP Construction Organizer*

Location: *Kodinsk*

INN: *2420070942*

OGRN: *1072420000135*

Share of the Issuer in the authorized capital of the profit-making organization, %: *51*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *51*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

12. Full corporate name: *Closed Joint-Stock Company Boguchanskaya HPP Construction Customer*

Short corporate name: *CJSC Boguchanskaya HPP Construction Customer*

Location: *10/1 Prospekt Leninskogo Komsomola, Kodinsk, Kezhemskiy District, Krasnoyarsk Krai 663491, Russia*

INN: *2420070910*

OGRN: *1072420000168*

Share of the Issuer in the authorized capital of the profit-making organization, %: *49*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *49*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

13. Full corporate name: *Closed Joint-Stock Company Boguchanskiy Aluminum Smelter Construction Organizer*

Short corporate name: *CJSC Boguchanskiy Aluminum Smelter Construction Organizer*

Location: *10/1 Prospekt Leninskogo Komsomola, Kodinsk, Kezhemskiy District, Krasnoyarsk Krai 663491, Russia*

INN: *2420070928*

OGRN: *1072420000157*

Share of the Issuer in the authorized capital of the profit-making organization, %: *49*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *49*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

14. Full corporate name: *Joint-Stock Company Boguchanskiy Aluminum Smelter Construction Organizer*

Short corporate name: *JSC Boguchanskiy Aluminum Smelter Construction Organizer*

Location: *Industrial Site of Boguchanskiy Aluminum Smelter, Boguchanskiy District, Krasnoyarsk Krai, Russia*

INN: *2420070935*

OGRN: *1072420000146*

Share of the Issuer in the authorized capital of the profit-making organization, %: *51*

Percentage of equity shares held by the Issuer in such joint-stock company, %: *51*

Share of the person in the authorized capital of the Issuer, %: *0*

Portion of the Issuer's equity shares held by the person, %: *0*

15. Full corporate name: *Joint-Stock Company Nizhne-Bureyskaya HPP*

Short corporate name: *JSC Nizhne-Bureyskaya HPP*

Location: *Novobureyskiy Industrial Community (Urban-Type Settlement), Bureyskiy District, Amur Region*

INN: *2813006299*

OGRN: *1062813007817*

Share of the Issuer in the authorized capital of the profit-making organization, %: *100*

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

16. Full corporate name: **Joint-Stock Company Nizhne-Zeyskaya HPP**

Short corporate name: **JSC Nizhne-Zeyskaya HPP**

Location: **Blagoveshchensk, Amur Region, Russia**

INN: **2801112479**

OGRN: **1062801070331**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

17. Full corporate name: **Joint-Stock Company Zagorskaya PSHPP-2**

Short corporate name: **JSC Zagorskaya PSHPP-2**

Location: **Bogorodskoye Industrial Community, Sergiyev-Posadskiy Municipal District, Moscow Region, Russia**

INN: **5042086312**

OGRN: **1065042071137**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

18. Full corporate name: **Joint-Stock Company Transport Company RusHydro**

Short corporate name: **JSC Transport Company RusHydro**

Location: **Cheremyushki Urban-Type Settlement, Sayanogorsk, Republic of Khakassia, Russia**

INN: **1902018248**

OGRN: **1031900676356**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

19. Full corporate name: **Joint-Stock Company Renewable Energy Engineering Center\***

Short corporate name: **JSC Renewable Energy Engineering Center**

Location: **Moscow**

INN: **7728638105**

OGRN: **1077762186633**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

**\* The company is undergoing bankruptcy proceedings.**

20. Full corporate name: **Joint-Stock Company Yuzhno-Yakutskiy Hydroenergy Complex**

Short corporate name: **JSC Yuzhno-Yakutskiy HPC**

Location: **Moscow, Russia**

INN: **1402046840**

OGRN: **1061402006126**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

21. Full corporate name: **Nonpublic Joint-Stock Company Sulakskiy Hydroenergy Cascade**

Short corporate name: **JSC Sulakskiy HydroCascade**

Location: **7A Stroitelnyy Proyezd, Moscow 125362**

INN: **0516009712**

OGRN: **1070546001173**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

22. Full corporate name: **Joint-Stock Company Neporozhniy Sayano-Shushenskaya HPP Service Center**

Short corporate name: **JSC SShHPP**

Location: **Cheremyushki Industrial Community, Republic of Khakassia**

INN: **1902018368**

OGRN: **1031900677324**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

23. Full corporate name: **Joint-Stock Company Hydroremont-VCC**

Short corporate name: **JSC Hydroremont-VCC**

Location: **Moscow**

INN: **6345012488**

OGRN: **1036301733005**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

24. Full corporate name: **Joint-Stock Company Karachaevo-Cherkesskaya Hydrogeneration Company**

Short corporate name: **JSC Karachayev-Cherkesskaya Hydrogeneration Company**

Location: **Moscow**

INN: **0917001661**

OGRN: **1050900973177**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

25. Full corporate name: **Private Company Limited by Shares HYDROOGK ALUMINUM COMPANY LIMITED**

Short corporate name: **HydroOGK Aluminum Company Limited**

Location: **16 Kyriakos Matsis Avenue, Nicosia, Cyprus**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

26. Full corporate name: **Private Company Limited by Shares HYDROOGK POWER COMPANY LIMITED**

Short corporate name: **HYDROOGK POWER COMPANY LIMITED**

Location: **16 Kyriakos Matsis Avenue, Nicosia, Cyprus**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

27. Full corporate name: **Joint-Stock Company Lengidroproekt**

Short corporate name: **JSC Lenhydroproject**

Location: **Saint Petersburg**

INN: **7814159353**

OGRN: **1077763382597**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

28. Full corporate name: **Public Joint-Stock Company Kolymaenergo**

Short corporate name: **PJSC Kolymaenergo**

Location: **Magadan**

INN: **2460215591**

OGRN: **1092468017751**

Share of the Issuer in the authorized capital of the profit-making organization, %: **98.759682**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **98.759682**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

29. Full corporate name: **Joint-Stock Company Main Computing Center of Energy Industry**

Short corporate name: **JSC MCC Energy Industry**

Location: **Moscow**

INN: **7705020880**

OGRN: **1027739064858**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

30. Full corporate name: **Joint-Stock Company ChirkeiHPPstroi**

Short corporate name: **JSC ChirkeiHPPstroi**

Location: **Moscow**

INN: **0533001760**

OGRN: **1020501741523**

Share of the Issuer in the authorized capital of the profit-making organization, %: **74.99**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **74.99**

Share of the person in the authorized capital of the Issuer, %: **0.006851**

Portion of the Issuer's equity shares held by the person, %: **0.006851**



31. Full corporate name: **Joint-Stock Company Dyakov Ust-Srednekanskaya HPP**  
Short corporate name: **JSC Dyakov Ust-Srednekanskaya HPP**  
Location: **Magadan, Magadan Region, Russia**  
INN: **4909095293**  
OGRN: **1074910002310**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **67.82**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **67.82**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

32. Full corporate name: **Joint-Stock Company Energy Retailing Company RusHydro**  
Short corporate name: **ESC RusHydro**  
Location: **Moscow**  
INN: **7804403972**  
OGRN: **1089848039973**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **100 minus 1 share**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **100 minus 1 share**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

33. Full corporate name: **Joint-Stock Company Dalnevostochnaya WPP**  
Short corporate name: **JSC Dalnevostochnaya WPP**  
Location: **Moscow**  
INN: **2536217601**  
OGRN: **1092536005297**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **100**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

34. Full corporate name: **Joint-Stock Company Malaya Dmitrovka**  
Short corporate name: **JSC Malaya Dmitrovka**  
Location: **Moscow**  
INN: **7727685303**  
OGRN: **1097746103905**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **100**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

35. Full corporate name: **Joint-Stock Company Altay Small HPPs**  
Short corporate name: **JSC Altay Small HPPs**  
Location: **Gorno-Altaysk, Republic of Altay, Russia**  
INN: **0411151856**  
OGRN: **1100411007674**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **100**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

36. Full corporate name: **Joint-Stock Company Dagestan Small HPPs**  
Short corporate name: **JSC Dagestan SHPPs**  
Location: **Moscow, Russia**  
INN: **0562068208**  
OGRN: **1042401810494**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **100**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**
37. Full corporate name: **RusHydro International B.V.**  
Short corporate name: **RusHydro International B.V.**  
Location: **Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **100**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**
38. Full corporate name: **Public Joint-Stock Company Yakutskenergo**  
Short corporate name: **Yakutskenergo**  
Location: **Yakutsk, Russia**  
INN: **1435028701**  
OGRN: **1021401047260**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **29.795104**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **29.002941**  
Share of the person in the authorized capital of the Issuer, %: **0.000013**  
Portion of the Issuer's equity shares held by the person, %: **0.000013**
39. Full corporate name: **Public Joint-Stock Company Kamchatskiy Gas-and-Energy Complex**  
Short corporate name: **PJSC KAMGEC**  
Location: **Petropavlovsk-Kamchatskiy, Kamchatka Krai, Russia**  
INN: **4101047002**  
OGRN: **1024101019469**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **96.583531**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **96.583531**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**
40. Full corporate name: **Joint-Stock Company RusHydro Snabzheniye**  
Short corporate name: **JSC RGS**  
Location: **Moscow, Russia**  
INN: **1510012774**  
OGRN: **1041500751016**  
Share of the Issuer in the authorized capital of the profit-making organization, %: **100**  
Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**  
Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**
41. Full corporate name: **Joint-Stock Company RAO Energy Systems of the East**  
Short corporate name: **JSC RAO Energy Systems of the East**  
Location: **Khabarovsk, Khabarovsk Krai**

INN: **2801133630**

OGRN: **1087760000052**

Share of the Issuer in the authorized capital of the profit-making organization, %: **84.39**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **85.163759**

Share of the person in the authorized capital of the Issuer, %: **0.0113849**

Portion of the Issuer's equity shares held by the person, %: **0.0113820**

42. Full corporate name: ***Open Joint Stock Company Sakhalinskaya Energy Company***

Short corporate name: ***JSC SEC***

Location: ***40 Dzerzhinskogo St., Yuzhno-Sakhalinsk 693007, Russia***

INN: ***6501210088***

OGRN: ***1096501006030***

Share of the Issuer in the authorized capital of the profit-making organization, %: **26.94**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **26.94**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

43. Full corporate name: ***Limited Liability Company RusHydro IT Service***

Short corporate name: ***LLC RusHydro IT Service***

Location: ***Moscow, Russia***

INN: ***1902022558***

OGRN: ***1091902000772***

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

44. Full corporate name: ***Limited Liability Company Verkhnebalkarskaya Small HPP***

Short corporate name: ***LLC Verkhnebalkarskaya SHPP***

Location: ***Moscow***

INN: ***0706004536***

OGRN: ***1090720000370***

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

45. Full corporate name: ***Limited Liability Company Fiagdonskaya Small HPP***

Short corporate name: ***LLC Fiagdonskaya SHPP***

Location: ***Moscow***

INN: ***1514005915***

OGRN: ***1091514000467***

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

46. Full corporate name: ***Limited Liability Company Small-HPPs of Stavropol Krai and Karachayev-Cherkessia***

Short corporate name: ***LLC SHPPs of Stavropol Krai and Karachay-Cherkessia***

Location: ***Moscow***

INN: ***0917014406***

OGRN: ***1090917001867***

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

47. Full corporate name: ***Closed Joint-Stock Company Verkhne-Narynskiye HPPs***

Short corporate name: ***JSC Verkhne-Narynskiye HPPs***

Location: ***326 Prospekt Zhibek-Zholu, Bishkek, Kyrgyz Republic***

INN: ***02510201210033***

OGRN: ***125748-3300-3AO***

Share of the Issuer in the authorized capital of the profit-making organization, %: **50**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **50**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

48. Full corporate name: ***Joint-Stock Company Irkutskaya Electric Grid Company***

Short corporate name: ***JSC IEGC***

Location: ***257 Lermontova St., Irkutsk 664033, Russia***

INN: ***3812122706***

OGRN: ***1093850013762***

Share of the Issuer in the authorized capital of the profit-making organization, %: **42.75**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **42.75**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

49. Full corporate name: ***JSC HPP at Sovetskaya Gavan***

Short corporate name: ***JSC HPP at Sovetskaya Gavan***

Location: ***Sovetskaya Gavan, Russia***

INN: ***2704022491***

OGRN: ***1132709000489***

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

50. Full corporate name: ***Joint-Stock Company Blagoveshchenskaya HPP***

Short corporate name: ***JSC Blagoveshchenskaya HPP***

Location: ***Blagoveshchensk, Amur Region, Russia***

INN: ***2801186142***

OGRN: ***1132801005556***

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

51. Full corporate name: ***Joint-Stock Company Sakhalinskaya SDPP-2***

Short corporate name: ***CJSC Sakhalinskaya SDPP-2***

Location: ***Yuzhno-Sakhalinsk, Russia***

INN: ***6501256357***

OGRN: ***1136501004012***

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**  
Portion of the Issuer's equity shares held by the person, %: **0**

52. Full corporate name: **Joint-Stock Company Yakutskaya SDPP-2**

Short corporate name: **CJSC Yakutskaya SDPP-2**

Location: **Yakutsk, Republic of Sakha (Yakutia), Russia**

INN: **1435269489**

OGRN: **1131447010640**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

53. Full corporate name: **Limited Liability Company VOLGAHYDRO**

Short corporate name: **LLC VOLGAHYDRO**

Location: **76 Tritsat Let Pobedy St., Balakovo, Saratov Region 413840, Russia**

INN: **6439082561**

OGRN: **1136439001841**

Share of the Issuer in the authorized capital of the profit-making organization, %: **40**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

54. Full corporate name: **Joint-Stock Company BoAZ Holding Company**

Short corporate name: **LLC BoAZ Holding Company**

Location: **Moscow**

INN: **7733866026**

OGRN: **5137746242420**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**

55. Full corporate name: **Joint-Stock Company BoHPP Holding Company**

Short corporate name: **JSC BoHPP Holding Company**

Location: **Moscow**

INN: **7733866019**

OGRN: **5137746242376**

Share of the Issuer in the authorized capital of the profit-making organization, %: **100**

Percentage of equity shares held by the Issuer in such joint-stock company, %: **100**

Share of the person in the authorized capital of the Issuer, %: **0**

Portion of the Issuer's equity shares held by the person, %: **0**.

### **8.1.5. Information on Major Transactions Made by the Issuer**

*Such transactions were not made.*

### **8.1.6. Information on the Issuer's Credit Ratings**

With regard to every credit rating known to the Issuer for the last complete financial year as well as for the period after the beginning date of the current year and up to the end date of the reporting quarter the following is to be specified:

Rating object: *Issuer*

Rating company

Full corporate name: *Fitch Ratings Ltd.*

Short corporate name: *Fitch*

Location: *30 North Colonnade, Canary Wharf, London E14 5GN, UK and 26 Valovaya St., Moscow 115054, Russia (office in Russia)*

Description of credit rating methods or URL where information on credit rating methods is posted in free access: <https://www.fitchratings.com>, <http://www.fitchratings.ru>

Value of the long-term credit rating as of the end date of the reporting quarter: **BB+ under international scale**

Credit rating change history for the last completed financial year as well as for the period after the beginning date of the current year and up to the end date of the reporting quarter, with specification of the credit rating and allocation (change) date thereof

Allocation date	Credit rating
May 20, 2016	Fitch Ratings Ltd. confirmed Negative outlook of PJSC RusHydro and confirmed its credit ratings at BB+ (long-term rating in foreign currency according to the international scale) and AA(rus) (long-term rating according to the national scale).
February 6, 2017	Fitch Ratings Ltd. took a decision on confirmation and withdrawal of credit ratings assigned according to the national scale to Issuers from Russia, including PJSC RusHydro. This rating action is not related to and does not affect the credit rating of PJSC RusHydro assigned by Fitch according to the international scale.
June 9, 2017	Fitch Ratings Ltd. improved the forecast of the rating of PJSC RusHydro from "Negative" to "Stable" and confirmed credit ratings at BB+ level (long-term rating in foreign currency according to the international scale).

Rating object: *Issuer*

Rating company

Full corporate name: *Standard & Poor's Credit Market Services Europe Limited*

Short corporate name: *Standard & Poor's*

Location: *55 Water Street New York, NY, United States, 10041 and 4/7 Vozdvizhenka St., Bldg. 2, Moscow 125009 (branch in Russia)*

Description of credit rating methods or URL where information on credit rating methods is posted in free access: <http://www.standardandpoors.com>, <http://standardandpoors.ru>

Value of the long-term credit rating as of the end date of the reporting quarter: **BB+ under international scale**

Credit rating change history for the last completed financial year as well as for the period after the beginning date of the current year and up to the end date of the reporting quarter, with specification of the credit rating and allocation (change) date thereof

Allocation date	Credit rating
December 19, 2016	Standard & Poor's, a rating agency, confirmed the level of long-term ratings of PJSC RusHydro at "BB" level according to the international scale in foreign and national currencies, with a change of the forecast from "Stable" to "Positive," the long-term rating according to the national scale is at ruAA level.
April 24, 2017	Standard & Poor's, a rating agency, increased the credit rating of PJSC RusHydro from "BB" level to "BB+" (long-term rating according to the international scale in foreign currency) with a forecast of "Positive."
June 2, 2017	Standard & Poor's Ratings Ltd. took a decision on withdrawal of credit ratings assigned according to the national scale to Issuers from Russia, including PJSC RusHydro. This rating action is not related to and does not affect the credit rating of PJSC RusHydro assigned by Standard & Poor's according to the international scale.

Rating object: *Issuer*

Rating company

Full corporate name: *Moody's Investors Service Ltd.*

Short corporate name: *Moody's*

Location: *One Canada Square, Canary Wharf, London E 14 5 FA, UK and 21 Pervaya Tverskaya-Yamskaya St., Moscow, Russia (branch in Russia)*

Description of credit rating methods or URL where information on credit rating methods is posted in free access: <https://www.moodys.com/>, <http://www.moodys.ru>

Value of the long-term credit rating as of the end date of the reporting quarter: *"Ba1" according to the international scale*

Credit rating change history for the last completed financial year as well as for the period after the beginning date of the current year and up to the end date of the reporting quarter, with specification of the credit rating and allocation (change) date thereof

Allocation date	Credit rating
March 9, 2016	Moody's Investors Service Ltd., a rating agency, put the level (forecast) of the rating of PJSC RusHydro according to the international scale on review with a potential decrease (as a consequence of the analogous action made on March 4, 2016, with respect to bonds of Russia with rating).
March 10, 2016	CJSC Moody's Interfax Rating Agency, a rating agency, put the level (forecast) of the rating of PJSC RusHydro according to the national scale on review with a potential decrease (as a consequence of the rating action made on March 4, 2016, with respect to bonds of Russia with rating).
March 18, 2016	CJSC Moody's Interfax Rating Agency, a rating agency, took a decision on withdrawal of the rating of PJSC RusHydro according to the national scale (systemic decision on withdrawal by the agency of all ratings assigned to Issuers according to the national scale).
April 27, 2016	Moody's Investors Service Ltd., a rating agency, confirmed the level of the long-term credit rating according to the international scale at "Ba2" level with a forecast of "Stable."
September 8, 2017	Moody's Investors Service Ltd., a rating agency, increased the level of the long-term credit rating of PJSC RusHydro according to the international scale up to Ba1 level with a forecast of "Stable."

Rating object: *Issuer*

Rating company

Full corporate name: *Analytical Credit Rating Agency (Joint-Stock Company)*

Short corporate name: *ACRA*

Location: *75 Sadovnicheskaya Naberezhnaya, Moscow 115035*

Description of credit rating methods or URL where information on credit rating methods is posted in free access: [www.acra-ratings.ru](http://www.acra-ratings.ru)

Value of the long-term credit rating as of the end date of the reporting quarter: *AAA(RU) according to the national scale*

Credit rating change history for the last completed financial year as well as for the period after the beginning date of the current year and up to the end date of the reporting quarter, with specification of the credit rating and allocation (change) date thereof

Allocation date	Credit rating
October 3, 2017	ACRA, a rating agency, assigned PJSC RusHydro the highest level credit rating AAA(RU), a forecast of "Stable."

Rating object: *Issuer's securities*<sup>4</sup>

Information on securities

Type of securities: *bonds, exchange-traded bonds*

Series, other identification features of securities: *bonds of series 01, 02, 07, 08, 09; exchange-traded bonds: BO-P01, BO-P02, BO-P03, BO-P04*

Form of securities: *certificated*

Other identification features of securities: *bonds: inconvertible interest bearer bonds with obligatory centralized storage, with possibility of early repayment at the holder's request and at the Issuer's discretion; exchange-traded bonds: exchange-traded certificated interest-bearing nonconvertible interest bearer bonds with obligatory centralized storage*

State registration number of the securities issue and the date of its state registration (identification number of the securities issue and the date of its assignment): *bonds: 4-01-55038-E dated September 23, 2010, 4-02-55038-E dated September 23, 2010, 4-07-55038-E dated December 27, 2012, 4-08-55038-E dated December 27, 2012, 4-09-55038-E dated December 27, 2012; exchange-traded bonds: 4B02-01-55038-E-001P dated July 3, 2015, 4B02-02-55038-E-001P dated July 3, 2015, 4B02-03-55038-E-001P dated July 3, 2015, 4B02-04-55038-E-001P dated April 1, 2016*

Rating company

Full corporate name: *Fitch Ratings Ltd.*

Short corporate name: *Fitch*

Location: *30 North Colonnade, Canary Wharf, London, E14 5GN, UK (main office) and 26 Valovaya St., Moscow 115054, Russia (office in Russia)*

Description of credit rating methods or URL where information on credit rating methods is posted in free access: <https://www.fitchratings.com>, <http://www.fitchratings.ru>

Value of the long-term credit rating as of the end date of the reporting quarter: *priority unsecured rating "BB+" according to the international scale*

Credit rating change history for the last completed financial year as well as for the period after the beginning date of the current year and up to the end date of the reporting quarter, with specification of the credit rating and allocation (change) date thereof

Allocation date	Credit rating
April 11, 2016	Fitch Ratings assigned a priority unsecured rating at "BB+" level to ruble-denominated bonds of PJSC RusHydro (exchange-traded bonds of series BO-P04).
May 20, 2016	Fitch Ratings confirmed the priority unsecured rating for ruble-denominated bonds of PJSC RusHydro (series 01, 02, 07, 08, 09, BO-P01, BO-P02, BO-P03, BO-P04) at BB+ level.
June 9, 2017	Fitch Ratings confirmed the priority unsecured rating for ruble-denominated bonds of PJSC RusHydro (series 01, 02, 07, 08, 09, BO-P01, BO-P02, BO-P03, BO-P04) at BB+ level.

## **8.2. Information on Each Category (Class) of the Issuer's Shares**

*Information was specified in the Quarterly Report for Q3 2017; there were no changes made to this information during Q4 2017.*

## **8.3. Information on Previous Issues of the Issuer's Equity Securities, Except for the Issuer's Shares**

### **8.3.1. Information on Issues with Cancelled Securities**

*There are no said securities.*

### **8.3.2. Information on Issues with Outstanding Securities**

*Information was specified in the Quarterly Report for Q2 2017; there were no changes made to this information during Q4 2017.*

<sup>4</sup> Information on placement of Eurobonds of RusHydro (the Issuer of which is RusHydro Capital Markets DAC, a special-purpose vehicle) and credit ratings assigned to that issue is specified in Section 8.8 of this report, "Other Information."



#### **8.4. Information on Persons Providing a Security for the Issuer's Secured Bonds as Well as on Terms of Securing Performance of the Issuer's Secured Bonded Obligations**

*The Issuer did not register the secured bond prospectus, secured exchange bonds were not listed on the stock exchange.*

#### **8.5. Information on Companies Registering Rights to the Issuer's Equity Securities**

*Issuer's share register management is performed by a registrar.*

Full corporate name: *Joint-Stock Company VTB Registrar*

Short corporate name: *JSC VTB Registrar*

Location: *23 Pravdy St., Moscow 127015*

INN: *5610083568*

OGRN: *1045605469744*

number, date of issue, and period of validity of the registrar's license for conducting share register management, authority that issued the stated license:

number: *045-13970-000001*

date of issue: *February 21, 2008*

expiry date: *unlimited*

issuing body: *Federal Financial Markets Service of Russia*

date since which the registrar performs Issuer's share register management: *April 17, 2017*

*Certificated securities with obligatory centralized storage are in circulation.*

Full corporate name of the depository: *Nonbanking Credit Organization National Settlement Depository JSC*

Short corporate name: *NBCI NSD JSC.*

Location: *12 Spartakovskaya St., Moscow*

number, date of issue, and period of validity of the license of the securities market professional for performance of depository activity, authority that issued the stated license:

*License No. 045-12042-000100 of the of the securities market professional for performance of depository activity issued on February 19, 2009, by the FFMS of Russia. The period of validity of the license is not limited.*

#### **8.6. Information on Legislative Enactments Governing Import and Export of Capital That May Influence Payment of Dividends, Interest, and Others Payments to Nonresidents**

*Information was specified in the Quarterly Report for Q3 2017; there were no changes made to this information during Q4 2017.*

#### **8.7. Information on Declared (Accrued) and Paid Dividends on the Issuer's Shares as Well as on the Issuer's Bond Yield**

##### **8.7.1. Information on Declared and Paid Dividends on the Issuer's Shares**

Information about declared and/or paid dividends on the Issuer's shares for the last 5 completed financial years as well as for the period from the beginning date of the current year to the end date of the reporting quarter:

<b>Index description</b>	<b>Dividend period: 2012</b>
Category of shares and type for preferred shares	Equity registered

The Company's management entity that adopted a decision on the declaration of dividends, the date of such decision, and the date of preparation and the number of the minutes of the meeting of the management entity at which such decision was adopted	General Meeting of Shareholders of the Issuer, date of the decision: June 28, 2013, Minutes No. 11 dated June 28, 2013
Declared dividends per one share, RUB	RUB 0.00955606
Declared dividends per all shares of that category (class), RUB	RUB 3,675,573,209.73
Date of compilation of the list of persons entitled to dividends	May 23, 2013
The reporting period (year, quarter) for which (based on the results of which) declared dividends are (were) paid	2012
Established payment term (date) of declared dividends	60 days
Form of payment of declared dividends (money, other property)	In monetary form
Source of payment of declared dividends (net earnings for the reporting year, retained net earnings for prior years, special purpose fund)	Net earnings for the reporting year
Share of the declared dividends in the net earnings for the reporting year, %	25%
Total dividends paid on shares of such category (class), RUB	RUB 3,655,693,765.92
Share of paid dividends out of the total amount of declared dividends on shares of that category (class), %	99.46%
If declared dividends were not paid or incompletely paid by the Issuer, the reasons for failure to pay declared dividends shall be specified.	According to the results of 2010, dividends are paid to all persons included in the dividend list, apart from persons who failed to provide reliable and complete details necessary for dividend payment in the enquiry form of the registered person.
Other information on declared and/or paid dividends specified at the Company's discretion	Due to the expiry of the three-year period during which the Company's shareholders had the right to apply with claims for payment of declared dividends for the 2012 financial year, declared and unclaimed dividends were recovered in the composition of the Company's retained earnings, and the obligation to pay them ceased.

<b>Index description</b>	<b>Dividend period: 2013</b>
Category of shares and type for preferred shares	Equity registered
The Company's management entity that adopted a decision on the declaration of dividends, the date of such decision, and the date of preparation and the number of the minutes of the meeting of the management entity at which such decision was adopted	General Meeting of Shareholders of the Issuer, date of the decision: June 27, 2014, Minutes No. 12 dated June 27, 2014
Declared dividends per one share, RUB	RUB 0.01358751
Declared dividends per all shares of that category (class), RUB	RUB 5,248,249,991.75
Date of compilation of the list of persons entitled to dividends	July 8, 2014
The reporting period (year, quarter) for which (based on the results of which) declared dividends are (were) paid	2013

Established payment term (date) of declared dividends	For a nominee holder and a trustee that is a market professional in the securities market registered in the shareholders' register: 10 business days, and for other persons registered in the shareholders' register: 25 business days from the date when the persons entitled to dividends are determined
Form of payment of declared dividends (money, other property)	In monetary form
Source of payment of declared dividends (net earnings for the reporting year, retained net earnings for prior years, special purpose fund)	Net earnings for the reporting year
Share of the declared dividends in the net earnings for the reporting year, %	14.86%
Total dividends paid on shares of such category (class), RUB	RUB 5,228,643,996.64
Share of paid dividends out of the total amount of declared dividends on shares of that category (class), %	99.63%
If declared dividends were not paid or incompletely paid by the Issuer, the reasons for failure to pay declared dividends shall be specified.	According to the results of 2010, dividends are paid to all persons included in the dividend list, apart from persons who failed to provide reliable and complete details necessary for dividend payment in the enquiry form of the registered person.
Other information on declared and/or paid dividends specified at the Company's discretion	Due to the expiry of the three-year period during which the Company's shareholders had the right to apply with the claim for payment of declared dividends for 2012 financial year, declared and unclaimed dividends were recovered in the composition of the Company's retained earnings, and the obligation to pay them ceased.

<b>Index description</b>	<b>Dividend period: 2014</b>
Category of shares and type for preferred shares	Equity registered
The Company's management entity that adopted a decision on the declaration of dividends, the date of such decision, and the date of preparation and the number of the minutes of the meeting of the management entity at which such decision was adopted	General Meeting of Shareholders of the Issuer, date of the decision: June 26, 2015, Minutes No. 13 dated June 26, 2015
Declared dividends per one share, RUB	RUB 0.01561855
Declared dividends per all shares of that category (class), RUB	RUB 6,032,750,291.16
Date of compilation of the list of persons entitled to dividends	July 7, 2015
The reporting period (year, quarter) for which (based on the results of which) declared dividends are (were) paid	2014
Established payment term (date) of declared dividends	For a nominee holder and a trustee that is a market professional in the securities market registered in the shareholders' register: not more than 10 business days from the date when persons entitled to receive dividends are determined—that is, not later than on July 21, 2015, and for other persons registered in the shareholders' register: 25 business days from the date when the persons entitled to dividends are determined—that is, not later than on August 11, 2015

Form of payment of declared dividends (money, other property)	In monetary form
Source of payment of declared dividends (net earnings for the reporting year, retained net earnings for prior years, special purpose fund)	Net earnings for the reporting year
Share of the declared dividends in the net earnings for the reporting year, %	19.63%
Total dividends paid on shares of such category (class), RUB	RUB 6,010,560,445.87
Share of paid dividends out of the total amount of declared dividends on shares of that category (class), %	99.63%
If declared dividends were not paid or incompletely paid by the Issuer, the reasons for failure to pay declared dividends shall be specified.	According to the results of 2014, dividends were paid to all person included in the dividend list, apart from persons who failed to submit reliable and complete details necessary for dividend payment in the questionnaires of registered persons or apart from persons with respect to which a nominee—for reasons beyond its control—failed to fulfill the commitment to transfer dividends.
Other information on declared and/or paid dividends specified at the Company's discretion	None

<b>Index description</b>	<b>Dividend period: 2015</b>
Category of shares and type for preferred shares	Equity registered
The Company's management entity that adopted a decision on the declaration of dividends, the date of such decision, and the date of preparation and the number of the minutes of the meeting of the management entity at which such decision was adopted	General Meeting of Shareholders of the Issuer, date of the decision: June 27, 2016, Minutes No. 15 dated June 29, 2016
Declared dividends per one share, RUB	RUB 0.038863
Declared dividends per all shares of that category (class), RUB	RUB 15,011,046,132.02
Date of compilation of the list of persons entitled to dividends	July 8, 2016
The reporting period (year, quarter) for which (based on the results of which) declared dividends are (were) paid	2015
Established payment term (date) of declared dividends	For a nominee holder and a trustee that is a market professional in the securities market registered in the shareholders' register: not more than 10 business days from the date when persons entitled to receive dividends are determined—that is, not later than on July 22, 2016, and for other persons registered in the shareholders' register: 25 business days from the date when the persons entitled to dividends are determined—that is, not later than on August 12, 2016
Form of payment of declared dividends (money, other property)	In monetary form
Source of payment of declared dividends (net earnings for the reporting year, retained net earnings for prior years, special purpose fund)	Net earnings for the reporting year
Share of the declared dividends in the net earnings for the reporting year, %	50%
Total dividends paid on shares of such category (class), RUB	RUB 14,961,769,836.81

Share of paid dividends out of the total amount of declared dividends on shares of that category (class), %	99.67%
If declared dividends were not paid or incompletely paid by the Issuer, the reasons for failure to pay declared dividends shall be specified.	According to the results of 2015, dividends were paid to all persons included in the dividend list, apart from persons who failed to submit reliable and complete details necessary for dividend payment in the questionnaires of registered persons or apart from persons with respect to which a nominee—for reasons beyond its control—failed to fulfill the commitment to transfer dividends.
Other information on declared and/or paid dividends specified at the Company's discretion	None

<b>Index description</b>	<b>Dividend period: 2016</b>
Category of shares and type for preferred shares	Equity registered
The Company's management entity that adopted a decision on the declaration of dividends, the date of such decision, and the date of preparation and the number of the minutes of the meeting of the management entity at which such decision was adopted	General Meeting of Shareholders of the Issuer, date of the decision: June 26, 2017, Minutes No. 16 dated June 27, 2017
Declared dividends per one share, RUB	RUB 0.0466245
Declared dividends per all shares of that category (class), RUB	RUB 19,875,502,787.41
Date of compilation of the list of persons entitled to dividends	July 10, 2017
The reporting period (year, quarter) for which (based on the results of which) declared dividends are (were) paid	2016
Established payment term (date) of declared dividends	The dividends repayment period for a nominee holder and beneficial owner that is a professional participant in the securities market registered in the shareholders' register shall not exceed 10 business days—that is, not later than on July 24, 2017, and for other persons registered in the shareholders' register, 25 business days from the date when the persons entitled to dividends are determined—that is, not later than on August 14, 2017.
Form of payment of declared dividends (money, other property)	In monetary form
Source of payment of declared dividends (net earnings for the reporting year, retained net earnings for prior years, special purpose fund)	Net earnings for the reporting year
Share of the declared dividends in the net earnings for the reporting year, %	47.5%
Total dividends paid on shares of such category (class), RUB	RUB 19,813,780,713.10
Share of paid dividends out of the total amount of declared dividends on shares of that category (class), %	99.69%

If declared dividends were not paid or incompletely paid by the Issuer, the reasons for failure to pay declared dividends shall be specified.	According to the results of 2014, dividends were paid to all person included in the dividend list, apart from persons who failed to submit reliable and complete details necessary for dividend payment in the questionnaires of registered persons or apart from persons with respect to which a nominee—for reasons beyond its control—failed to fulfill the commitment to transfer dividends.
Other information on declared and/or paid dividends specified at the Company's discretion	None

### 8.7.2. Information on Accrued and Paid Yield on the Issuer's Bonds

Index description	Reporting period: 2011–2017
Series, form, and other identifiers of the bond issue	Certificated inconvertible interest bearer bonds with obligatory centralized storage, series 01 with possibility of early repayment at the holder's request and at the Issuer's discretion, quantity: 10,000,000 pcs., amount of issue at par value: RUB 10,000,000,000.
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4-01-55038-E dated September 23, 2010
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	Thirty-nine (39) rubles eighty-nine (89) kopecks (yield from coupon periods 1 to 10); Forty-seven (47) rubles thirty-seven (37) kopecks (yield from coupon periods 11 to 20).
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	Four billion one million six hundred seventy-three thousand two hundred and twenty-seven (4,001,673,227.69) rubles 69 kopecks
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on October 24, 2011. The second coupon yield was paid on April 23, 2012. The third coupon yield was paid on October 22, 2012. The fourth coupon yield was paid on April 22, 2013. The fifth coupon yield was paid on October 21, 2013. The sixth coupon yield was paid on April 21, 2014. The seventh coupon yield was paid on October 20, 2014. The eighth coupon yield was paid on April 20, 2015. The ninth coupon yield was paid on October 19, 2015. The tenth coupon yield was paid on April 18, 2016. The eleventh coupon yield was paid on October 17, 2016. The twelfth coupon yield was paid on April 17, 2017. The thirteenth coupon yield was paid on October 16, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	Four billion one million six hundred seventy-three thousand two hundred and twenty-seven (4,001,673,227.69) rubles 69 kopecks
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100

If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of JSC RusHydro bonds is 10 years. An offer to acquire the bonds at their owners' request with a term of 5 years from the starting date of the offering is possible with respect to said securities. On April 8, 2016, the Issuer decided to set a new interest rate for the eleventh–twentieth coupon periods. On April 22, 2016, bonds were acquired at the demand of their holders.

Index description	Reporting period: 2011–2017
Series, form, and other identifiers of the bond issue	Certificated inconvertible interest bearer bonds with obligatory centralized storage, series 02 with possibility of early repayment at the holder's request and at the Issuer's discretion, quantity: 5,000,000 pcs., amount of issue at par value: RUB 5,000,000,000.
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4-02-55038-E dated September 23, 2010
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	Thirty-nine (39) rubles eighty-nine (89) kopecks (yield from coupon periods 1 to 10); Forty-seven (47) rubles thirty-seven (37) kopecks (yield from coupon periods 11 to 20).
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	Two billion seventeen million three hundred forty-five thousand six hundred and three (2,017,345,603.60) rubles 60 kopecks
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on October 24, 2011. The second coupon yield was paid on April 23, 2012. The third coupon yield was paid on October 22, 2012. The fourth coupon yield was paid on April 22, 2013. The fifth coupon yield was paid on October 21, 2013. The sixth coupon yield was paid on April 21, 2014. The seventh coupon yield was paid on October 20, 2014. The eighth coupon yield was paid on April 20, 2015. The ninth coupon yield was paid on October 19, 2015. The tenth coupon yield was paid on April 18, 2016. The eleventh coupon yield was paid on October 17, 2016. The twelfth coupon yield was paid on April 17, 2017. The thirteenth coupon yield was paid on October 16, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	Two billion seventeen million three hundred forty-five thousand six hundred and three (2,017,345,603.60) rubles 60 kopecks
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100
If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—

Other information on bonds of the issue specified at the Issuer's discretion	Maturity of JSC RusHydro bonds is 10 years. An offer to acquire the bonds at their owners' request with a term of 5 years from the starting date of the offering is possible with respect to said securities. On April 8, 2016, the Issuer decided to set a new interest rate for the eleventh–twentieth coupon periods. On April 22, 2016, bonds were acquired at the demand of their holders.
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Index description	Reporting period: 2013–2017
Series, form, and other identifiers of the bond issue	Certificated inconvertible interest bearer bonds with obligatory centralized storage, series 07 with possibility of early repayment at the holder's request and at the Issuer's discretion, quantity: 10,000,000 pcs., amount of issue at par value: RUB 10,000,000,000.
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4-07-55038-E dated December 27, 2012
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	forty-two rubles thirty-eight kopecks (RUB 42.38)
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	Three billion eight hundred fourteen million two hundred thousand (3,814,200,000.00) rubles
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on August 15, 2013. The second coupon yield was paid on February 13, 2014. The third coupon yield was paid on August 14, 2014. The fourth coupon yield was paid on February 12, 2015. The fifth coupon yield was paid on August 13, 2015. The sixth coupon yield was paid on February 11, 2016. The seventh coupon yield was paid on August 11, 2016. The eighth coupon yield was paid on February 9, 2017. The ninth coupon yield was paid on August 10, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	Three billion eight hundred fourteen million two hundred thousand (3,814,200,000.00) rubles
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100
If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of JSC RusHydro bonds of series 07 is 10 years. Tender offer for the period of 5 years from the beginning of placement is possible with respect to securities.

Index description	Reporting period: 2013–2017
Series, form, and other identifiers of the bond issue	Certificated inconvertible interest bearer bonds with obligatory centralized storage, series 08 with possibility of early repayment at the holder's request and at the Issuer's discretion, quantity: 10,000,000 pcs., amount of issue at par value: RUB 10,000,000,000.



State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4-08-55038-E dated December 27, 2012
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	forty-two rubles thirty-eight kopecks (RUB 42.38)
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	Three billion eight hundred fourteen million two hundred thousand (3,814,200,000.00) rubles
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on August 15, 2013. The second coupon yield was paid on February 13, 2014. The third coupon yield was paid on August 14, 2014. The fourth coupon yield was paid on February 12, 2015. The fifth coupon yield was paid on August 13, 2015. The sixth coupon yield was paid on February 11, 2016. The seventh coupon yield was paid on August 11, 2016. The eighth coupon yield was paid on February 9, 2017. The ninth coupon yield was paid on August 10, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	Three billion eight hundred fourteen million two hundred thousand (3,814,200,000.00) rubles
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100
If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of JSC RusHydro bonds of series 08 is 10 years. Tender offer for the period of 5 years from the beginning of placement is possible with respect to securities.

Index description	Reporting period: 2015–2017
Series, form, and other identifiers of the bond issue	Certificated inconvertible interest bearing bonds to the bearer with obligatory central storage, series 09 with possible early redemption at the request of the holder and at the discretion of the Issuer
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4-09-55038-E dated December 27, 2012
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	Sixty-three (63) rubles fifty-eight (58) kopecks (yield from coupon periods 1 to 5) Thirty-seven (37) rubles forty (40) kopecks (yield from coupon periods 6 to 16)
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	Three billion one hundred seventy-nine million (3,179,000,000.00) rubles
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on October 27, 2015. The second coupon yield was paid on April 26, 2016. The third coupon yield was paid on October 25, 2016. The fourth coupon yield was paid on April 25, 2017. The fifth coupon yield was paid on October 24, 2017.

Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	Three billion one hundred seventy-nine million (3,179,000,000.00) rubles
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100
If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of bonds series 09 is 10 years. Tender offer for a period of 5.5 years is possible with respect to the securities. October 16, 2017, the Issuer decided to set a new interest rate for sixth-sixteenth coupon periods. On October 27, 2017 bonds were acquired at the demand of their holders.

Index description	Reporting period: 2015–2017
Series, form, and other identifiers of the bond issue	Exchange-traded certificated interest-bearing inconvertible interest bearer bonds with obligatory centralized storage of series BO-PO1
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4B02-01-55038-E-001P dated July 3, 2015.
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	Fifty-nine (59) rubles nine (9) kopecks
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	One billion one hundred eighty-one million eight hundred thousand (1,181,800,000.00) rubles.
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on January 11, 2016. The second coupon yield was paid on July 6, 2016. The third coupon yield was paid on January 9, 2017. The fourth coupon yield was paid on July 5, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	One billion one hundred eighty-one million eight hundred thousand (1,181,800,000.00) rubles.
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100
If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of exchange-traded bonds of series BO-PO1 is 3 years.

Index description	Reporting period: 2015–2017
Series, form, and other identifiers of the bond issue	Exchange-traded certificated interest-bearing inconvertible interest bearer bonds with obligatory centralized storage of series BO-P02
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4B02-02-55038-E-001P dated July 3, 2015.

Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	Fifty-nine (59) rubles nine (9) kopecks
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	One billion one hundred eighty-one million eight hundred thousand (1,181,800,000.00) rubles.
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on January 11, 2016. The second coupon yield was paid on July 6, 2016. The third coupon yield was paid on January 9, 2017. The fourth coupon yield was paid on July 5, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	One billion one hundred eighty-one million eight hundred thousand (1,181,800,000.00) rubles
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100
If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of exchange-traded bonds of series BO-P02 is 3 years.

Index description	Reporting period: 2015–2017
Series, form, and other identifiers of the bond issue	Exchange-traded certificated interest-bearing inconvertible interest bearer bonds with obligatory centralized storage of series BO-PO3
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4B02-03-55038-E-001P dated July 3, 2015
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	Fifty-nine (59) rubles nine (9) kopecks
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	One billion one hundred eighty-one million eight hundred thousand (1,181,800,000.00) rubles
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on January 11, 2016. The second coupon yield was paid on July 6, 2016. The third coupon yield was paid on January 9, 2017. The fourth coupon yield was paid on July 5, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	One billion one hundred eighty-one million eight hundred thousand (1,181,800,000.00) rubles
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100
If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of exchange-traded bonds of series BO-PO3 is 3 years.

Index description	Reporting period: 2016–2017
Series, form, and other identifiers of the bond issue	Exchange-traded certificated interest-bearing inconvertible interest bearer bonds with obligatory centralized storage of series BO-P04
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4B02-04-55038-E-001P dated April 1, 2016
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	Fifty-one (51) rubles sixty-one (61) kopecks
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	Two billion three hundred twenty-two million four hundred fifty thousand (2,322,450,000.00) rubles
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on October 6, 2016. The second coupon yield was paid on April 6, 2017. The third coupon yield as paid on October 5, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	Two billion three hundred twenty-two million four hundred fifty thousand (2,322,450,000.00) rubles
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100
If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of exchange-traded bonds of series BO-P04 is 3 years.

Index description	Reporting period: 2017
Series, form, and other identifiers of the bond issue	Exchange-traded certificated interest-bearing inconvertible interest bearer bonds with obligatory centralized storage of series BO-P05
State registration number of the bonds issue and the date of state registration thereof (identification number of the issue and allocation date thereof, if the bonds issue is not subject to state registration)	4B02-05-55038-E-001P dated June 9, 2017
Type of yield paid on bonds of the issue (face value, interest (coupon), etc.)	Coupon yield
Yield payable under the bonds of the issue, in monetary terms, per one bond of the issue, RUB/foreign currency	Forty (40) rubles eighty-nine (89) kopecks
Yield available for disbursement against bonds of the issue, in terms of money, as per all bonds of the issue, RUB/foreign currency	Four hundred eight million nine hundred thousand (408,900,000.00) rubles
Payment period (date) of yield on bonds of the issue	The first coupon yield was paid on December 15, 2017.
Form of revenue payment upon the Issuer's bonds (money, other property)	Money in the currency of Russia in cashless form
Total yield paid on all bonds of the issue, RUB/foreign currency	Four hundred eight million nine hundred thousand (408,900,000.00) rubles
Share of paid bond yield of the issue in total payable bond yield of the issue, %	100

If bond yield payable was not paid or incompletely paid by the Issuer, the reasons for failure to pay such yield	—
Other information on bonds of the issue specified at the Issuer's discretion	Maturity of exchange-traded bonds of series BO-P05 is 3 years.

## **8.8. Other Information**

*On September 28, 2017, a euroissue (ISIN: XS1691350455) was completed, the Issuer of which was the special purpose vehicle RusHydro Capital Markets DAC. Proceeds from the euroissue were directed to financing the RusHydro loan that will be used for refinancing of debt liabilities, financing of the investment program and operating expenses of the Issuer. The euroissue amounted to RUB 20 billion. Eurobonds maturing in 2022 were issued with a coupon rate of 8.125% per annum. The issue was attributed with the following credit ratings: S&P: "BB+"; Moody's: "Ba1"; Fitch: "BB+", ACRA: AAA(RU). VTB Capital, JP Morgan, JSC Gazprombank, and Sberbank CIB arranged the issue. Eurobonds were listed on the Irish Stock Exchange according to Reg S rules.*

## **8.9. Information on Underlying Securities and the Issuer of Underlying Securities, Title to Which Is Certified by Russian Depositary Receipts**

*The Issuer is not an Issuer of Russian depository receipts.*

***Appendix 1. Condensed Consolidated Interim Financial Information (not Audited) Prepared in Accordance with IFRS 34 for Three and Nine Months That Ended on September 30, 2017, and as of That Date***



## **RUSHYDRO GROUP**

**Condensed Consolidated Interim  
Financial Information (Unaudited)  
prepared in accordance with IAS 34**

**As at and for the three and nine months ended 30 September 2017**

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## ***Report on Review of Interim Financial Information***

To the Shareholders and Board of Directors of Public Joint Stock Company Federal Hydro-Generating Company – RusHydro:

### **Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Public Joint Stock Company Federal Hydro-Generating Company – RusHydro and its subsidiaries (the “Group”) as of 30 September 2017 and the related condensed consolidated interim statements of income and comprehensive income for the three-month and nine-month periods then ended, and cash flows and changes in equity for the nine-month period then ended. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, “Interim Financial Reporting”.

*AO PricewaterhouseCoopers Audit*

18 December 2017  
Moscow, Russian Federation



A. S. Ivanov, certified auditor\* (licence no. 01-000531), AO PricewaterhouseCoopers Audit

Audited entity: PJSC RusHydro

Certificate of inclusion in the Unified State Register of Legal Entities issued on 26 December 2004 under registration № 1042401810494

Krasnoyarsk, Krasnoyarsk Region, Russian Federation, 660017

Independent auditor:  
AO PricewaterhouseCoopers Audit

State registration certificate No. 008.890,  
issued by Moscow Registration Chamber on 28 February 1992

Certificate of inclusion in the Unified State Register of Legal Entities issued on 22 August 2002 under registration № 1027700148431

Member of Self-regulated organization of auditors «Russian Union of auditors» (Association)

ORNZ 11603050547 in the register of auditors and audit organizations

**RusHydro Group**  
**Condensed Consolidated Interim Statement of Financial Position (unaudited)**  
(in millions of Russian Rubles unless noted otherwise)



	Note	30 September 2017	31 December 2016
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	799,053	765,047
Investments in associates and joint ventures		20,011	20,278
Available-for-sale financial assets		20,479	21,181
Deferred income tax assets		7,052	6,640
Other non-current assets	7	22,933	21,847
<b>Total non-current assets</b>		<b>869,528</b>	<b>834,993</b>
<b>Current assets</b>			
Cash and cash equivalents	8	83,877	67,354
Income tax receivable		2,753	889
Accounts receivable and prepayments	9	55,779	47,076
Inventories	10	28,979	24,037
Other current assets	11	9,358	9,097
		<b>180,746</b>	<b>148,453</b>
Assets of disposal group classified as held for sale		311	-
<b>Total current assets</b>		<b>181,057</b>	<b>148,453</b>
<b>TOTAL ASSETS</b>		<b>1,050,585</b>	<b>983,446</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	426,289	386,255
Treasury shares	12	(4,613)	(22,578)
Share premium		39,202	39,202
Retained earnings and other reserves		243,195	243,790
<b>Equity attributable to the shareholders of PJSC RusHydro</b>		<b>704,073</b>	<b>646,669</b>
Non-controlling interest		2,347	4,263
<b>TOTAL EQUITY</b>		<b>706,420</b>	<b>650,932</b>
<b>Non-current liabilities</b>			
Deferred income tax liabilities		42,938	39,086
Non-current debt	14	122,949	158,046
Non-deliverable forward contract for shares	15	12,557	-
Other non-current liabilities	16	22,714	18,726
<b>Total non-current liabilities</b>		<b>201,158</b>	<b>215,858</b>
<b>Current liabilities</b>			
Current debt and current portion of non-current debt	14	64,542	41,757
Accounts payable and accruals	17	63,046	58,784
Current income tax payable		676	858
Other taxes payable	18	14,420	15,257
		<b>142,684</b>	<b>116,656</b>
Liabilities of disposal group classified as held for sale		323	-
<b>Total current liabilities</b>		<b>143,007</b>	<b>116,656</b>
<b>TOTAL LIABILITIES</b>		<b>344,165</b>	<b>332,514</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,050,585</b>	<b>983,446</b>

Chairman of Management Board – General Director

N. G. Shulginov

Chief Accountant

Y. G. Medvedeva



18 December 2017

The accompanying notes are an integral part of this Condensed Consolidated Interim Financial Information

**RusHydro Group**  
**Condensed Consolidated Interim Income Statement (unaudited)**

(in millions of Russian Rubles unless noted otherwise)



	Note	Nine months ended 30 September		Three months ended 30 September	
		2017	2016	2017	2016
Revenue	19	248,604	268,644	67,738	80,783
Government grants	20	20,138	10,214	13,350	3,735
Other operating income		690	2,132	690	77
Operating expenses (excluding impairment losses)	21	(216,218)	(226,954)	(68,482)	(68,124)
<b>Operating profit excluding impairment losses</b>		<b>53,214</b>	<b>54,036</b>	<b>13,296</b>	<b>16,471</b>
Impairment of accounts receivable, net		(2,949)	(4,244)	(316)	(1,100)
Impairment of property, plant and equipment	6	(2,040)	(2,983)	(796)	(1,104)
<b>Operating profit</b>		<b>48,225</b>	<b>46,809</b>	<b>12,184</b>	<b>14,267</b>
Finance income	22	6,770	7,237	1,574	1,718
Finance costs	22	(11,251)	(6,137)	(754)	(1,823)
Share of results of associates and joint ventures		176	928	27	370
<b>Profit before income tax</b>		<b>43,920</b>	<b>48,837</b>	<b>13,031</b>	<b>14,532</b>
Income tax expense	13	(13,116)	(11,437)	(4,530)	(2,607)
<b>Profit for the period</b>		<b>30,804</b>	<b>37,400</b>	<b>8,501</b>	<b>11,925</b>
Attributable to:					
Shareholders of PJSC RusHydro		32,589	39,077	10,537	12,363
Non-controlling interest		(1,785)	(1,677)	(2,036)	(438)
Earnings per ordinary share for profit attributable to the shareholders of PJSC RusHydro – basic and diluted (in Russian Rubles per share)					
	23	0.0823	0.1065	0.0249	0.0337
Weighted average number of shares outstanding – basic and diluted (millions of shares)					
	23	395,989	367,050	422,436	367,403

The accompanying notes are an integral part of this Condensed Consolidated Interim Financial Information

**RusHydro Group**  
**Condensed Consolidated Interim Statement of Comprehensive Income (unaudited)**  
(in millions of Russian Rubles unless noted otherwise)



	Note	Nine months ended		Three months ended	
		30 September		30 September	
		2017	2016	2017	2016
Profit for the period		30,804	37,400	8,501	11,925
<b>Other comprehensive income, net of tax:</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement of pension benefit obligations		98	(525)	332	-
<b>Total items that will not be reclassified to profit or loss</b>		<b>98</b>	<b>(525)</b>	<b>332</b>	<b>-</b>
<i>Items that may be reclassified subsequently to profit or loss</i>					
(Loss) / profit arising on available-for-sale financial assets	27	(576)	11,172	(585)	3,693
Reclassification of accumulated loss on available-for-sale financial assets to profit or loss		(19)	-	(47)	-
Other comprehensive loss		(38)	(45)	(50)	(10)
<b>Total items that may be reclassified subsequently to profit or loss</b>		<b>(633)</b>	<b>11,127</b>	<b>(682)</b>	<b>3,683</b>
<b>Other comprehensive (loss) / income for the period</b>		<b>(535)</b>	<b>10,602</b>	<b>(350)</b>	<b>3,683</b>
<b>Total comprehensive income for the period</b>		<b>30,269</b>	<b>48,002</b>	<b>8,151</b>	<b>15,608</b>
Attributable to:					
Shareholders of PJSC RusHydro		32,058	49,783	10,078	16,034
Non-controlling interest		(1,789)	(1,781)	(1,927)	(426)

The accompanying notes are an integral part of this Condensed Consolidated Interim Financial Information

**RusHydro Group**  
**Condensed Consolidated Interim Statement of Cash Flows (unaudited)**  
(in millions of Russian Rubles unless noted otherwise)



	Note	Nine months ended 30 September	
		2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>Profit before income tax</b>		<b>43,920</b>	<b>48,837</b>
Depreciation of property, plant and equipment and amortisation of intangible assets	6, 21	18,375	18,234
Loss on disposal of property, plant and equipment, net	21	76	307
Share of results of associates and joint ventures		(176)	(928)
Other operating income		(690)	(2,132)
Finance income	22	(6,770)	(7,237)
Finance costs	22	11,251	6,137
Impairment of property, plant and equipment	6	2,040	2,983
Impairment of accounts receivable, net		2,949	4,244
Other loss / (income)		21	(890)
<b>Operating cash flows before working capital changes, income tax paid and changes in other assets and liabilities</b>		<b>70,996</b>	<b>69,555</b>
Working capital changes:			
Increase in accounts receivable and prepayments		(13,119)	(471)
Increase in inventories		(5,007)	(3,873)
Decrease / (increase) in other current assets		2,050	(5,330)
Increase / (decrease) in accounts payable and accruals, excluding dividends payable		2,804	(7,401)
Decrease in other taxes payable		(814)	(1,604)
(Increase) / decrease in other non-current assets		(378)	779
Increase / (decrease) in other non-current liabilities		2,153	(1,369)
Income tax paid		(11,738)	(9,699)
<b>Net cash generated by operating activities</b>		<b>46,947</b>	<b>40,587</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment		(41,112)	(40,674)
Proceeds from sale of property, plant and equipment		111	81
Investment in bank deposits and purchase of other investments		(15,834)	(9,871)
Redemption of bank deposits and proceeds from sale of other investments		13,211	25,118
Placement of special funds on special accounts		-	(6,998)
Purchase of shares of subsidiary	12	-	(414)
Interest and dividends received		6,297	5,617
<b>Net cash used in investing activities</b>		<b>(37,327)</b>	<b>(27,141)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from share issue	12	40,000	-
Proceeds from sale of treasury shares	12	15,000	-
Payments for non-deliverable forward for shares	15	(3,243)	-
Proceeds from current debt	14	46,943	57,499
Proceeds from non-current debt	14	50,203	45,630
Repayment of debt	14	(109,719)	(79,709)
Interest paid		(11,927)	(15,030)
Dividends paid to the shareholders of PJSC RusHydro		(19,650)	(14,226)
Dividends paid by subsidiaries to non-controlling interest holders		(127)	(242)
Finance lease payments		(411)	(405)
<b>Net cash generated / (used) by financing activities</b>		<b>7,069</b>	<b>(6,483)</b>
Effect of foreign exchange differences on cash and cash equivalents balances		(161)	(352)
<b>Increase in cash and cash equivalents</b>		<b>16,528</b>	<b>6,611</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>67,354</b>	<b>48,025</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>8</b>	<b>83,882</b>	<b>54,636</b>

The accompanying notes are an integral part of this Condensed Consolidated Interim Financial Information



**RusHydro Group**  
**Condensed Consolidated Interim Statement of Changes in Equity (unaudited)**

(in millions of Russian Rubles unless noted otherwise)



	Note	Share capital	Treasury shares	Share premium	Merger reserve	Foreign currency translation reserve	Revaluation reserve on property, plant and equipment	Revaluation reserve on available-for-sale financial assets	Reserve for remeasurement of pension benefit obligation	Retained earnings	Equity attributable to shareholders of PJSC RusHydro	Non-controlling interest	Total equity
<b>As at 1 January 2016</b>		<b>386,255</b>	<b>(26,092)</b>	<b>39,202</b>	<b>(135,075)</b>	<b>(474)</b>	<b>188,552</b>	<b>1,952</b>	<b>689</b>	<b>147,470</b>	<b>602,479</b>	<b>11,440</b>	<b>613,919</b>
Profit for the period		-	-	-	-	-	-	-	-	39,077	39,077	(1,677)	37,400
Profit arising on available-for-sale financial assets	27	-	-	-	-	-	-	11,095	-	-	11,095	77	11,172
Remeasurement of pension benefit obligations		-	-	-	-	-	-	-	(330)	-	(330)	(195)	(525)
Other comprehensive loss		-	-	-	-	(73)	15	-	-	(1)	(59)	14	(45)
Total other comprehensive income		-	-	-	-	(73)	15	11,095	(330)	(1)	10,706	(104)	10,602
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(73)</b>	<b>15</b>	<b>11,095</b>	<b>(330)</b>	<b>39,076</b>	<b>49,783</b>	<b>(1,781)</b>	<b>48,002</b>
Offer for shares of PJSC RAO ES East	12	-	3,514	-	-	-	-	-	-	4,872	8,386	(6,694)	1,692
Dividends	12	-	-	-	-	-	-	-	-	(14,278)	(14,278)	(242)	(14,520)
Disposal of subsidiaries		-	-	-	-	-	-	-	-	-	-	213	213
Transfer of revaluation reserve to retained earnings		-	-	-	-	-	(472)	-	-	472	-	-	-
<b>As at 30 September 2016</b>		<b>386,255</b>	<b>(22,578)</b>	<b>39,202</b>	<b>(135,075)</b>	<b>(547)</b>	<b>188,095</b>	<b>13,047</b>	<b>359</b>	<b>177,612</b>	<b>646,370</b>	<b>2,936</b>	<b>649,306</b>
<b>As at 1 January 2017</b>		<b>386,255</b>	<b>(22,578)</b>	<b>39,202</b>	<b>(135,075)</b>	<b>(538)</b>	<b>182,968</b>	<b>16,909</b>	<b>459</b>	<b>179,067</b>	<b>646,669</b>	<b>4,263</b>	<b>650,932</b>
Profit for the period		-	-	-	-	-	-	-	-	32,589	32,589	(1,785)	30,804
Remeasurement of pension benefit obligations		-	-	-	-	-	-	-	85	-	85	13	98
Loss arising on available-for-sale financial assets	27	-	-	-	-	-	-	(555)	-	-	(555)	(21)	(576)
Reclassification of accumulated loss on available-for-sale financial assets to profit or loss		-	-	-	-	-	-	(19)	-	-	(19)	-	(19)
Other comprehensive loss		-	-	-	-	(47)	5	-	-	-	(42)	4	(38)
Total other comprehensive loss		-	-	-	-	(47)	5	(574)	85	-	(531)	(4)	(535)
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(47)</b>	<b>5</b>	<b>(574)</b>	<b>85</b>	<b>32,589</b>	<b>32,058</b>	<b>(1,789)</b>	<b>30,269</b>
Share issue	12	40,034	-	-	-	-	-	-	-	-	40,034	-	40,034
Sale of treasury shares	12	-	17,965	-	-	-	-	-	-	(2,965)	15,000	-	15,000
Dividends	12	-	-	-	-	-	-	-	-	(19,696)	(19,696)	(127)	(19,823)
Non-deliverable forward contract for shares	15	-	-	-	-	-	-	-	-	(10,013)	(10,013)	-	(10,013)
Transfer of revaluation reserve to retained earnings		-	-	-	-	-	(398)	-	-	398	-	-	-
Other movements		-	-	-	-	-	-	-	-	21	21	-	21
<b>As at 30 September 2017</b>		<b>426,289</b>	<b>(4,613)</b>	<b>39,202</b>	<b>(135,075)</b>	<b>(585)</b>	<b>182,575</b>	<b>16,335</b>	<b>544</b>	<b>179,401</b>	<b>704,073</b>	<b>2,347</b>	<b>706,420</b>

The accompanying notes are an integral part of this Condensed Consolidated Interim Financial Information



## **Note 1. The Group and its operations**

PJSC RusHydro (hereinafter referred to as “the Company”) was incorporated and is domiciled in the Russian Federation. The Company is a joint stock company limited by value of shares and was set up in accordance with Russian regulations.

The primary activities of the Company and its subsidiaries (hereinafter together referred to as “the Group”) are generation and sale of electricity and capacity on the Russian wholesale and retail markets, as well as generation and sale of heat energy.

**Economic environment in the Russian Federation.** The Russian Federation displays certain characteristics of an emerging market. Its economy is particularly sensitive to oil and gas prices. The legal, tax and regulatory frameworks continue to develop and are subject to frequent changes and varying interpretations. The Russian economy showed signs of recovery in 2017, after the economic downturn of 2015 and 2016. The economy is negatively impacted by low oil prices, ongoing political tension in the region and continuing international sanctions against certain Russian companies and individuals. The financial markets continue to be volatile.

This operating environment has a significant impact on the Group’s operations and financial position. Management is taking necessary measures to ensure sustainability of the Group’s operations. However, the future effects of the current economic situation are difficult to predict and management’s current expectations and estimates could differ from actual results.

During the nine months ended 30 September 2017, there were no substantial changes to the rules of Russian wholesale and retail electricity and capacity markets, their functioning and price setting mechanisms, except for the Resolution of the Russian Government No. 895 “On achievement of basic rates (tariffs) for electric power (capacity) in the territories of the Far East Federal region” becoming effective (Note 20).

**Relations with the Government.** As at 30 September 2017, the Russian Federation owned 60.56 percent of the total voting ordinary shares of the Company (31 December 2016: 66.84 percent).

The Group’s major customer base includes a large number of entities controlled by, or related to the Government. Furthermore, the Government controls contractors and suppliers, which provide the Group with electricity dispatch, transmission and distribution services, and a number of the Group’s fuel and other suppliers (Note 5).

In addition, the Government affects the Group’s operations through:

- participation of its representatives in the Company’s Board of Directors;
- regulation of tariffs for electricity, capacity and heating;
- approval and monitoring of the Group’s investment programme, including volume and sources of financing.

Economic, social and other policies of the Russian Government could have a material effect on operations of the Group.

**Seasonality of business.** The demand for the Group’s heat and electricity generation and supply depends on weather conditions and the season. In addition to weather conditions, the electricity production by hydro generation plants depends on water flow in the river systems. In spring and in summer (flood period) electricity production by hydro generation plants is significantly higher than in autumn and in winter. Heat and electricity production by the heat generation assets, to the contrary, is significantly higher in autumn and in winter than in spring and in summer. The seasonal nature of heat and electricity generation has a significant influence on the volume of fuel consumed by heat generation assets and electricity purchased by the Group.



## **Note 2. Summary of financial reporting framework and new accounting pronouncements**

**Basis of preparation.** This Condensed Consolidated Interim Financial Information has been prepared in accordance with IAS 34, *Interim Financial Reporting* and should be read in conjunction with the annual Consolidated Financial Statements as at and for the year ended 31 December 2016, which were prepared in accordance with International Financial Reporting Standards (IFRS).

This Condensed Consolidated Interim Financial Information is unaudited. Certain disclosures duplicating information included in the annual Consolidated Financial Statements as at and for the year ended 31 December 2016 have been omitted or condensed.

**Significant accounting policies.** The accounting policies followed in the preparation of this Condensed Consolidated Interim Financial Information are consistent with those applied in the annual Consolidated Financial Statements as at and for the year ended 31 December 2016 except for income tax which is accrued in the interim periods using the best estimate of the weighted average annual income tax rate that would be applicable to expected total annual profit or loss and new standards and interpretations that are effective from 1 January 2017. Certain reclassifications have been made to prior period data to conform to the current period presentation. These reclassifications are not material.

**Critical accounting estimates and judgements.** The preparation of Condensed Consolidated Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this Condensed Consolidated Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Consolidated Financial Statements as at and for the year ended 31 December 2016 with the exception of changes in estimates that are required in determining the estimated weighted average annual income tax rate (Note 13), some actuarial assumptions for pension benefit obligations as well as judgements in respect of the non-deliverable forward contract for the shares and recognition of a premium to the price of capacity with subsequent transfer of the collected amounts to the budgets of the respective regions, as described below.

**Sale of shares subject to entering into a non-deliverable forward contract for the shares.** The management treats the transaction on acquisition by PJSC Bank VTB (the "Bank") of 55 billion of the Company's ordinary shares – 40 billion of additionally issued shares and 15 billion of treasury shares carried on the Group subsidiaries' balance sheet (Note 12) and entering into a non-deliverable forward contract for these shares (Note 15) as two separate transactions. The sale of shares is recorded in equity and a derivative financial instrument is recognised.

The terms and conditions of the share sale imply transfer of risks and rewards in connection with these shares, such as dividend payments received by the Bank and participation in the Company's management. No obligations for their repurchase and conversion into a different financial instrument, guarantees or binding agreements arise for the Company. Given the above and the fact that the international financial reporting standards do not prescribe accounting treatment for the risks and rewards transfer procedure for treasury shares, the Group management concluded that the transaction should be presented on the basis that the Bank is the beneficial owner of the Company's shares.

In the Group management's opinion, the decrease in the prepaid forward value by the amounts equivalent to dividends received by the Bank does not directly represent return of dividends, and, therefore, does not limit the Bank in terms of obtaining rewards from share ownership. According to the forward contract, there will be significant delays in the offset of cash flows (for a period exceeding three months from the date when dividends are received by the Bank), and the Bank will be able to place the received dividends not only in cash and cash equivalents but other instruments for the period exceeding three months as well, and it will be able to receive income and subsequently reinvest it multiple times.

As the issue of shares is recorded in equity and also as both the issue of shares and the conclusion of the non-deliverable forward contract are carried out by decision and in the interests of the state as the ultimate controlling party, the initial recognition of the non-deliverable forward contract for these shares is also recorded in equity as a shareholder transaction.





**Recognition of a premium to the price of capacity with subsequent transfer of the collected amounts to the budgets of the respective regions.** In July 2017 the Resolution of the Russian Government No. 895 “On achievement of basic rates (tariffs) for electric power (capacity) in the territories of the Far East Federal region” became effective. This Resolution stipulates the application of a premium to the price of capacity provided by the Company in the price zones of the wholesale electricity and capacity market with subsequent transfer of the amounts collected to the constituent budgets of the Far East Federal region in the form of free-of-charge targeted contributions.

Constituent regions are obliged to use these contributions to compensate the guaranteeing suppliers of the Far East Federal region for the reduction in tariffs which were made consistent with the basic level. According to the Resolution tariffs were reduced retrospectively starting from 1 January 2017.

The amount of the premium that should be transferred to the budgets of the Far East Federal region in the form of free-of-charge targeted contributions is stipulated by the Resolution of the Russian Government and for the nine months ended 30 September 2017 was RR 14 397 million. Taking into account that the Group collects the premium and subsequently transfers it to the respective budgets on behalf of the Russian Government, the management of the Group concluded that revenue from the sales of capacity in the Condensed Consolidated Interim Financial Information should be presented net of related free-of-charge targeted contributions.

Government subsidies receiveable by the Group’s companies – guaranteeing suppliers under the rules of the Resolution of the Russian Government No. 895 are recognised in government grants (Note 20). Government grants are recognised when there is a reasonable assurance that the grant will be received and the Group will be able to comply with all attached conditions.

**Actuarial assumptions.** Principal actuarial assumptions for defining benefit obligations as at 30 September 2017 that have changed from 31 December 2016 are as follows:

	<b>30 September 2017</b>	<b>31 December 2016</b>
Nominal discount rate	7.50%	8.20%
Inflation rate	4.20%	5.00%
Wage growth rate	5.70%	6.50%

**New standards and interpretations.** The Group has adopted all new standards and interpretations that were effective from 1 January 2017. The impact of the adoption of these new standards and interpretations has not been significant with respect to this Condensed Consolidated Interim Financial Information.

Apart from new standards and interpretations becoming effective from 1 January 2018 and after that date applicable to the Group as disclosed in the consolidated financial statements as at and for the year ended 31 December 2016, the following interpretations and amendments was issued which is applicable to the Group:

- IFRIC 23 – Uncertainty over Income Tax Treatments (issued in June 2017 and effective for annual periods beginning on or after 1 January 2019).
- Amendments to IFRS 9 – Prepayment Features with Negative Compensation (issued in October 2017 and effective for annual periods beginning on or after 1 January 2019);
- Amendments to IAS 28 – Long-term Interests in Associates and Joint Ventures (issued in October 2017 and effective for annual periods beginning on or after 1 January 2019);
- Annual Improvements to IFRSs 2015-2017 cycle – amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 (issued in December 2017 and effective for annual periods beginning on or after 1 January 2019).

These interpretations are not expected to have any material impact on the Group when adopted.

### **Note 3. Principal subsidiaries**

All principal subsidiaries are incorporated and operate in the Russian Federation. Differences between the ownership interest and voting interest held by some subsidiaries represent the effect of preference shares and / or effects of indirect ownership, or limited liability company (LLC).

The Group operates in the three main reportable segments one of which is presented by the Group’s parent company – PJSC RusHydro (Note 4). The principal subsidiaries are presented below according to their allocation to the reportable segments as at 30 September 2017 and 31 December 2016.



### **ESC RusHydro subgroup segment**

ESC RusHydro subgroup segment includes the Group's subsidiaries which sell electricity to final customers. All the entities included in this segment with the exception of JSC ESC RusHydro have the guaranteeing supplier status and are obliged to sign contracts on supplies with all final consumers of their region upon their request.

	30 September 2017		31 December 2016	
	% of ownership	% of voting	% of ownership	% of voting
JSC ESC RusHydro	100.00%	100.00%	100.00%	100.00%
PJSC Krasnoyarskenergosbyt	65.81%	69.40%	65.81%	69.40%
PJSC Ryazan Power Distributing Company	90.52%	90.52%	90.52%	90.52%
JSC Chuvashskaya energy retail company	100.00%	100.00%	100.00%	100.00%

### **RAO ES East subgroup segment**

RAO ES East subgroup segment consists of PJSC RAO ES East and its subsidiaries that generate, distribute and sell electricity and heat in the Far East region of the Russian Federation and render transportation, construction, repair and other services.

Principal subsidiaries of this segment are presented below:

	30 September 2017		31 December 2016	
	% of ownership	% of voting	% of ownership	% of voting
PJSC RAO ES East*	99.98%	99.98%	99.98%	99.98%
PJSC DEK	52.11%	52.17%	52.11%	52.17%
JSC DGK	52.11%	100.00%	52.11%	100.00%
JSC DRSK	52.11%	100.00%	52.11%	100.00%
PJSC Kamchatskenergo	98.72%	98.74%	98.72%	98.74%
PJSC Magadanenergo**	48.99%	49.00%	48.99%	49.00%
PJSC Sakhalinenergo	57.80%	57.82%	57.80%	57.82%
PJSC Yakutskenergo	79.15%	79.16%	79.15%	79.16%

\* Voting and ownership percent interests in PJSC RAO ES East as at 30 September 2017 and 31 December 2016 include 15.59 percent interest held by the Group's subsidiary LLC Vostok-Finance.

\*\* Control over PJSC Magadanenergo is achieved by the majority of votes at shareholders' meetings because the remaining part of the shares not owned by the Group are distributed among a large number of shareholders whose individual stakes are insignificant.

### **Other segments**

Other segments include:

- the Group's subsidiaries engaged in production and sale of electricity and capacity;
- the Group's subsidiaries engaged in research and development related to the utilities industry and construction of hydropower facilities;
- the Group's subsidiaries engaged primarily in repair, upgrade and reconstruction of equipment and hydropower facilities;
- the Group's subsidiaries engaged in hydropower plants construction;
- minor segments which do not have similar economic characteristics.

Principal subsidiaries included in other segments are presented below:



	30 September 2017		31 December 2016	
	% of ownership	% of voting	% of ownership	% of voting
JSC Blagoveschensk TPP	100.00%	100.00%	100.00%	100.00%
JSC VNIIG named after B. E. Vedeneev	100.00%	100.00%	100.00%	100.00%
JSC Geotherm	99.65%	99.65%	99.65%	99.65%
JSC Hidroremont-VKK	100.00%	100.00%	100.00%	100.00%
JSC Zagorskaya GAES-2	100.00%	100.00%	100.00%	100.00%
JSC Zaramag HS	99.75%	99.75%	99.75%	99.75%
JSC Institute Hydroproject	100.00%	100.00%	100.00%	100.00%
PJSC Kolimaenergo	98.76%	98.76%	98.76%	98.76%
JSC Lenhydroproject	100.00%	100.00%	100.00%	100.00%
JSC NIIES	100.00%	100.00%	100.00%	100.00%
JSC Nizhne-Bureiskaya HPP	100.00%	100.00%	100.00%	100.00%
JSC Sakhalin GRES-2	100.00%	100.00%	100.00%	100.00%
JSC Sulak HidroKaskad	100.00%	100.00%	100.00%	100.00%
JSC TPP in Sovetskaya Gavan	100.00%	100.00%	100.00%	100.00%
JSC Ust'-Srednekangesstroy	98.76%	100.00%	98.76%	100.00%
JSC Ust'-Srednekanskaya HPP named after A. F. Dyakov	99.63%	100.00%	99.63%	100.00%
JSC Chirkeigesstroy	100.00%	100.00%	100.00%	100.00%
JSC Yakutskaya GRES-2	100.00%	100.00%	100.00%	100.00%

#### **Note 4. Segment information**

Operating segments are components of the Group engaged in operations from which they may earn revenue and incur expenses, including revenue and expenses relating to transactions with other components of the Group. The individual financial information of the operating segments is available and is regularly reviewed by the chief operating decision maker (CODM) to make operating decisions about resources to be allocated and the performance of segments' operating activities.

The CODM analyses the information concerning the Group by the groups of operations which are aggregated in operating segments presented by the following separate reportable segments: PJSC RusHydro (the Group's parent company), ESC RusHydro subgroup, RAO ES East subgroup and other segments (Note 3). Transactions of other segments are not disclosed as reportable segments based on quantitative indicators for the periods presented.

Management of operating activities of the segments is performed with direct participation of individual segment managers accountable to the CODM. Segment managers on a regular basis submit for approval to the CODM results of operating activities and financial performance of the segments. The CODM approves the annual business plan at the level of reportable segments as well as analyses actual financial performance of segments. Segment management bears responsibility for execution of the approved plan and management of operating activities at the level of segments.

The segments' operational results are estimated on the basis of EBITDA, which is calculated as operating profit/loss excluding insurance compensation, depreciation of property, plant and equipment and amortization of intangible assets, impairment of property, plant and equipment, impairment of accounts receivable, profit/loss on disposal of property, plant and equipment, profit/loss on disposal of subsidiaries, and other non-monetary items of operating income and expenses. This method of definition of EBITDA may differ from the methods applied by other companies. Management believes that EBITDA represents the most useful means of assessing the performance of the Group's operating segments, as it reflects the earnings trends excluding the impact of the charges listed above.

Segment information also contains capital expenditures and the amounts of borrowings as these indicators are analysed by the CODM. Intersegment borrowings balances are excluded.

All information provided to the CODM is consistent with the information presented in the consolidated financial statements as at and for the year ended 31 December 2016.

Intersegment sales are carried out at market prices.

Segment information for the three and nine months ended 30 September 2017 and 30 September 2016 and as at 30 September 2017 and 31 December 2016 is presented below.



	PJSC RusHydro	ESC RusHydro subgroup	RAO ES East subgroup	Other segments	Total segments	Unallocated adjustments and intercompany operations	TOTAL
<b>Nine months ended 30 September 2017</b>							
<b>Revenue</b>	<b>89,363</b>	<b>44,014</b>	<b>117,426</b>	<b>18,180</b>	<b>268,983</b>	<b>(20,379)</b>	<b>248,604</b>
<i>including:</i>							
<i>from external companies</i>	82,761	44,001	117,185	4,657	248,604	-	248,604
<i>sales of electricity</i>	58,012	43,187	72,953	666	174,818	-	174,818
<i>sales of capacity</i>	24,539	-	4,982	242	29,763	-	29,763
<i>sales of heat and hot water</i>	97	-	25,356	-	25,453	-	25,453
<i>other revenue</i>	113	814	13,894	3,749	18,570	-	18,570
<i>from intercompany operations</i>	6,602	13	241	13,523	20,379	(20,379)	-
Government grants	-	-	20,063	75	20,138	-	20,138
Other operating income (excluding non-monetary items)	259	-	-	431	690	-	690
Operating expenses (excluding depreciation and other non-monetary items)	(30,869)	(42,747)	(127,798)	(16,775)	(218,189)	20,362	(198,827)
<b>EBITDA</b>	<b>58,753</b>	<b>1,267</b>	<b>9,691</b>	<b>1,911</b>	<b>71,622</b>	<b>(17)</b>	<b>71,605</b>
Depreciation of property, plant and equipment and amortization of intangible assets	(10,908)	(112)	(5,920)	(1,584)	(18,524)	149	(18,375)
Other non-monetary items of operating income and expenses	(2,322)	(444)	(2,050)	(189)	(5,005)	-	(5,005)
<i>including:</i>							
<i>impairment of property, plant and equipment</i>	(1,188)	-	(823)	(29)	(2,040)	-	(2,040)
<i>impairment of accounts receivable, net</i>	(1,058)	(440)	(1,314)	(137)	(2,949)	-	(2,949)
<i>(loss) / profit on disposal of property, plant and equipment, net</i>	(126)	(14)	87	(23)	(76)	-	(76)
<i>profit on disposal of subsidiaries, net</i>	50	10	-	-	60	-	60
<b>Operating profit</b>	<b>45,523</b>	<b>711</b>	<b>1,721</b>	<b>138</b>	<b>48,093</b>	<b>132</b>	<b>48,225</b>
Finance income							6,770
Finance costs							(11,251)
Share of results of associates and joint ventures							176
<b>Profit before income tax</b>							<b>43,920</b>
Total income tax expense							(13,116)
<b>Profit for the period</b>							<b>30,804</b>
<b>Capital expenditure</b>	<b>14,571</b>	<b>56</b>	<b>15,339</b>	<b>23,660</b>	<b>53,626</b>	<b>1,893</b>	<b>55,519</b>
<b>30 September 2017</b>							
<b>Non-current and current debt</b>	<b>129,094</b>	<b>1,724</b>	<b>51,668</b>	<b>5,005</b>	<b>187,491</b>	<b>-</b>	<b>187,491</b>

**RusHydro Group**
**Notes to the Condensed Consolidated Interim Financial Information as at and for the three and nine months ended 30 September 2017 (unaudited)**

(in millions of Russian Rubles unless noted otherwise)



	PJSC RusHydro	ESC RusHydro subgroup	RAO ES East subgroup	Other segments	Total segments	Unallocated adjustments and intercompany operations	TOTAL
<b>Nine months ended 30 September 2016</b>							
<b>Revenue</b>	<b>86,770</b>	<b>64,946</b>	<b>121,021</b>	<b>17,804</b>	<b>290,541</b>	<b>(21,897)</b>	<b>268,644</b>
<i>including:</i>							
<i>from external companies</i>	79,109	64,921	120,392	4,222	268,644	-	268,644
<i>sales of electricity</i>	57,723	64,101	75,916	460	198,200	-	198,200
<i>sales of capacity</i>	20,780	-	6,077	320	27,177	-	27,177
<i>sales of heat and hot water</i>	105	-	25,583	-	25,688	-	25,688
<i>other revenue</i>	501	820	12,816	3,442	17,579	-	17,579
<i>from intercompany operations</i>	7,661	25	629	13,582	21,897	(21,897)	-
Government grants	-	-	10,164	50	10,214	-	10,214
Other operating income (excluding non-monetary items)	4	1	81	310	396	-	396
Operating expenses (excluding depreciation and other non-monetary items)	(28,969)	(62,817)	(120,931)	(18,195)	(230,912)	22,103	(208,809)
<b>EBITDA</b>	<b>57,805</b>	<b>2,130</b>	<b>10,335</b>	<b>(31)</b>	<b>70,239</b>	<b>206</b>	<b>70,445</b>
Insurance indemnity	-	-	-	1,736	1,736	-	1,736
Depreciation of property, plant and equipment and amortization of intangible assets	(10,285)	(597)	(5,882)	(1,646)	(18,410)	176	(18,234)
Other non-monetary items of operating income and expenses	(3,245)	(1,295)	(2,498)	(96)	(7,134)	(4)	(7,138)
<i>including:</i>							
<i>impairment of property, plant and equipment</i>	(1,806)	-	(1,177)	-	(2,983)	-	(2,983)
<i>impairment of accounts receivable, net</i>	(1,343)	(1,285)	(1,604)	(12)	(4,244)	-	(4,244)
<i>loss on disposal of property, plant and equipment, net</i>	(96)	(10)	(117)	(84)	(307)	-	(307)
<i>profit / (loss) on disposal of subsidiaries and joint venture, net</i>	-	-	400	-	400	(4)	396
<b>Operating profit / (loss)</b>	<b>44,275</b>	<b>238</b>	<b>1,955</b>	<b>(37)</b>	<b>46,431</b>	<b>378</b>	<b>46,809</b>
Finance income							7,237
Finance costs							(6,137)
Share of results of associates and joint ventures							928
<b>Profit before income tax</b>							<b>48,837</b>
Total income tax expense							(11,437)
<b>Profit for the period</b>							<b>37,400</b>
<b>Capital expenditure</b>	<b>16,615</b>	<b>66</b>	<b>14,324</b>	<b>18,823</b>	<b>49,828</b>	<b>3,863</b>	<b>53,691</b>
<b>31 December 2016</b>							
<b>Non-current and current debt</b>	<b>107,274</b>	<b>550</b>	<b>86,912</b>	<b>5,067</b>	<b>199,803</b>	<b>-</b>	<b>199,803</b>



	PJSC RusHydro	ESC RusHydro subgroup	RAO ES East subgroup	Other segments	Total segments	Unallocated adjustments and intercompany operations	TOTAL
<b>Three months ended 30 September 2017</b>							
<b>Revenue</b>	<b>31,144</b>	<b>13,575</b>	<b>23,574</b>	<b>6,960</b>	<b>75,253</b>	<b>(7,515)</b>	<b>67,738</b>
<i>including:</i>							
<i>from external companies</i>	28,877	13,570	23,511	1,780	67,738	-	67,738
<i>sales of electricity</i>	21,037	13,292	13,554	227	48,110	-	48,110
<i>sales of capacity</i>	7,782	-	2,051	90	9,923	-	9,923
<i>sales of heat and hot water</i>	14	-	2,772	-	2,786	-	2,786
<i>other revenue</i>	44	278	5,134	1,463	6,919	-	6,919
<i>from intercompany operations</i>	2,267	5	63	5,180	7,515	(7,515)	-
Government grants	-	-	13,306	44	13,350	-	13,350
Other operating income (excluding non-monetary items)	259	-	-	431	690	-	690
Operating expenses (excluding depreciation and other non-monetary items)	(11,158)	(13,185)	(38,468)	(6,308)	(69,119)	7,399	(61,720)
<b>EBITDA</b>	<b>20,245</b>	<b>390</b>	<b>(1,588)</b>	<b>1,127</b>	<b>20,174</b>	<b>(116)</b>	<b>20,058</b>
Depreciation of property, plant and equipment and amortization of intangible assets	(4,344)	(41)	(1,963)	(659)	(7,007)	40	(6,967)
Other non-monetary items of operating income and expenses	(354)	(424)	(161)	30	(909)	2	(907)
<i>including:</i>							
<i>(impairment) / reversal of property, plant and equipment</i>	(345)	-	(525)	74	(796)	-	(796)
<i>(impairment) / reversal of accounts receivable, net</i>	(76)	(431)	228	(37)	(316)	-	(316)
<i>profit / (loss) on disposal of property, plant and equipment, net</i>	17	(5)	136	(7)	141	2	143
<i>profit on disposal of subsidiaries, net</i>	50	12	-	-	62	-	62
<b>Operating profit / (loss)</b>	<b>15,547</b>	<b>(75)</b>	<b>(3,712)</b>	<b>498</b>	<b>12,258</b>	<b>(74)</b>	<b>12,184</b>
Finance income							1,574
Finance costs							(754)
Share of results of associates and joint ventures							27
<b>Profit before income tax</b>							<b>13,031</b>
Total income tax expense							(4,530)
<b>Profit for the period</b>							<b>8,501</b>
<b>Capital expenditure</b>	<b>5,082</b>	<b>31</b>	<b>7,204</b>	<b>7,573</b>	<b>19,890</b>	<b>1,000</b>	<b>20,890</b>



	PJSC RusHydro	ESC RusHydro subgroup	RAO ES East subgroup	Other segments	Total segments	Unallocated adjustments and intercompany operations	TOTAL
<b>Three months ended 30 September 2016</b>							
<b>Revenue</b>	<b>29,556</b>	<b>19,426</b>	<b>33,073</b>	<b>6,782</b>	<b>88,837</b>	<b>(8,054)</b>	<b>80,783</b>
<i>including:</i>							
<i>from external companies</i>	27,110	19,417	32,599	1,657	80,783	-	80,783
<i>sales of electricity</i>	20,079	19,150	21,697	158	61,084	-	61,084
<i>sales of capacity</i>	6,871	-	2,970	113	9,954	-	9,954
<i>sales of heat and hot water</i>	12	-	2,857	-	2,869	-	2,869
<i>other revenue</i>	148	267	5,075	1,386	6,876	-	6,876
<i>from intercompany operations</i>	2,446	9	474	5,125	8,054	(8,054)	-
Government grants	-	-	3,723	12	3,735	-	3,735
Other operating income (excluding non-monetary items)	4	-	68	5	77	-	77
Operating expenses (excluding depreciation and other non-monetary items)	(10,032)	(18,870)	(35,069)	(6,260)	(70,231)	8,061	(62,170)
<b>EBITDA</b>	<b>19,528</b>	<b>556</b>	<b>1,795</b>	<b>539</b>	<b>22,418</b>	<b>7</b>	<b>22,425</b>
Depreciation of property, plant and equipment and amortization of intangible assets	(3,604)	(194)	(1,890)	(545)	(6,233)	60	(6,173)
Other non-monetary items of operating income and expenses	(1,105)	(384)	(423)	(72)	(1,984)	(1)	(1,985)
<i>including:</i>							
<i>impairment of property, plant and equipment</i>	(408)	-	(696)	-	(1,104)	-	(1,104)
<i>impairment of accounts receivable, net</i>	(557)	(383)	(167)	7	(1,100)	-	(1,100)
<i>(loss) / profit on disposal of property, plant and equipment, net</i>	(140)	(1)	34	(79)	(186)	(1)	(187)
<i>profit on disposal of subsidiaries, net</i>	-	-	406	-	406	-	406
<b>Operating profit / (loss)</b>	<b>14,819</b>	<b>(22)</b>	<b>(518)</b>	<b>(78)</b>	<b>14,201</b>	<b>66</b>	<b>14,267</b>
Finance income							1,718
Finance costs							(1,823)
Share of results of associates and joint ventures							370
<b>Profit before income tax</b>							<b>14,532</b>
Total income tax expense							(2,607)
<b>Profit for the period</b>							<b>11,925</b>
<b>Capital expenditure</b>	<b>4,144</b>	<b>49</b>	<b>6,041</b>	<b>6,342</b>	<b>16,576</b>	<b>2,484</b>	<b>19,060</b>





**Note 5. Related party transactions**

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Transactions with the Group's related parties for the nine months ended 30 September 2017 and 30 September 2016 and as at 30 September 2017 and 31 December 2016 mainly included transactions with associates and joint ventures of the Group, as well as with government-related entities.

**Joint ventures**

The Group had the following balances with its joint ventures:

	<b>30 September 2017</b>	<b>31 December 2016</b>
Long-term promissory notes	6,721	6,269
Advances to suppliers	3	800
Loans issued	15	15
Loans received	750	750

The Group had the following transactions with its joint ventures:

	<b>Nine months ended 30 September</b>		<b>Three months ended 30 September</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Sales of electricity and capacity	248	878	78	66
Other revenue	421	292	131	131
Purchased electricity and capacity	2,031	2,039	591	576

The Group also issued guarantees for liabilities of its joint ventures (Note 25).

**Associates**

The Group had the following balances with its associates:

	<b>30 September 2017</b>	<b>31 December 2016</b>
Trade and other receivables	262	491
Trade payables	1,148	781

The Group had the following transactions with its associates:

	<b>Nine months ended 30 September</b>		<b>Three months ended 30 September</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Sales of electricity and capacity	1,777	1,742	234	275
Other revenue	81	91	14	21
Rent	447	368	149	123
Purchased electricity and capacity	10	13	-	2





### **Government-related entities**

In the normal course of business the Group enters into transactions with the entities controlled by the Government.

The Group had transactions during the three and nine months ended 30 September 2017 and 30 September 2016 and balances outstanding as at 30 September 2017 and 31 December 2016 with a number of government-related banks. All transactions with the banks are carried out on market terms. The Company entered into a non-deliverable forward transaction for own shares with PJSC Bank VTB (Note 15).

The Group's sales of electricity, capacity and heat to government-related entities comprised approximately 30 percent of the total sales of electricity, capacity and heat for the three and nine months ended 30 September 2017 (for the three and nine months ended 30 September 2016: approximately 30 percent). Sales of electricity and capacity under the regulated contracts are made directly to the consumers, within the day-ahead market (DAM) – through commission agreements with JSC Centre of Financial Settlements (hereinafter referred to as "CFS"). Electricity and capacity supply tariffs under the regulated contracts and electricity and heating supply tariffs in the non-pricing zone of the Far East are approved by FTS and by regional regulatory authorities of the Russian Federation. At the DAM, the price is determined by balancing the demand and supply and such price is applied to all market participants.

During the nine months ended 30 September 2017, the Group received government subsidies of RR 20,138 million (for the nine months ended 30 September 2016: RR 10,214 million). During the three months ended 30 September 2017, the Group received government subsidies of RR 13,350 million (for the three months ended 30 September 2016: RR 3,735 million) (Note 20).

Government subsidies receivable comprised RR 5,190 million as at 30 September 2017 (31 December 2016: RR 2,108 million) (Note 9). Accounts payable on free-of-charge targeted contributions of the Group comprised RR 4,799 million as at 30 September 2017 (31 December 2016: no accounts payable on free-of-charge targeted contributions) (Note 17).

The Group's purchases of electricity, capacity and fuel from government-related entities comprised approximately 30 percent of the total expenses on purchased electricity, capacity and fuel for the three and nine months ended 30 September 2017 (for the three and nine months ended 30 September 2016: approximately 20 percent).

Electricity distribution services provided to the Group by government-related entities comprised approximately 80 percent of the total electricity distribution expenses for the three and nine months ended 30 September 2017 (for the three and nine months ended 30 September 2016: approximately 70 percent). The distribution of electricity is subject to tariff regulations.

**Key management of the Group.** Key management of the Group includes members of the Board of Directors of the Company, members of the Management Board of the Company, heads of the business subdivisions of the Company and their deputies, key management of subsidiaries of RAO ES East subgroup segment.

Remuneration to the members of the Board of Directors of the Company for their services in this capacity and for attending Board meetings is paid depending on the results for the year and is calculated based on the remuneration policy approved by the Annual General Shareholders Meeting of the Company.

Remuneration to the members of the Management Board and to other key management of the Group is paid for their services in full time management positions and is made up of a contractual salary and performance bonuses depending on the results of the work for the period based on key performance indicators approved by the Board of Directors of the Company.

The compensation for key management is mostly short-term except for the accruals for future payments under pension plans with defined benefits. Pension benefits for key management of the Group are provided on the same terms as for the rest of employees.

Short-term remuneration paid to the key management of the Group for the nine months ended 30 September 2017 comprised RR 1,137 million (for the nine months ended 30 September 2016: RR 956 million). Short-term remuneration paid to the key management of the Group for the three months ended 30 September 2017 comprised RR 379 million (for the three months ended 30 September 2016: RR 342 million).



**Note 6. Property, plant and equipment**

Revalued amount / cost	Buildings	Facilities	Plant and equipment	Assets under construction	Other	Total
<b>Balance as at 31 December 2016</b>	<b>91,324</b>	<b>407,267</b>	<b>311,929</b>	<b>292,889</b>	<b>14,286</b>	<b>1,117,695</b>
Reclassification	687	4,637	(5,470)	245	(99)	-
Additions	19	25	1,007	53,776	692	55,519
Reclassification to assets of disposal group classified as held for sale	(272)	(87)	(176)	(27)	(127)	(689)
Transfers	366	2,459	21,536	(24,381)	20	-
Disposals and write-offs	(123)	(178)	(728)	(286)	(338)	(1,653)
<b>Balance as at 30 September 2017</b>	<b>92,001</b>	<b>414,123</b>	<b>328,098</b>	<b>322,216</b>	<b>14,434</b>	<b>1,170,872</b>
<b>Accumulated depreciation (including impairment)</b>						
<b>Balance as at 31 December 2016</b>	<b>(35,459)</b>	<b>(143,461)</b>	<b>(133,736)</b>	<b>(32,224)</b>	<b>(7,768)</b>	<b>(352,648)</b>
Impairment charge	(38)	(121)	(286)	(1,592)	(3)	(2,040)
Charge for the period	(1,496)	(6,454)	(9,844)	-	(848)	(18,642)
Reclassification to assets of disposal group classified as held for sale	267	86	167	6	85	611
Transfers	(164)	(2,744)	1,325	1,723	(140)	-
Disposals and write-offs	42	90	538	72	158	900
<b>Balance as at 30 September 2017</b>	<b>(36,848)</b>	<b>(152,604)</b>	<b>(141,836)</b>	<b>(32,015)</b>	<b>(8,516)</b>	<b>(371,819)</b>
<b>Net book value as at 30 September 2017</b>	<b>55,153</b>	<b>261,519</b>	<b>186,262</b>	<b>290,201</b>	<b>5,918</b>	<b>799,053</b>
<b>Net book value as at 31 December 2016</b>	<b>55,865</b>	<b>263,806</b>	<b>178,193</b>	<b>260,665</b>	<b>6,518</b>	<b>765,047</b>
<b>Revalued amount / cost</b>						
<b>Balance as at 31 December 2015</b>	<b>83,887</b>	<b>398,693</b>	<b>268,513</b>	<b>285,292</b>	<b>13,646</b>	<b>1,050,031</b>
Reclassification	(29)	(23)	(2,476)	2,624	(96)	-
Additions	11	8	1,047	52,103	522	53,691
Reclassification to assets of disposal group classified as held for sale	(158)	(4)	(229)	(3)	(82)	(476)
Transfers	617	2,973	24,484	(28,191)	117	-
Disposals of subsidiaries	(194)	(125)	(223)	(29)	(51)	(622)
Disposals and write-offs	(66)	(210)	(3,628)	(830)	(311)	(5,045)
<b>Balance as at 30 September 2016</b>	<b>84,068</b>	<b>401,312</b>	<b>287,488</b>	<b>310,966</b>	<b>13,745</b>	<b>1,097,579</b>
<b>Accumulated depreciation (including impairment)</b>						
<b>Balance as at 31 December 2015</b>	<b>(31,803)</b>	<b>(131,656)</b>	<b>(105,881)</b>	<b>(29,192)</b>	<b>(6,914)</b>	<b>(305,446)</b>
Impairment charge	(98)	(318)	(316)	(2,243)	(8)	(2,983)
Charge for the period	(1,566)	(6,332)	(9,399)	-	(922)	(18,219)
Reclassification to assets of disposal group classified as held for sale	21	1	147	-	45	214
Transfers	(275)	(189)	(817)	1,291	(10)	-
Disposals of subsidiaries	25	52	191	28	48	344
Disposals and write-offs	18	38	2,256	122	257	2,691
<b>Balance as at 30 September 2016</b>	<b>(33,678)</b>	<b>(138,404)</b>	<b>(113,819)</b>	<b>(29,994)</b>	<b>(7,504)</b>	<b>(323,399)</b>
<b>Net book value as at 30 September 2016</b>	<b>50,390</b>	<b>262,908</b>	<b>173,669</b>	<b>280,972</b>	<b>6,241</b>	<b>774,180</b>
<b>Net book value as at 31 December 2015</b>	<b>52,084</b>	<b>267,037</b>	<b>162,632</b>	<b>256,100</b>	<b>6,732</b>	<b>744,585</b>

As at 30 September 2017 the net book value of the property, plant and equipment includes office buildings and plots of land owned by the Group in the amount of RR 7,486 million (31 December 2016: RR 7,745 million) which are stated at cost excluding of accumulated depreciation and impairment.

Assets under construction represent the expenditures for property, plant and equipment that are being constructed, including power plants under construction, as well as advances to construction companies and suppliers of equipment. As at 30 September 2017 such advances amounted to RR 40,572 million (31 December 2016: RR 47,105 million).

**RusHydro Group**  
**Notes to the Condensed Consolidated Interim Financial Information**  
**as at and for the three and nine months ended 30 September 2017 (unaudited)**



(in millions of Russian Rubles unless noted otherwise)

Additions to assets under construction include capitalised borrowing costs in the amount of RR 8,760 million, the capitalisation rate was 9.37 percent (for the nine months ended 30 September 2016: RR 10,989 million, the capitalisation rate was 10.54 percent).

Additions to assets under construction include capitalised depreciation in the amount of RR 603 million (for the nine months ended 30 September 2016: RR 745 million).

**Impairment.** Management of the Group considered the market and economic environment in which the Group operates as well as other external and internal factors to assess whether any indicators of property, plant and equipment being impaired existed, or that an impairment loss recognised in prior periods may no longer exist or may have decreased. At the reporting date, no indicators of significant changes of management's assumptions used to determine the recoverable amounts of cash-generating units as at 31 December 2016 were identified as a result of this analysis.

Based on the same assumptions, the Group recognised an impairment loss in the amount of RR 2,040 million for the nine months ended 30 September 2017 in respect of additions of property, plant and equipment related to cash-generating units impaired in previous periods (for the nine months ended 30 September 2016: RR 2,983 million) For the three months ended 30 September 2017, the impairment loss was RR 796 million (for the three months ended 30 September 2016: RR 1,104 million).

**Note 7. Other non-current assets**

	<b>30 September 2017</b>	<b>31 December 2016</b>
Long-term promissory notes	39,052	38,931
Discount	(15,791)	(16,415)
Impairment provision	(14,025)	(14,025)
Long-term promissory notes, net	9,236	8,491
Long-term advances to suppliers	3,927	3,173
VAT recoverable	2,166	2,036
Goodwill	481	481
Other non-current assets	7,123	7,666
<b>Total other non-current assets</b>	<b>22,933</b>	<b>21,847</b>

**Note 8. Cash and cash equivalents**

	<b>30 September 2017</b>	<b>31 December 2016</b>
Cash equivalents	67,706	52,594
Cash at bank	16,147	14,738
Cash in hand	24	22
<b>Total cash and cash equivalents</b>	<b>83,877</b>	<b>67,354</b>

Cash equivalents held as at 30 September 2017 and 31 December 2016 comprised short-term bank deposits with original contractual maturities of three months or less.

As at 30 September 2017 the line "Cash and cash equivalents" in the Condensed Consolidated Interim Statement of Cash Flows included RR 5 million of cash and cash equivalents held by JSC SK Agroenergo classified as a disposal group held for sale.



**Note 9. Accounts receivable and prepayments**

	<b>30 September 2017</b>	<b>31 December 2016</b>
Trade receivables	61,243	56,647
Provision for impairment of trade receivables	(25,785)	(23,900)
<b>Trade receivables, net</b>	<b>35,458</b>	<b>32,747</b>
<b>VAT recoverable</b>	<b>9,798</b>	<b>7,329</b>
Advances to suppliers and other prepayments	3,146	2,617
Provision for impairment of advances to suppliers and other prepayments	(631)	(629)
<b>Advances to suppliers and other prepayments, net</b>	<b>2,515</b>	<b>1,988</b>
Other receivables	7,003	6,666
Provision for impairment of other receivables	(4,185)	(3,762)
<b>Other receivables, net</b>	<b>2,818</b>	<b>2,904</b>
Government grants receivables	5,190	2,108
<b>Total accounts receivable and prepayments</b>	<b>55,779</b>	<b>47,076</b>

As at 30 September 2017 and 31 December 2016 the Group does not hold any accounts receivable pledged as collateral for borrowings.

Included in accounts receivable are government subsidies receivable from the constituent budgets of the Far East Federal region including those for compensation of the tariffs reduction under Resolution of the Russian Government No. 895 as at 30 September 2017 (Note 2).

**Note 10. Inventories**

	<b>30 September 2017</b>	<b>31 December 2016</b>
Fuel	18,623	14,825
Materials and supplies	7,568	6,402
Spare parts	2,659	2,539
Other materials	413	565
<b>Total inventories before impairment</b>	<b>29,263</b>	<b>24,331</b>
<b>Impairment of inventories</b>	<b>(284)</b>	<b>(294)</b>
<b>Total inventories</b>	<b>28,979</b>	<b>24,037</b>

There are no inventories pledged as collateral for borrowings as at 30 September 2017 and as at 31 December 2016.

**Note 11. Other current assets**

	<b>30 September 2017</b>	<b>31 December 2016</b>
<b>Special funds</b>	<b>2,396</b>	<b>3,507</b>
<b>Deposits</b>	<b>6,700</b>	<b>4,292</b>
<b>Restricted cash</b>	<b>-</b>	<b>826</b>
Loans issued	2,587	2,808
Provision for loans issued	(2,441)	(2,498)
<b>Loans issued, net</b>	<b>146</b>	<b>310</b>
<b>Other short-term investments</b>	<b>116</b>	<b>162</b>
<b>Total other current assets</b>	<b>9,358</b>	<b>9,097</b>

As at 30 September 2017 the balance of special funds in the amount of RR 2,396 million received by the Group to fund construction of generating facilities, is placed to the special accounts of the Federal Treasury of Russia (as at 31 December 2016: RR 3,507 million). These special funds may be used by the Group only upon approval by the Federal Treasury of Russia according to the procedure prescribed by the Order of the Ministry of Finance of the Russian Federation No. 213n dated 25 December 2015.



**Note 12. Equity**

	<b>Number of issued ordinary shares (Par value of RR 1.00)</b>
As at 30 September 2017	426,288,813,551
As at 31 December 2016	386,255,464,890
As at 30 September 2016	386,255,464,890
As at 31 December 2015	386,255,464,890

**Additional share issue 2016–2017.** On 22 November 2016, the Board of Directors of the Company adopted a resolution to make a placement of 40,429,000,000 ordinary shares by open subscription. The placement price of the additional shares was determined at RR 1.00 per share. On 7 December 2016, the share issue was registered with the Bank of Russia.

In January 2017, as a result of certain shareholders exercising their pre-emptive right, the Company placed 33,348,661 additional shares, which were paid in December 2016.

In March 2017, PJSC Bank VTB purchased 40,000,000,000 additional shares under the agreement related to the purchase of 55 billion ordinary shares of the Company for a total amount of RR 55 billion (Note 2). The other 15 billion shares of quasi-treasury stock were sold to the bank by the Group's subsidiaries. The full amount of cash received by the Group was used to repay the debts of RAO ES East subgroup.

On 11 May 2017, the placement of ordinary shares of the Company under the additional share issue 2016–2017 was completed.

On 5 June 2017, the results of the additional share issue were registered. 40,033,348,661 shares were placed as a result of the additional issue, which represents 99.02 percent of the additional issue's total number of shares registered. The shares issued were fully paid for in cash.

**Treasury shares.** As at 30 September 2017, treasury shares were represented by 3,852,280,316 ordinary shares in the amount of RR 4,613 million (31 December 2016: 18,852,353,167 ordinary shares in the amount of RR 22,578 million).

In March 2017, 15,000,000,000 treasury shares were sold to PJSC Bank VTB at the price of RR 1,00 per share in accordance with the agreement described above. Weighted average cost of these treasury shares was RR 17,965 million; the loss on disposal of RR 2,965 million was accounted for within equity.

**Voluntary and obligatory offers to purchase shares of PJSC RAO ES East.** During the nine months ended 30 September 2016, the shareholders of PJSC RAO ES East that accepted the terms of the voluntary offer, transferred 4,715,738,904 ordinary shares and 346,195,762 preference shares of PJSC RAO ES East to LLC Vostok-Finance for a cash consideration of RR 34 million and in exchange for 2,934,258,766 shares of the Company in the amount of RR 3,514 million. Under the obligatory offer to purchase shares, LLC Vostok-Finance repurchased 887,217,472 ordinary shares and 312,687,580 preference shares of PJSC RAO ES East for a cash consideration of RR 380 million.

**Effect of changes in non-controlling interest of subsidiaries.** During the nine months ended 30 September 2016, as a result of the voluntary and obligatory offers to purchase shares of PJSC RAO ES East as described above, non-controlling interest decreased by RR 6,694 million and retained earnings of the Group increased by RR 4,872 million as a result of the treasury shares disposal, decrease in non-controlling interest and derecognition of the remaining obligation to purchase shares after they were partly purchased for cash.

**Dividends.** On 26 June 2017, the Company declared dividends for the year ended 31 December 2016 of RR 0.0466 per share in the total amount of RR 19,876 million (RR 19,696 million excluding dividends to subsidiaries). On 27 June 2016, the Company declared dividends for the year ended 31 December 2015 of RR 0.0389 per share in the total amount of RR 15,011 million (RR 14,278 million excluding dividends to subsidiaries).

Declared dividends of the Group's subsidiaries in favour of non-controlling interest holders amounted to RR 127 million for the nine months ended 30 September 2017 (for the nine months ended 30 September 2016: RR 242 million).





**Note 13. Income tax**

Income tax expense is recognised based on the management's best estimate as of the reporting date of the weighted average annual income tax rate expected for the full financial year. The tax effect of the exceptional, one-off items has not been included in the estimation of the weighted average annual income tax rate. The estimated average annual effective income tax rate used for the nine months ended 30 September 2017, was 30 percent (for the nine months ended 30 September 2016: 24 percent).

	Nine months ended 30 September		Three months ended 30 September	
	2017	2016	2017	2016
Current income tax expense	9,692	8,877	3,349	2,200
Deferred income tax expense	3,424	2,560	1,181	407
<b>Total income tax expense</b>	<b>13,116</b>	<b>11,437</b>	<b>4,530</b>	<b>2,607</b>

**Note 14. Current and non-current debt**

*Non-current debt*

	Due date	30 September 2017	31 December 2016
PJSC Sberbank	2017–2028	51,919	56,491
Russian bonds (PJSC RusHydro) issued in February 2013	2018*	20,222	20,645
Eurobonds (RusHydro Capital Markets DAC)	2022	19,816	-
Russian bonds (PJSC RusHydro) issued in April 2016	2019	15,742	15,347
Russian bonds (PJSC RusHydro) issued in July 2015	2018	15,419	15,857
Russian bonds (PJSC RusHydro) issued in April 2015	2017*	10,541	10,222
Russian bonds (PJSC RusHydro) issued in June 2017	2020	10,217	-
PJSC Bank VTB	2017–2019	7,867	29,516
UniCredit Bank Austria AG	2017–2026	5,072	5,242
Municipal authority of Kamchatka region	2017–2034	1,660	1,561
PJSC ROSBANK	2017–2019	1,630	8,136
Bank GPB (JSC)	2017–2027	1,624	6,171
EBRD	2017–2027	1,350	4,791
ASIAN Development bank	2017–2026	1,311	1,474
Russian bonds (PJSC RusHydro) issued in April 2011	2021**	256	250
Crédit Agricole Corporate and Investment Bank Deutschland	-	-	4,920
Other non-current debt	-	927	1,776
Finance lease liabilities	-	1,650	1,973
<b>Total</b>		<b>167,223</b>	<b>184,372</b>
Less current portion of non-current debt		(43,957)	(25,758)
Less current portion of finance lease liabilities		(317)	(568)
<b>Total non-current debt</b>		<b>122,949</b>	<b>158,046</b>

\* The bonds mature in 10 years with a put option to redeem them in 2018 and 2017 respectively.

\*\* In April 2016, holders of the bonds issued in April 2011 partly redeemed the bonds under the put option. The rest of the bonds with nominal amount of RR 250 million will mature in 2021.

**Bonds issue.** In June 2017 the Group placed non-convertible interest bearing market bonds of series BO-P05 with a nominal amount of RR 10,000 million. The term of the bonds is 3 years, the coupon rate is 8.2 percent per annum.

**Eurobond issue.** In September 2017 the Group placed eurobonds, issued by the special purpose company RusHydro Capital Markets DAC. The volume of the issue was RR 20,000 million. The term of the bonds is 5 years, the coupon rate is 8.125 percent per annum. VTB Capital, JP Morgan, Gazprombank and Sberbank CIB acted as joint lead managers of the issue. The placement and listing of the eurobonds took place on the Irish Stock Exchange under Reg S rule. Eurobonds could have been partly purchased by government-related entities.



*Current debt*

	<b>30 September 2017</b>	<b>31 December 2016</b>
PJSC Sberbank	12,408	5,854
PJSC ROSBANK	4,321	4,755
Bank GPB (JSC)	1,355	3,031
BANK ROSSIYA	1,185	550
LLC AlstomRusHydroEnergy	750	750
Bank RRDB (JSC)	208	150
Current portion of non-current debt	43,957	25,758
Current portion of finance lease liabilities	317	568
Other current debt	41	341
<b>Total current debt and current portion of non-current debt</b>	<b>64,542</b>	<b>41,757</b>
<i>Reference:</i>		
Interest payable	2,862	3,044

**Compliance with covenants.** The Group is subject to certain covenants related to its debt. As at 30 September 2017 and 31 December 2016, and also during the nine months ended 30 September 2017 the Group met all covenant clauses of the debt agreements.

**Note 15. Non-deliverable forward contract for shares**

In March 2017 the Company entered into a non-deliverable forward transaction for 55 billion shares with PJSC Bank VTB for 5 years.

According to the forward contract, the forward value is determined as the purchase consideration paid by the Bank for the shares plus the amount of quarterly payments made by the Company to the Bank. The amounts of these interim payments are determined using a certain formula that *inter alia* reduces the payments by the amounts equivalent to the dividends received by the Bank over the period of the forward contract.

The Bank is assumed to sell the Company's shares at the time of final settlement under the forward contract. The difference between the proceeds that the Bank will receive from the sale of these shares, and their forward value is subject to cash settlement between the Company and the Bank. Thus, if the forward value is higher than the consideration received for the shares by the Bank, the Company will reimburse the difference to the Bank and, vice versa, if the proceeds from the sale of shares exceed the forward value, the difference will be paid by the Bank to the Company. If, for any reason, the shares will not be sold by the Bank, they will continue to be held by the Bank. If this is the case, the amount of additional payment to be made when closing the forward transaction is calculated based on the quoted market price of the Company's shares.

Thus, the payments will be made upon expiry of the forward contract or earlier, if the Bank sells the shares held. The payment can be made both by the Company to the Bank or by the Bank to the Company, depending on the level of the market value of the Company's shares at the time of sale / expiry of the transaction term and their forward value.

Note 2 describes the key estimates and judgements made by the Group management in respect of recognition and recording of this derivative financial instrument.

At 30 September 2017, the liability under the forward contract is recorded as a long-term derivative financial instrument at fair value through profit or loss in the amount of RR 12,557 million. The fair value of the forward contract at the initial recognition of the instrument was RR 10,013 million and it was recorded within equity as the result of a shareholder transaction. Deferred tax asset was not recognised based on management's probability estimate of its recoverability. Subsequent changes in the fair value of the non-deliverable forward contract is recorded within profit or loss.

A reconciliation of movements in the fair value of forward contract for the nine months ended 30 September 2017 is as follows:

	<b>The fair value of the forward contract</b>
<b>As at the initial recognition date (as at 03 March 2017)</b>	<b>10,013</b>
Increase in the fair value of the non-deliverable forward contract (Note 22)	5,787
Interim payments	(3,243)
<b>As at 30 September 2017</b>	<b>12,557</b>



The table below includes key assumptions made to determine the forward contract's fair value using the Monte-Carlo model:

<b>Key assumptions made to assess the forward contract's fair value</b>	<b>As at 30 September 2017</b>	<b>At the instrument's initial recognition date (as at 03 March 2017)</b>
Expected term of the forward transaction	4.42 years	5 years
Market value of the share	RR 0.8531	RR 0.9752
CB RF key refinancing rate	8.50 percent	10.00 percent
Volatility of shares	34.87 percent	35.25 percent
Risk-free rate	7.62 percent	8.39 percent
Discount rate	8.05 percent	12.11 percent
Expected dividend yield	5.10 percent	5.10 percent

The sensitivity analysis of the fair value of the forward contract to the key assumptions is presented in Note 27.

**Note 16. Other non-current liabilities**

	<b>30 September 2017</b>	<b>31 December 2016</b>
Pension benefit obligations	8,924	8,804
Non-current advances received	7,180	4,176
Other non-current liabilities	6,610	5,746
<b>Total other non-current liabilities</b>	<b>22,714</b>	<b>18,726</b>

**Note 17. Accounts payable and accruals**

	<b>30 September 2017</b>	<b>31 December 2016</b>
Trade payables	31,831	31,451
Advances received	15,675	9,712
Settlements with personnel	6,589	8,245
Dividends payable	182	136
Accounts payable under factoring agreements	173	2,957
Accounts payable on free-of-charge targeted contributions (Note 2)	4,799	-
Other accounts payable	3,797	6,283
<b>Total accounts payable and accruals</b>	<b>63,046</b>	<b>58,784</b>

All accounts payable and accruals are denominated in Russian Rubles.

**Note 18. Other taxes payable**

	<b>30 September 2017</b>	<b>31 December 2016</b>
VAT	9,120	9,833
Insurance contributions	2,574	2,925
Property tax	2,163	1,941
Other taxes	563	558
<b>Total other taxes payable</b>	<b>14,420</b>	<b>15,257</b>

**Note 19. Revenue**

	<b>Nine months ended</b>		<b>Three months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Sales of electricity	174,818	198,200	48,110	61,084
Sales of capacity	29,763	27,177	9,923	9,954
Sales of heat and hot water	25,453	25,688	2,786	2,869
Other revenue	18,570	17,579	6,919	6,876
<b>Total revenue</b>	<b>248,604</b>	<b>268,644</b>	<b>67,738</b>	<b>80,783</b>

Other revenue includes revenue earned from transportation of electricity and heat, connections to the grid, rendering of construction, repair and other services.





(in millions of Russian Rubles unless noted otherwise)

**Note 20. Government grants**

In accordance with legislation of the Russian Federation, several companies of the Group are entitled to government subsidies for compensation of the difference between approved economically viable electricity and heat tariffs and actual reduced tariffs and for compensation of losses on purchased fuel, purchased electricity and capacity.

During the nine months ended 30 September 2017, the Group received government subsidies of RR 20,138 million (for the nine months ended 30 September 2016: RR 10,214 million). During the three months ended 30 September 2017, the Group received government subsidies of RR 13,350 million (for the three months ended 30 September 2016: RR 3,735 million). The subsidies were received in the following territories: Kamchatsky territory, Sakha Republic (Yakutiya), Magadan Region, Chukotka Autonomous Area and other Far East regions.

The total amount of government grants received by the Group's companies – guaranteeing suppliers, under the Resolution of the Russian Government No. 895 “On achievement of basic rates (tariffs) for electric power (capacity) in the territories of the Far East Federal region” (Note 2), for the nine months ended 30 September 2017 amounted to RR 10,648 million.

**Note 21. Operating expenses (excluding impairment losses)**

	Nine months ended 30 September		Three months ended 30 September	
	2017	2016	2017	2016
Employee benefit expenses (including payroll taxes and pension benefit expenses)	53,417	52,535	17,040	16,549
Fuel expenses	39,623	37,768	9,654	7,506
Electricity distribution expenses	30,871	33,435	9,630	10,835
Purchased electricity and capacity	29,386	41,698	9,480	12,333
Depreciation of property, plant and equipment and amortisation of intangible assets	18,375	18,234	6,967	6,173
Taxes other than on income	8,062	7,505	2,653	2,463
Other materials	7,090	6,401	2,780	2,883
Third parties services, including:				
Repairs and maintenance	3,107	3,036	1,583	1,498
Provision of functioning of electricity and capacity market	2,718	2,730	900	905
Security expenses	2,544	2,546	853	848
Purchase and transportation of heat	2,526	2,450	612	657
Consulting, legal and information expenses	1,567	1,343	414	550
Rent	1,544	1,565	510	528
Insurance cost	1,465	1,512	475	481
Services of subcontractors	1,254	1,466	606	539
Transportation expenses	911	887	277	98
Other third parties services	5,817	5,524	2,000	1,683
Water usage expenses	2,478	2,390	800	781
Social infrastructure costs	811	958	460	231
Travel expenses	614	561	254	214
Loss / (profit) on disposal of property, plant and equipment, net	76	307	(143)	187
Other expenses	1,962	2,103	677	182
<b>Total operating expenses (excluding impairment losses)</b>	<b>216,218</b>	<b>226,954</b>	<b>68,482</b>	<b>68,124</b>



**Note 22. Finance income, costs**

	Nine months ended 30 September		Three months ended 30 September	
	2017	2016	2017	2016
<i>Finance income</i>				
Interest income	5,600	5,370	1,544	1,600
Foreign exchange gains	596	1,425	6	-
Income on discounting	269	234	24	103
Other income	305	208	-	15
<b>Total finance income</b>	<b>6,770</b>	<b>7,237</b>	<b>1,574</b>	<b>1,718</b>
<i>Finance costs</i>				
Change of fair value of non-deliverable forward contract for shares (Note 15)	(5,787)	-	664	-
Interest expense	(3,027)	(4,574)	(826)	(1,499)
Foreign exchange losses	(1,130)	(418)	(81)	(50)
Expense on discounting	(215)	(216)	(37)	(6)
Finance lease expense	(171)	(237)	(55)	(72)
Other costs	(921)	(692)	(419)	(196)
<b>Total finance costs</b>	<b>(11,251)</b>	<b>(6,137)</b>	<b>(754)</b>	<b>(1,823)</b>

**Note 23. Earnings per share**

	Nine months ended 30 September		Three months ended 30 September	
	2017	2016	2017	2016
Weighted average number of ordinary shares issued (millions of shares)	395,989	367,050	422,436	367,403
Profit for the period attributable to the shareholders of PJSC RusHydro	32,589	39,077	10,537	12,363
<b>Earnings per share attributable to the shareholders of PJSC RusHydro – basic and diluted</b> (in Russian Rubles per share)	<b>0.0823</b>	<b>0.1065</b>	<b>0.0249</b>	<b>0.0337</b>

**Note 24. Capital commitments**

In accordance with investment programme of the Company approved in 2016 and separate investment programmes of subsidiaries, the Group has to invest RR 197,427 million for the period 2017–2019 for reconstruction of the existing and construction of new power plants (31 December 2016: RR 243,975 million).

Capital commitments of the Group as at 30 September 2017 are as follows: for 2017: RR 69,140 million, for 2018: RR 77,124 million, for 2019: RR 51,163 million.

Future capital expenditures are mainly related to reconstruction of equipment of hydropower plants: Votkinskaya HPP in the amount of RR 7,763 million, Zhigulevskaya HPP in the amount of RR 7,581 million, Volzhskaya HPP in the amount of RR 6,503 million; and to construction of power plants: Zaramagskie HPP in the amount of RR 19,278 million, Sakhalin GRES-2 in the amount of RR 14,728 million, Ust'-Srednekanskaya HPP in the amount of RR 8,579 million, Nizhne-Bureiskaya HPP in the amount of RR 8,449 million.

**Note 25. Contingencies**

**Social commitments.** The Group contributes to the maintenance and upkeep of the local infrastructure and the welfare of its employees, including contributions toward the development and maintenance of housing, hospitals, transport services and other social needs in the geographical areas in which it operates.

**Insurance.** The Group holds limited insurance policies in relation to its assets, operations, public liability or other insurable risks. Accordingly, the Group is exposed for those risks for which it does not have insurance.



**Legal proceedings.** The Group's subsidiaries are parties to certain legal proceedings arising in the ordinary course of business. In the opinion of management, there are no current legal proceedings or other claims outstanding, which, upon final disposition, will have a material adverse effect on the financial position and results of the Group.

**Tax contingencies.** Russian tax legislation which was enacted or substantively enacted at the end of the reporting period, is subject to varying interpretations when being applied to the transactions and activities of the Group. Consequently, tax positions taken by management may be challenged by tax authorities, in particular, the way of accounting for tax purposes of some income and expenses of the Group as well as deductibility of input VAT from suppliers and contractors. The impact of this course of events can not be assessed with sufficient reliability, but it can be significant in terms of the financial situation and / or the business of the Group. Russian tax administration is gradually strengthening, including the fact that there is a higher risk of review of tax transactions without a clear business purpose or with tax incompliant counterparties. Fiscal periods remain open to review by the authorities in respect of taxes for three calendar years preceding the year when decisions about the review was made. Under certain circumstances reviews may cover longer periods.

The Russian transfer pricing legislation is generally aligned with the international transfer pricing principles developed by the Organisation for Economic Cooperation and Development (OECD), although it has specific features. This legislation provides for the possibility of additional tax assessments for controlled transactions (transactions with related parties and certain transactions between unrelated parties) if such transactions are not on an arm's length basis.

During the nine months ended 30 September 2017, the Group's subsidiaries had controlled transactions and transactions which highly probably will be considered by tax authorities to be controlled based on the results of the period. Management has implemented internal controls to be in compliance with this transfer pricing legislation. In case of receipt of a request from tax authorities, the management of the Group will provide documentation meeting the requirements of Art. 105.15 of the Tax Code.

Tax liabilities arising from controlled transactions are determined based on their actual transaction prices. It is possible, with the evolution of the interpretation of the transfer pricing rules, that such transfer prices could be challenged. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the Group.

New provisions aimed at deoffshorisation of Russian economy have been added to the Russian tax legislation and are effective from 1 January 2015. Specifically, they introduce new rules for controlled foreign companies, a concept of beneficiary owner of income for the purposes of application of preferential provisions of taxation treaties of the Russian Federation, a concept of tax residency for foreign persons and taxation of indirect sale of Russian real estate assets.

The Group is currently assessing the effects of new tax rules on the Group's operations and takes necessary steps to comply with the new requirements of the Russian tax legislation. However, in view of the recent introduction of the above provisions and insufficient related administrative and court practice, at present the probability of claims from Russian tax authorities and probability of favourable outcome of tax disputes (if they arise) cannot be reliably estimated. Tax disputes (if any) may have an impact on the Group's financial position and results.

Management believes that as at 30 September 2017, its interpretation of the relevant legislation was appropriate and the Group's tax positions would be sustained.

**Environmental matters.** The Group's subsidiaries and their predecessor entities have operated in the utilities industry of the Russian Federation for many years. The enforcement of environmental regulation in the Russian Federation is evolving and the enforcement posture of government authorities is continually being reconsidered. The Group's subsidiaries periodically evaluate their obligations under environmental regulations. Group accrued assets retirement obligation for ash dumps used by the Group comprised RR 1,116 million as at 30 September 2017 (31 December 2016: RR 1,048 million).

Potential liabilities might arise as a result of changes in legislation and regulation or civil litigation. The impact of these potential changes cannot be estimated but could be material. In the current enforcement climate under existing legislation, management believes that there are no significant liabilities for environmental damage.

**RusHydro Group**  
**Notes to the Condensed Consolidated Interim Financial Information**  
**as at and for the three and nine months ended 30 September 2017 (unaudited)**



(in millions of Russian Rubles unless noted otherwise)

**Guarantees.** The Group has issued guarantees for CJSC Boguchansky Aluminium Plant in favour of its suppliers for future equipment deliveries and for PJSC Boguchanskaya HPP in favour of the State Corporation Vnesheconombank for the loan facility:

Counterparty	30 September 2017	31 December 2016
<i>for PJSC Boguchanskaya HPP:</i>		
State Corporation Vnesheconombank	26,132	26,749
<i>for CJSC Boguchansky Aluminium Plant:</i>		
ALSTOM Grid SAS	-	31
<b>Total guarantees issued</b>	<b>26,132</b>	<b>26,780</b>

Based on all the information available to the management, PJSC Boguchanskaya HPP performs and is able to perform in the foreseeable future its obligations under the loan agreement with the State Corporation Vnesheconombank, and the probability that the Group is required to settle these guarantees is not high.

**Note 26. Financial instruments and financial risk management**

**Financial risks.** The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk), credit risk and liquidity risk.

This Condensed Consolidated Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements; it should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2016.

There have been no changes in the Group's risk management policies during the nine months ended 30 September 2017.

**Presentation of financial instruments by measurement category.** The following table provides a reconciliation of classes of financial assets with the measurement categories of IAS 39 Financial instruments: Recognition and Measurement and information about the rest of special funds on the accounts of the Federal Treasury as at 30 September 2017 and 31 December 2016:

As at 30 September 2017	Loans and receivables	Available-for-sale financial assets	Total
<b>Assets</b>			
<b>Other non-current assets (Note 7)</b>	<b>9,636</b>	-	<b>9,636</b>
Promissory notes	9,236	-	9,236
Long-term loans issued	400	-	400
<b>Available-for-sale financial assets</b>	-	<b>20,479</b>	<b>20,479</b>
<b>Trade and other receivables (Note 9)</b>	<b>37,907</b>	-	<b>37,907</b>
Trade receivables	35,458	-	35,458
Other financial receivables	2,449	-	2,449
<b>Other current assets (Note 11)</b>	<b>9,242</b>	-	<b>9,242</b>
Special funds	2,396	-	2,396
Deposits	6,700	-	6,700
Short-term loans issued	146	-	146
<b>Cash and cash equivalents (Note 8)</b>	<b>83,877</b>	-	<b>83,877</b>
<b>Total financial assets</b>	<b>140,662</b>	<b>20,479</b>	<b>161,141</b>
<b>Non-financial assets</b>			<b>889,133</b>
Assets of disposal group classified as held for sale			311
<b>Total assets</b>			<b>1,050,585</b>

**RusHydro Group**  
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(in millions of Russian Rubles unless noted otherwise)



As at 31 December 2016	Loans and receivables	Available-for-sale financial assets	Total
<b>Assets</b>			
<b>Other non-current assets (Note 7)</b>	<b>8,838</b>	-	<b>8,838</b>
Promissory notes	8,491	-	8,491
Long-term loans issued	332	-	332
Net settled derivatives	15	-	15
<b>Available-for-sale financial assets</b>	<b>-</b>	<b>21,181</b>	<b>21,181</b>
<b>Trade and other receivables (Note 9)</b>	<b>35,268</b>	-	<b>35,268</b>
Trade receivables	32,747	-	37,747
Other financial receivables	2,521	-	2,521
<b>Other current assets (Note 11)</b>	<b>8,118</b>	-	<b>8,118</b>
Special funds	3,507	-	3,507
Deposits and promissory notes	4,292	-	4,292
Short-term loans issued	310	-	310
Net settled derivatives	9	-	9
<b>Cash and cash equivalents (Note 8)</b>	<b>67,354</b>	-	<b>67,354</b>
<b>Total financial assets</b>	<b>119,578</b>	<b>21,181</b>	<b>140,759</b>
<b>Non-financial assets</b>			<b>842,687</b>
<b>Total assets</b>			<b>983,446</b>

As at 30 September 2017 financial liabilities of the Group valued at fair value are represented by the non-deliverable forward contract for shares in the amount of RR 12,557 million (Note 15) (31 December 2016: there were no liabilities represented by a non-deliverable forward).

All other financial liabilities of the Group are carried at amortised cost and are represented mainly by the current and non-current debt (Note 14), trade payables, accounts payable under factoring agreements and other accounts payable (Note 17).

**Note 27. Fair value of assets and liabilities**

**a) Recurring fair value measurements**

Recurring fair value measurements are those that the accounting standards require or permit in the statement of financial position at the end of each reporting period.

The levels in the fair value hierarchy into which the recurring fair value measurements are categorized, are as follows:

30 September 2017	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Available-for-sale financial assets	20,015	-	464	<b>20,479</b>
<b>Non-financial assets</b>				
Property, plant and equipment (except for construction in progress, office buildings and land)	-	-	501,367	<b>501,367</b>
<b>Total assets recurring fair value measurements</b>	<b>20,015</b>	<b>-</b>	<b>501,831</b>	<b>521,846</b>
<b>Financial liabilities</b>				
Non-deliverable forward contract for shares	-	-	12,557	<b>12,557</b>
<b>Total liabilities recurring fair value measurements</b>	<b>-</b>	<b>-</b>	<b>12,557</b>	<b>12,557</b>
<b>31 December 2016</b>				
<b>Financial assets</b>				
Available-for-sale financial assets	20,619	-	562	<b>21,181</b>
<b>Non-financial assets</b>				
Property, plant and equipment (except for construction in progress, office buildings and land)	-	-	496,637	<b>496,637</b>
<b>Total assets recurring fair value measurements</b>	<b>20,619</b>	<b>-</b>	<b>497,199</b>	<b>517,818</b>

There were no changes in the valuation techniques, inputs and assumptions for recurring fair value measurements during the nine months ended 30 September 2017.



(in millions of Russian Rubles unless noted otherwise)

Fair value of available-for-sale financial assets mainly consists of the market value of PJSC Inter RAO shares. Profit or loss arising on available-for-sale financial assets recorded within other comprehensive income was mainly affected by the change in market quotes of this company's shares.

At 30 September 2017 the fair value of the forward contract in line "Non-deliverable forward contract for shares" is determined based on the Monte-Carlo model, taking into account adjustments and using unobservable inputs, and included in Level 3 of fair value hierarchy (Note 15).

The valuation of the Level 3 financial liability and the related sensitivity to reasonably possible changes in unobservable inputs are as follows at 30 September 2017:

	Fair value	Valuation technique	Significant unobservable inputs	Reasonable possible change	Sensitivity of fair value measurement
<b>Financial liability</b>					
Non-deliverable forward contract for shares	12,557	Monte-Carlo model	Dividend yield	3%	(340)
				7%	1,011

Based on management's estimate, the possible changes of unobservable inputs do not have a significant impact on the fair value of the non-deliverable forward contract.

The fair value estimate of the non-deliverable forward contract is significantly influenced by observable inputs, in particular, by the market value of the shares.

**b) Assets and liabilities not measured at fair value but for which fair value is disclosed**

**Financial assets carried at amortised cost.** The Group considers that the fair value of cash (Level 1 of the fair value hierarchy), cash equivalents and short-term deposits (Level 2 of the fair value hierarchy), short-term accounts receivable (Level 3 of the fair value hierarchy) approximates their carrying value. The fair value of long-term accounts receivable, other non-current and current assets is estimated based on future cash flows expected to be received including expected losses (Level 3 of the fair value hierarchy); the fair value of these assets approximates their carrying value.

**Liabilities carried at amortised cost.** The fair value of floating rate liabilities approximates their carrying value. The fair value of bonds is based on quoted market prices (Level 1 of the fair value hierarchy). Fair value of the fixed rate liabilities is estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity (Level 3 of the fair value hierarchy).

The fair value of current liabilities carried at amortised cost approximates their carrying value.

As at 30 September 2017, the fair value of bonds exceeded their carrying value by RR 815 million (31 December 2016: by RR 92 million).

As at 30 September 2017, the carrying value of non-current fixed rate debt exceeded their fair value by RR 981 million (31 December 2016: by RR 4,705 million).