

*February 20<sup>th</sup>, 2014.*

### **Results of the Board of Directors on February 17, 2014**

JSC RusHydro (ticker symbol: MOEX, LSE: HYDR; OTCQX: RSHYY) announces that the Company's Board of Directors held a meeting in absentia on February 17, 2014.

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The Board of Directors resolved to make the additions to Provision on procurement of goods for RusHydro's needs aimed to increase the transparency and control of procurement process. The updated Provision includes an item on creation of advisory body responsible for examination of the procurements efficiency. RusHydro plans to set up the advisory body in 2014.

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The Board of Directors approved the agreement between RusHydro and System Operator of Russia (SO UES), qualified as an interested party transaction, and determined the price of the agreement in the amount of RUB 22,539.00, incl. VAT (18%).

According to the agreement RusHydro will provide to SO UES a part of service building located on the territory of the Zhigulevskaya HPP for rent.

The Board of Directors approved the agreement between RusHydro and SO UES, qualified as an interested party transaction, and determined the price of the agreement (the price of the agreement should not exceed RUB 200 mn, incl. VAT, or 2% of the Company's assets value).

According to the agreement RusHydro will control the reactive capacity without electricity production using generating facilities of the Volzhskaya, Votkinskaya, Kamskaya, Ezminskaya, Gizeldonskaya and Zagorskaya pumped storage plant.

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The Board of Directors approved resignation of Maria Tikhonova from the strategy and investments committees of the Company's Board of Directors, and elected Pavel Snikkars, Director for electric energy development at the Ministry of Energy of Russia, as a new member of these committees.

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The Board of Directors approved the Company's business plan for 2014, including the investment program, annual and quarterly KPIs as well as quarterly funding plans and implementation of capital investments for 2014. The Board of Directors also approved the Company's business plan for 2015-2018, including the investment program.

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The Board of Directors approved the report on execution of the Company's KPIs in the 4th quarter of 2013 and full year 2013.

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The Board of Directors approved the report on projects implementation in 2013 in accordance with the list of non-core assets of RusHydro; as well as the amendments to the list of non-core assets. The Board of Directors also commissioned the Company's Management Board to submit for the Board of Directors' consideration the report on projects implementation in 2014 in accordance with the list of non-core assets no later than February 27, 2015.

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The Board of Directors approved the report on execution of the Company's priority objectives in 2013.

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The Board of Directors took a note of information on execution of the Board of Directors' commission and moved the date for approval of the report on execution of calendar plans of commissioning of the investment program projects, as well as the report on carrying out a technological assessment and price audit of the investment projects, including summary results of analysis of completed audits and commissioning based on results of public and expert discussion from February, 2014 to March 28, 2014.

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The Board of Directors resolved to move the deadline for consideration of Concept of scientific and technical complex reform to June, 2014.

#### **About RusHydro:**

RusHydro Group is one of Russia's largest generating companies. RusHydro is the leading producer of renewable energy in Russia with over 70 generating facilities in Russia and abroad. The company also manages a number of R&D, engineering and electricity retail companies. Group's thermal assets are operated by subsidiary – RAO Energy System of East in the Far East of Russia. Total electricity generation capacity of the Group is 37.5 GW, heat capacity – 16.2 thousand GCal/h.

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

#### **For more information:**

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#### ***DISCLAIMER***

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

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