

July 21, 2014

RusHydro announces the acquisition of 3.39% of its own shares

JSC RusHydro (ticker symbol: MOEX, LSE: HYDR; OTCQX: RSHYY) announces a deal to purchase its own shares comprising 3.39% of the outstanding share capital (13,082,804,094 common shares of RusHydro).

The stake was obtained by JSC Hydroinvest, 100% subsidiary of RusHydro, via a swap for 25% stake in JSC Krasnoyarskaya HPP (or 97,775,000 common shares of the latter) with JSC Eurosibenergo. No cash was involved in the transaction from either side. The deal was approved by the governing bodies of RusHydro.

RusHydro purchased the stake in JSC Krasnoyarskaya HPP in 2011 in exchange for 13,082,804,094 of own shares.

George Rizhinashvili, Deputy Chairman of the Management Board of RusHydro, commented: "The deal is in line with our strategy aimed at optimization of assets of the Group. We see ways for efficient use of the purchased shares for financing our investment needs".

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:

Investor Relations Department

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

ir@rushydro.ru

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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.