



RUSHYDRO GROUP

**Condensed Consolidated Interim
Financial Information (Unaudited)
prepared in accordance with IAS 34**

As at and for the three months ended 31 March 2015

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RusHydro Group
Condensed Consolidated Interim Statement of Financial Position (unaudited)
(in millions of Russian Rubles unless noted otherwise)



	Note	31 March 2015	31 December 2014
ASSETS			
Non-current assets			
Property, plant and equipment	7	701,934	686,190
Investments in associates and joint ventures		14,469	14,032
Available-for-sale financial assets		6,090	4,132
Deferred income tax assets		5,494	5,355
Other non-current assets	8	25,384	25,021
Total non-current assets		753,371	734,730
Current assets			
Cash and cash equivalents	9	47,133	34,394
Income tax receivable		1,260	1,965
Accounts receivable and prepayments	10	54,188	48,012
Inventories	11	18,439	22,133
Other current assets	12	25,209	41,872
		146,229	148,376
Non-current assets and assets of disposal group classified as held for sale		-	664
Total current assets		146,229	149,040
TOTAL ASSETS		899,600	883,770
EQUITY AND LIABILITIES			
Equity			
Share capital	13	386,255	386,255
Treasury shares		(26,092)	(26,092)
Share premium		39,202	39,202
Retained earnings and other reserves		193,263	179,556
Equity attributable to the shareholders of OJSC RusHydro		592,628	578,921
Non-controlling interest		16,409	16,230
TOTAL EQUITY		609,037	595,151
Non-current liabilities			
Deferred income tax liabilities		36,115	35,891
Non-current debt	15	117,529	119,187
Other non-current liabilities		11,203	11,195
Total non-current liabilities		164,847	166,273
Current liabilities			
Current debt and current portion of non-current debt	15	58,104	57,843
Accounts payable and accruals	16	51,727	51,558
Current income tax payable		1,077	536
Other taxes payable	17	14,808	11,913
		125,716	121,850
Liabilities of disposal group classified as held for sale		-	496
Total current liabilities		125,716	122,346
TOTAL LIABILITIES		290,563	288,619
TOTAL EQUITY AND LIABILITIES		899,600	883,770

Chairman of Management Board – General Director

E. V. Dod

Chief Accountant

D. V. Finkel

30 June 2015



RusHydro Group
Condensed Consolidated Interim Income Statement (unaudited)
(in millions of Russian Rubles unless noted otherwise)



	Note	Three months ended 31 March 2015	Three months ended 31 March 2014
Revenue	18	94,614	91,616
Government grants	19	3,054	3,100
Other operating income		933	-
Operating expenses (excluding impairment losses)	20	(84,797)	(74,559)
Operating profit excluding impairment losses		13,804	20,157
Impairment of accounts receivable, net		(1,291)	(512)
Impairment of available-for-sale financial assets		-	(1,044)
Operating profit		12,513	18,601
Finance income	21	4,258	1,815
Finance costs	21	(2,411)	(2,158)
Profit in respect of associates and joint ventures		615	109
Profit before income tax		14,975	18,367
Total income tax expense	14	(3,113)	(4,073)
Profit for the period		11,862	14,294
Attributable to:			
Shareholders of OJSC RusHydro		11,764	12,312
Non-controlling interest		98	1,982
Earnings per ordinary share attributable to the shareholders of OJSC RusHydro – basic and diluted (in Russian Rubles per share)			
	22	0.0323	0.0326
Weighted average number of shares outstanding – basic and diluted (thousands of shares)			
	22	364,468,853	377,551,657

RusHydro Group
Condensed Consolidated Interim Statement of Comprehensive Income (unaudited)
(in millions of Russian Rubles unless noted otherwise)



	Three months ended 31 March 2015	Three months ended 31 March 2014
Profit for the period	11,862	14,294
Other comprehensive income, net of tax:		
<i>Items that will not be reclassified to profit or loss</i>		
Other comprehensive (loss) / income	(8)	5
Total items that will not be reclassified to profit or loss	(8)	5
<i>Items that may be reclassified subsequently to profit or loss</i>		
Income / (loss) arising on available-for-sale financial assets	1,955	(99)
Total items that may be reclassified subsequently to profit or loss	1,955	(99)
Other comprehensive income / (loss) for the period	1,947	(94)
Total comprehensive income for the period	13,809	14,200
Attributable to:		
Shareholders of OJSC RusHydro	13,707	12,218
Non-controlling interest	102	1,982

RusHydro Group
Condensed Consolidated Interim Statement of Cash Flows (unaudited)
(in millions of Russian Rubles unless noted otherwise)



	Note	Three months ended 31 March 2015	Three months ended 31 March 2014
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit before income tax		14,975	18,367
Depreciation of property, plant and equipment and intangible assets	7, 20	5,683	5,205
Loss on disposal of property, plant and equipment, net	20	94	129
Profit in respect of associates and joint ventures		(615)	(109)
Other operating income		(933)	-
Finance income	21	(4,258)	(1,815)
Finance costs	21	2,411	2,158
Impairment of accounts receivable, net		1,291	512
Impairment of available-for-sale financial assets		-	1,044
Other expense		76	68
Operating cash flows before working capital changes, income tax paid and changes in other assets and liabilities		18,724	25,559
Working capital changes:			
Increase in accounts receivable and prepayments		(7,695)	(8,684)
Decrease in inventories		3,561	3,378
Decrease in accounts payable and accruals		(1,489)	(6,272)
Increase in other taxes payable		2,911	1,905
(Increase) / decrease in other non-current assets		(106)	871
Increase / (decrease) in other non-current liabilities		15	(182)
Income tax paid		(1,783)	(2,642)
Net cash generated by operating activities		14,138	13,933
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(15,832)	(10,563)
Proceeds from sale of property, plant and equipment		253	12
Investment in bank deposits and purchase of other investments		(20,743)	(751)
Redemption of bank deposits and proceeds from sale of other investments		37,848	7,789
Proceeds from sale of subsidiaries		60	-
Interest received		2,201	607
Contribution to share capital of associates and joint ventures		-	(45)
Net cash generated / (used) in investing activities		3,787	(2,951)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from current debt	15	16,682	20,930
Proceeds from non-current debt	15	349	5,257
Repayment of debt	15	(17,848)	(21,712)
Interest paid		(4,149)	(2,832)
Finance lease payments		(191)	(265)
Dividends paid		-	(2)
Net cash (used) / generated by financing activities		(5,157)	1,376
Foreign exchange (loss) / gain on cash balances		(29)	77
Increase in cash and cash equivalents		12,739	12,435
Cash and cash equivalents at the beginning of the period		34,394	34,472
Cash and cash equivalents at the end of the period	9	47,133	46,907

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	Available-for-sale financial assets	Remeasurement of pension benefit obligation	Retained earnings	Equity attributable to shareholders of OJSC RusHydro	Non-controlling interest	Total equity
As at 1 January 2014		386,255	(10,662)	39,202	(135,075)	(3)	198,015	(12)	875	100,935	579,530	17,177	596,707
Profit for the period		-	-	-	-	-	-	-	-	12,312	12,312	1,982	14,294
Loss arising on available-for-sale financial assets		-	-	-	-	-	-	(99)	-	-	(99)	-	(99)
Other comprehensive income		-	-	-	-	(31)	-	-	-	36	5	-	5
Total comprehensive income		-	-	-	-	(31)	-	(99)	-	12,348	12,218	1,982	14,200
Transfer of revaluation reserve to retained earnings		-	-	-	-	-	(245)	-	-	245	-	-	-
Other movements		-	-	-	-	-	-	-	-	(31)	(31)	-	(31)
As at 31 March 2014		386,255	(10,662)	39,202	(135,075)	(34)	197,770	(111)	875	113,497	591,717	19,159	610,876
As at 1 January 2015		386,255	(26,092)	39,202	(135,075)	(362)	190,476	-	1,721	122,796	578,921	16,230	595,151
Profit for the period		-	-	-	-	-	-	-	-	11,764	11,764	98	11,862
Income arising on available-for-sale financial assets		-	-	-	-	-	-	1,951	-	-	1,951	4	1,955
Other comprehensive loss		-	-	-	-	(8)	-	-	-	-	(8)	-	(8)
Total comprehensive income		-	-	-	-	(8)	-	1,951	-	11,764	13,707	102	13,809
Disposal of subsidiaries	13	-	-	-	-	-	-	-	-	-	-	77	77
Transfer of revaluation reserve to retained earnings		-	-	-	-	-	(39)	-	-	39	-	-	-
As at 31 March 2015		386,255	(26,092)	39,202	(135,075)	(370)	190,437	1,951	1,721	134,599	592,628	16,409	609,037

The accompanying notes are an integral part of this Condensed Consolidated Interim Financial Information



Note 1. The Group and its operations

OJSC 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 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, including relatively high inflation and high interest rates. The Russian economy is particularly sensitive to changes in oil and gas prices.

The legal, tax and regulatory frameworks continue to develop and are subject to frequent changes and varying interpretations. Decline in oil prices, ongoing political tension in the region and international sanctions against certain Russian companies and individuals have had and may continue to have a negative impact on the Russian economy, including weakening of the Russian Rouble and making it harder to raise international funding.

Currently the financial markets continue to be volatile and are characterised by frequent significant price movements and increased trading spreads.

These and other events may have a material impact on the Group's operations, its prospective financial position, operational results and business perspectives. Management is unable to foresee the outcome of such impact at this stage, but believes it takes all the necessary measures to support the sustainability and development of the Group's business.

During the three months ended 31 March 2015 no substantial changes to the rules of Russian wholesale and retail electricity and capacity markets, their functioning and price setting mechanisms have been made.

Relations with the Government and current regulation. As at 31 March 2015 the Russian Federation owned 66.84 percent of the total voting ordinary shares of the Company (31 December 2014: 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 6).

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. 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 2014, which have been 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 2014 have been omitted or condensed.



Note 3. Significant accounting policies and new pronouncements

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 2014 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 2015.

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 2014 with the exception of changes in estimates that are required in determining the estimate weighted average annual income tax rate (Note 14).

New standards and interpretations

The Group has adopted all new standards and interpretations that were effective from 1 January 2015. The impact of the adoption of these new standards and interpretations has not been significant with respect to this Condensed Consolidated Interim Financial Information.

Certain new standards, interpretations and amendments to standards and interpretations, as disclosed in the Consolidated Financial Statements as at and for the year ended 31 December 2014, have been issued but are not effective for the financial year beginning 1 January 2015 and which the Group has not early adopted.

Note 4. 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 non-corporate partnership (LLC).

The Group operates in the three main reportable segments one of which is presented by the Group's parent company – OJSC RusHydro (Note 5). The principal subsidiaries are presented below according to their allocation to the reportable segments as at 31 March 2015 and 31 December 2014.

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 OJSC 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.

	31 March 2015		31 December 2014	
	% of ownership	% of voting	% of ownership	% of voting
OJSC ESC RusHydro	100.00%	100.00%	100.00%	100.00%
OJSC Krasnoyarskenergosbyt	65.81%	65.81%	65.81%	65.81%
OJSC Ryazan Power Distributing Company	90.52%	90.52%	90.52%	90.52%
OJSC Chuvashskaya energy retail company	100.00%	100.00%	100.00%	100.00%
LLC ESC Bashkortostan	100.00%	-	100.00%	-

RAO Energy System of East subgroup segment

RAO Energy System of East subgroup segment consists of OJSC RAO Energy System of 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.

RusHydro Group
Notes to the Condensed Consolidated Interim Financial Information
as at and for the three months ended 31 March 2015 (unaudited)



(in millions of Russian Rubles unless noted otherwise)

Principal subsidiaries of this segment are presented below:

	31 March 2015		31 December 2014	
	% of ownership	% of voting	% of ownership	% of voting
OJSC RAO Energy System of East*	85.92%	86.20%	85.92%	86.20%
OJSC DEK	44.92%	52.17%	44.92%	52.17%
OJSC DGK	44.92%	100.00%	44.92%	100.00%
OJSC DRSK	44.92%	100.00%	44.92%	100.00%
OJSC Kamchatskenergo	84.83%	98.74%	84.83%	98.74%
OJSC Magadanenergo**	42.10%	49.00%	42.10%	49.00%
OJSC Sakhalinenergo	47.72%	55.55%	47.72%	55.55%
OJSC Yakutskenergo	72.21%	79.16%	72.21%	79.16%

* Voting and ownership percent interests in OJSC RAO Energy System of East include 1.80 percent interest held by the Group's subsidiary LLC Vostok-Finance.

** Control over OJSC Magadanenergo is achieved by the majority of votes on the shareholders meeting because the remaining part of the shares not owned by the Group are distributed among a large number of shareholders the individual stakes of which are insignificant.

Other segments

Other segments include:

- the Group's subsidiaries with production and sale of electricity and capacity;
- the Group's subsidiaries primarily engaged in research and development related to the utilities industry and construction of hydropower facilities;
- the Group's subsidiaries engaged in repair, upgrade and reconstruction of equipment and hydropower facilities;
- the Group's subsidiaries engaged primarily in hydropower plants construction;
- minor segments which do not have similar economic characteristics.

Principal subsidiaries included in all other segments are presented below:

	31 March 2015		31 December 2014	
	% of ownership	% of voting	% of ownership	% of voting
CJSC Blagoveschensk HPP	100.00%	100.00%	100.00%	100.00%
OJSC VNIIG	100.00%	100.00%	100.00%	100.00%
OJSC Geotherm	99.65%	99.65%	99.65%	99.65%
OJSC Gidroremont-VKK	100.00%	100.00%	100.00%	100.00%
OJSC Zagorskaya GAES-2	100.00%	100.00%	100.00%	100.00%
OJSC Zaramag HS	99.75%	99.75%	99.75%	99.75%
OJSC Institute Hydroproject	100.00%	100.00%	100.00%	100.00%
OJSC Kolimaenergo	98.76%	98.76%	98.76%	98.76%
OJSC Lenhydroproject	100.00%	100.00%	100.00%	100.00%
OJSC NIIES	100.00%	100.00%	100.00%	100.00%
OJSC Nizhne-Bureiskaya HPP	100.00%	100.00%	100.00%	100.00%
CJSC Sahalin GRES-2	100.00%	100.00%	100.00%	100.00%
JSC Sulak GidroKaskad	100.00%	100.00%	100.00%	100.00%
CJSC HPP in Sovetskaya Gavan	100.00%	100.00%	100.00%	100.00%
OJSC Ust'-Srednekangesstroy	98.76%	100.00%	98.76%	100.00%
OJSC Ust'-Srednekanskaya HPP	99.63%	100.00%	99.63%	100.00%
OJSC Chirkeigesstroy	100.00%	100.00%	100.00%	100.00%
OJSC ESCO UES	100.00%	100.00%	100.00%	100.00%
CJSC Yakutskaya GRES-2	100.00%	100.00%	100.00%	100.00%



Note 5. 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 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.

Information concerning the Group is considered by the groups of operations which are consolidated in the following separate reportable segments: OJSC RusHydro (Group's parent company), OJSC ESC RusHydro subgroup, RAO Energy System of East subgroup and other segments (Note 4). Transactions of other segments are not disclosed as reportable segments as the performance is based on quantitative indicators for the periods presented.

Management of operating activities of 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 segments. The CODM approves the annual business plan at the level of reportable segments as well as analyses actual financial performance of segments. Management bears responsibility for execution of 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 depreciation of property, plant and equipment and intangible assets, impairment of property, plant and equipment, impairment of available-for-sale financial assets, accounts receivable, long-term promissory notes, loss on disposal of property, plant and equipment, curtailment in pension payment and pension plan 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. CODM believes that EBITDA represents the most useful means of assessing the performance of ongoing operating activities of the Company and the Group's subsidiaries, as it reflects the earnings trends without showing the impact of certain charges.

Segment information also contains capital expenditures and the amount of debt as these indicators are analysed by the CODM. Intersegment debt's balances are excluded.

Other information provided to the CODM complies with the information presented in the consolidated financial statements.

Intersegment sales are carried out at market prices.

Segment information for the three months ended 31 March 2015 and 31 March 2014 and as at 31 March 2015 and 31 December 2014 is presented below.



Three months ended 31 March 2015	OJSC RusHydro	ESC RusHydro subgroup	RAO Energy System of East subgroup	Other segments	Total segments	Unallocated adjustments and intercompany operations	TOTAL
Revenue	22,498	24,934	48,373	4,953	100,758	(6,144)	94,614
<i>including:</i>							
<i>from external companies</i>	19,985	24,931	48,287	1,411	94,614	-	94,614
<i>sales of electricity</i>	13,107	24,678	29,479	110	67,374	-	67,374
<i>sales of heat and hot water sales</i>	56	-	13,788	-	13,844	-	13,844
<i>sales of capacity</i>	6,784	-	1,322	87	8,193	-	8,193
<i>other revenue</i>	38	253	3,698	1,214	5,203	-	5,203
<i>from intercompany operations</i>	2,513	3	86	3,542	6,144	(6,144)	-
Government grants	-	-	3,048	6	3,054	-	3,054
Other operating income	-	-	235	230	465	-	465
Operating expenses (excluding depreciation and other non-monetary items)	(8,863)	(23,984)	(46,167)	(5,825)	(84,839)	5,819	(79,020)
EBITDA	13,635	950	5,489	(636)	19,438	(325)	19,113
Depreciation of property, plant and equipment and intangible assets	(3,112)	(173)	(2,000)	(449)	(5,734)	51	(5,683)
Other non-monetary items of operating income and expenses	(493)	(477)	189	(139)	(920)	3	(917)
<i>including:</i>							
<i>impairment of accounts receivable, net</i>	(417)	(477)	(379)	(18)	(1,291)	-	(1,291)
<i>(loss) / profit on disposal of property, plant and equipment, net</i>	(76)	-	23	(121)	(174)	80	(94)
<i>gain / (loss) on disposal of subsidiaries</i>	-	-	545	-	545	(77)	468
Operating profit / (loss)	10,030	300	3,678	(1,224)	12,784	(271)	12,513
Finance income							4,258
Finance costs							(2,411)
Profit in respect of associates and joint ventures							615
Profit before income tax							14,975
Total income tax expense							(3,113)
Profit for the period							11,862
Capital expenditure	5,599	20	3,450	12,773	21,842	(560)	21,282
31 March 2015							
Non-current and current debt	112,573	3,306	53,741	6,013	175,633	-	175,633



	OJSC RusHydro	ESC RusHydro subgroup	RAO Energy System of East subgroup	Other segments	Total segments	Unallocated adjustments and intercompany operations	TOTAL
Three months ended 31 March 2014							
Revenue	23,377	22,918	44,968	5,424	96,687	(5,071)	91,616
<i>including:</i>							
<i>from external companies</i>	22,064	22,918	44,878	1,756	91,616	-	91,616
<i>sales of electricity</i>	16,150	22,701	25,776	88	64,715	-	64,715
<i>sales of heat and hot water sales</i>	58	-	13,746	2	13,806	-	13,806
<i>sales of capacity</i>	5,805	-	1,066	58	6,929	-	6,929
<i>other revenue</i>	51	217	4,290	1,608	6,166	-	6,166
<i>from intercompany operations</i>	1,313	-	90	3,668	5,071	(5,071)	-
Government grants	-	-	3,100	-	3,100	-	3,100
Operating expenses (excluding depreciation and other non-monetary items)	(7,152)	(22,506)	(39,211)	(5,581)	(74,450)	5,225	(69,225)
EBITDA	16,225	412	8,857	(157)	25,337	154	25,491
Depreciation of property, plant and equipment and intangible assets	(2,810)	(34)	(1,943)	(279)	(5,066)	(139)	(5,205)
Other non-monetary items of operating expenses	(1,324)	(321)	(130)	90	(1,685)	-	(1,685)
<i>including:</i>							
<i>(impairment) / reversal of impairment of accounts receivable, net</i>	(155)	(321)	(44)	8	(512)	-	(512)
<i>impairment of available-for-sale financial assets</i>	(1,044)	-	-	-	(1,044)	-	(1,044)
<i>(loss) / profit on disposal of property, plant and equipment, net</i>	(125)	-	(86)	82	(129)	-	(129)
Operating profit / (loss)	12,091	57	6,784	(395)	18,537	(64)	18,601
Finance income							1,815
Finance costs							(2,158)
Profit in respect of associates and joint ventures							109
Profit before income tax							18,367
Total income tax expense							(4,073)
Profit for the period							14,294
Capital expenditure	6,586	19	2,002	3,814	12,421	112	12,533
31 December 2014							
Non-current and current debt	113,060	3,403	54,496	6,071	177,030	-	177,030



Note 6. 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.

The Group's principal related parties for the three months ended 31 March 2015 were associates and joint ventures of the Group and government-related entities.

Joint ventures

The Group had the following balances with its joint ventures:

	31 March 2015	31 December 2014
Promissory notes	5,324	5,203
Loans issued	1,662	1,492

The Group had the following transactions with its joint ventures:

	Three months ended 31 March 2015	Three months ended 31 March 2014
Sales of electricity and capacity	62	60
Other revenue	126	144
Purchased electricity and capacity	669	295

Associates

The Group had the following balances with its associates:

	31 March 2015	31 December 2014
Trade and other receivables	325	293
Accounts payable	431	352

The Group had the following transactions with its associates:

	Three months ended 31 March 2015	Three months ended 31 March 2014
Sales of electricity and capacity	782	979
Other revenue	39	37
Purchased electricity and capacity	8	78
Services of subcontracting companies	76	-

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 months ended 31 March 2015 and 31 March 2014 and balances outstanding as at 31 March 2015 and 31 December 2014 with a number of government-related banks. All transactions are carried out on market rates.

The Group's sales of electricity, capacity and heat to government-related entities comprised approximately 27 percent of total sales of electricity, capacity and heat for the three months ended 31 March 2015 (for the three months ended 31 March 2014: approximately 29 percent). Sales of electricity and capacity under the regulated contracts are conducted directly to the consumers, within the day-ahead market (DAM) – through commission agreements with OJSC 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 non-pricing zone of the Far East are approved by FTS and by regional regulatory authorities of the Russian Federation. On DAM the price is determined by balancing the demand and supply and such price is applied to all market participants. Sales of heat are subject to tariff regulations. During the three months ended 31 March 2015 the Group received government subsidies in amount of RR 3,054 million (for the three months ended 31 March 2014: RR 3,100 million) (Note 19).

The Group's purchases of electricity, capacity and fuel from government-related entities comprised approximately 19 percent of total expenses on purchased electricity, capacity and fuel for the three months ended 31 March 2015 (for the three months ended 31 March 2014: approximately 28 percent).



Electricity distribution services provided to the Group by government-related entities comprised approximately 53 percent of total electricity distribution expenses for the three months ended 31 March 2015 (for the three months ended 31 March 2014: approximately 61 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 Energy System of East subgroup segment.

Remuneration to the members of the Board of Directors of the Company for their services in their capacity and for attending Board meetings is paid depending on the results for the year and is calculated based on specific 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.

Main compensation for Key management of the Group generally is short-term excluding 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 three months ended 31 March 2015 comprised RR 310 million (for the three months ended 31 March 2014: RR 215 million).



Note 7. Property, plant and equipment

Revalued amount / cost	Buildings	Facilities	Plant and equipment	Assets under construction	Other	Total
Balance as at 31 December 2014	81,110	378,702	226,137	256,121	14,925	956,995
Reclassification	(174)	133	(1,960)	2,406	(405)	-
Additions	11	27	412	20,807	25	21,282
Transfers	225	2,290	6,520	(9,131)	96	-
Disposals and write-offs	(7)	(15)	(92)	(247)	(43)	(404)
Balance as at 31 March 2015	81,165	381,137	231,017	269,956	14,598	977,873
Accumulated depreciation (including impairment)						
Balance as at 31 December 2014	(29,504)	(116,411)	(89,161)	(29,062)	(6,667)	(270,805)
Charge for the period	(289)	(2,151)	(2,858)	-	4	(5,294)
Transfers	(16)	(77)	(102)	199	(4)	-
Disposals and write-offs	7	15	83	18	37	160
Balance as at 31 March 2015	(29,802)	(118,624)	(92,038)	(28,845)	(6,630)	(275,939)
Net book value as at 31 March 2015	51,363	262,513	138,979	241,111	7,968	701,934
Net book value as at 31 December 2014	51,606	262,291	136,976	227,059	8,258	686,190
Cost	Buildings	Facilities	Plant and equipment	Assets under construction	Other	Total
Balance as at 31 December 2013	78,712	377,429	191,377	214,999	14,620	877,137
Additions	1	63	147	12,190	132	12,533
Transfers	84	56	5,576	(5,776)	60	-
Disposals and write-offs	(34)	(56)	(363)	(105)	(51)	(609)
Balance as at 31 March 2014	78,763	377,492	196,737	221,308	14,761	889,061
Accumulated depreciation (including impairment)						
Balance as at 31 December 2013	(27,139)	(108,005)	(75,665)	(26,904)	(5,578)	(243,291)
Charge for the period	(436)	(1,902)	(2,590)	-	(392)	(5,320)
Transfers	(4)	(42)	(298)	346	(2)	-
Disposals and write-offs	28	56	189	16	32	321
Balance as at 31 March 2014	(27,551)	(109,893)	(78,364)	(26,542)	(5,940)	(248,290)
Net book value as at 31 March 2014	51,212	267,599	118,373	194,766	8,821	640,771
Net book value as at 31 December 2013	51,573	269,424	115,712	188,095	9,042	633,846

As at 31 March 2015 included in the net book value of the property, plant and equipment are office buildings and plots of land owned by the Group in the amount of RR 7,846 million (31 December 2014: RR 7,869 million) which are stated at cost.

Note 8. Other non-current assets

	31 March 2015	31 December 2014
Long-term promissory notes	37,047	37,047
Discount	(16,707)	(16,864)
Impairment provision	(14,025)	(14,025)
Long-term promissory notes, net	6,315	6,158
Dams of Bratskaya, Ust'-Ilimskaya and Irkutskaya HPPs	5,455	5,478
VAT recoverable	4,086	3,226
Customer base of LLC ESC Bashkortostan	970	1,109
Goodwill	929	929
Other non-current assets	7,629	8,121
Total other non-current assets	25,384	25,021



Note 9. Cash and cash equivalents

	31 March 2015	31 December 2014
Cash at bank	11,701	14,960
Cash equivalents	35,408	19,417
Cash in hand	24	17
Total cash and cash equivalents	47,133	34,394

Cash equivalents held as at 31 March 2015 and 31 December 2014 comprised short-term bank deposits with original maturities of three months or less.

Note 10. Accounts receivable and prepayments

	31 March 2015	31 December 2014
Trade receivables	57,245	50,931
Provision for impairment of trade receivables	(19,645)	(18,643)
Trade receivables, net	37,600	32,288
VAT recoverable	8,709	8,683
Advances to suppliers and other prepayments	4,144	3,957
Provision for impairment of advances to suppliers and other prepayments	(679)	(670)
Advances to suppliers and other prepayments, net	3,465	3,287
Other receivables	7,482	6,637
Provision for impairment of other receivables	(3,068)	(2,883)
Other receivables, net	4,414	3,754
Total accounts receivable and prepayments	54,188	48,012

The Group does not hold any accounts receivable pledged as collateral.

Note 11. Inventories

	31 March 2015	31 December 2014
Fuel	9,572	13,229
Materials and supplies	6,325	6,383
Spare parts	2,071	2,085
Other materials	673	645
Total inventories before provision for impairment	18,641	22,342
Provision for impairment of inventories	(202)	(209)
Total inventories	18,439	22,133

Note 12. Other current assets

	31 March 2015	31 December 2014
Deposits and promissory notes	23,116	40,122
Loans issued	1,654	1,484
Other short-term investments	439	266
Total other current assets	25,209	41,872



Note 13. Equity

	Number of issued ordinary shares (Par value of RR 1.00)
As at 31 March 2015	386,255,464,890
As at 31 December 2014	386,255,464,890
As at 31 March 2014	386,255,464,890
As at 31 December 2013	386,255,464,890

Effect of changes in non-controlling interest of subsidiaries. In March 2015 the Group's share in subsidiary OJSC Daltehenenergo was sold. As a result non-controlling interest increased by RR 77 million due to decrease of share in losses of OJSC Daltehenenergo previously absorbed by shareholders of the Group.

Note 14. Income tax

Income tax expense is recognised based on the management's best estimate of the weighted average annual income tax rate expected for the full financial year. The tax effect of the exceptional or 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 three months ended 31 March 2015 was 21 percent (for the three months ended 31 March 2014: 22 percent).

	Three months ended 31 March 2015	Three months ended 31 March 2014
Current income tax expense	3,030	2,644
Deferred income tax expense	83	1,429
Total income tax expense	3,113	4,073

Note 15. Current and non-current debt

Non-current debt

	Due date	31 March 2015	31 December 2014
OJSC Sberbank of Russia	2016–2022	47,270	48,473
Eurobonds (RusHydro Finance Ltd)	2015	20,669	20,281
Russian bonds (OJSC RusHydro) issued in February 2013	2018*	20,200	20,628
EBRD	2016–2027	18,605	18,560
Russian bonds (OJSC RusHydro) issued in April 2011	2016*	15,530	15,233
OJSC Bank of Moscow	2015–2016	7,494	7,536
UniCredit Bank Austria AG	2017–2026	5,158	5,580
Crédit Agricole Corporate and Investment Bank Deutschland	2029	4,802	5,211
PJSC ROSBANK	2016	4,561	4,481
OJSC Bank VTB	2015–2018	4,522	4,522
Municipal authority of Kamchatka region	2034	2,680	2,526
ASIAN Development bank	2017–2026	1,460	1,437
Bayerische Landesbank	2016–2025	945	965
Bank GPB (JSC)	2016	806	1,179
Other long-term debt	-	903	1,112
Finance lease liabilities	-	2,192	2,313
Total		157,797	160,037
Less current portion of non-current debt		(39,393)	(39,937)
Less current portion of finance lease liabilities		(875)	(913)
Total non-current debt		117,529	119,187

* The bonds mature in 10 years with a put option to redeem them in 2018 and 2016 respectively.

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Current debt

	31 March 2015	31 December 2014
OJSC Sberbank of Russia	5,599	3,331
OJSC Bank VTB	5,117	4,921
PJSC ROSBANK	2,893	4,096
Bank GPB (JSC)	1,807	2,076
OJSC Alfa-Bank	850	851
AO Raiffeisenbank	557	598
Current portion of non-current debt	39,393	39,937
Current portion of finance lease liabilities	875	913
Other current debt	1,013	1,120
Total current debt and current portion of non-current debt	58,104	57,843
<i>Reference:</i>		
Interest payable	2,696	2,190

Liquidity risk. Management of the Group plans to repay the debt both from own funds and attracting external financing. The Group has a positive credit history, deals with large-sized credit institutions including government-related banks and has access to capital markets.

Compliance with covenants. The Group is subject to certain covenants related primarily to its debt. As at 31 March 2015 and 31 December 2014 the Group met all required covenant clauses of the credit agreements.

Note 16. Accounts payable and accruals

	31 March 2015	31 December 2014
Trade payables	33,500	33,290
Advances received	6,049	7,824
Settlements with personnel	8,334	7,714
Dividends payable	88	88
Other accounts payable	3,756	2,642
Total accounts payable and accruals	51,727	51,558

All accounts payable and accruals are denominated in Russian Rubles.

Note 17. Other taxes payable

	31 March 2015	31 December 2014
VAT	7,017	5,855
Property tax	3,761	2,717
Insurance contributions	3,140	2,404
Other taxes	890	937
Total other taxes payable	14,808	11,913

Note 18. Revenue

	Three months ended 31 March 2015	Three months ended 31 March 2014
Sales of electricity	67,374	64,715
Sales of heat and hot water	13,844	13,806
Sales of capacity	8,193	6,929
Other revenue	5,203	6,166
Total revenue	94,614	91,616

Other revenue includes revenue earned from transportation of electricity and heat, connections to the grid, rendering of construction, repair and other services.



Note 19. 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. During the three months ended 31 March 2015 the Group received government subsidies in the amount of RR 3,054 million (for the three months ended 31 March 2014: RR 3,100 million) in the following subsidised territories: Kamchatsky territory, Sakha Republic (Yakutiya), Magadan Region and other Far East regions.

Note 20. Operating expenses (excluding impairment losses)

	Three months ended 31 March 2015	Three months ended 31 March 2014
Fuel expenses	18,491	15,106
Purchased electricity and capacity	17,863	14,899
Employee benefit expenses (including payroll taxes and pension benefit expenses)	17,834	15,459
Electricity distribution expenses	11,535	11,769
Depreciation of property, plant and equipment and intangible assets	5,683	5,205
Taxes other than on income	2,455	2,184
Other materials	1,676	1,613
Third parties services, including:		
Purchase and transportation of heat power	962	877
Services of SO UES, ATS, CFS	907	907
Services of subcontracting companies	783	511
Security expenses	765	766
Rent	509	485
Repairs and maintenance	496	372
Consulting, legal and information expenses	399	375
Insurance cost	385	298
Transportation expenses	202	245
Other third parties services	1,583	1,382
Water usage expenses	686	683
Travel expenses	400	402
Social charges	227	175
Loss on disposal of property, plant and equipment, net	94	129
Purchase of oil products for sale	61	337
Other expenses	801	380
Total expenses	84,797	74,559

Note 21. Finance income, costs

	Three months ended 31 March 2015	Three months ended 31 March 2014
<i>Finance income</i>		
Interest income	2,791	1,500
Income on discounting	118	78
Foreign exchange gain	1,322	178
Other income	27	59
Total finance income	4,258	1,815
<i>Finance costs</i>		
Interest expense	(1,682)	(1,492)
Expense on discounting	(420)	(162)
Foreign exchange loss	(169)	(387)
Finance lease expense	(87)	(60)
Other costs	(53)	(57)
Total finance costs	(2,411)	(2,158)



Note 22. Earnings per share

	Three months ended 31 March 2015	Three months ended 31 March 2014
Weighted average number of ordinary shares issued (thousands of shares)	364,468,853	377,551,657
Profit for the period attributable to the shareholders of OJSC RusHydro	11,764	12,312
Earnings per share attributable to the shareholders of OJSC RusHydro – basic and diluted (in Russian Rubles per share)	0.0323	0.0326

Note 23. Capital commitments

During the three months ended 31 March 2015 investment programme of the Company was revised. In accordance with investment programme of the Company and separate investment programmes of subsidiaries of RAO Energy System of East subgroup segment, the Group has to invest RR 354,951 million for the period 2015–2017 for reconstruction of the existing and construction of new power plants (RR 324,878 million for the period 2014–2016).

Capital commitments of the Group as at 31 March 2015 are as follows: 2015 year – RR 113,260 million, 2016 year – RR 123,138 million, 2017 year – RR 99,654 million.

Future capital expenditures are mainly related to reconstruction of equipment of power plants: Saratovskaya HPP in the amount of RR 16,966 million, Volzhskaya HPP in the amount of RR 16,461 million, Zhigulevskaya HPP in the amount of RR 13,730 million; and to construction of power plants: Zaramagskie HPP in the amount of RR 25,987 million, Sakhalin GRES-2 in the amount of RR 25,156 million, Yakutskaya GRES-2 in the amount of RR 21,462 million, Nizhne-Bureiskaya HPP in the amount of RR 16,352 million, HPP in Sovetskaya Gavan in the amount of RR 14,050 million.

Note 24. 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 position 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 and the formal documentation supporting the tax positions 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. 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 to a large extent aligned with the international transfer pricing principles developed by the Organisation for Economic Cooperation and Development (OECD). This legislation provides the possibility for tax authorities to make transfer pricing adjustments and impose additional tax liabilities in respect of controlled transactions (transactions with related parties and some types of transactions with unrelated parties), provided that the transaction price is not arm's length.

During the three months ended 31 March 2015 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 the new transfer pricing legislation.



(in millions of Russian Rubles unless noted otherwise)

Tax liabilities arising from transactions between companies are determined using 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.

Management believes that as at 31 March 2015 its interpretation of the relevant legislation was appropriate and the Group's tax position 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 which is included in other non-current liabilities and other accounts payable and comprised RR 701 million as at 31 March 2015 (31 December 2014: RR 653 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.

Guarantees. The Group has issued guarantees for CJSC Boguchansky Aluminium Plant in favour of its suppliers for future equipment deliveries and for OJSC Boguchanskaya HPP in favour of the State Corporation Vnesheconombank for the loan facility:

Counterparty	31 March 2015	31 December 2014
<i>for OJSC Boguchanskaya HPP:</i>		
State Corporation Vnesheconombank	27,929	28,106
<i>for CJSC Boguchansky Aluminium Plant:</i>		
ALSTOM Grid SAS	124	134
Total guarantees issued	28,053	28,240

Note 25. 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.

These condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2014.

There have been no changes in any risk management policies during the three months ended 31 March 2015.

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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 as at 31 March 2015 and 31 December 2014:

As at 31 March 2015	Loans and receivables	Available-for-sale financial assets	Total
Assets			
Other non-current assets (Note 8)	6,806	-	6,806
Promissory notes	6,315	-	6,315
Deposits	10	-	10
Long-term loans issued	364	-	364
Net settled derivatives	117	-	117
Available-for-sale financial assets	-	6,090	6,090
Trade and other receivables (Note 10)	41,153	-	41,153
Trade receivables	37,600	-	37,600
Promissory notes receivable	27	-	27
Other financial receivables	3,526	-	3,526
Other current assets (Note 12)	24,841	-	24,841
Deposits and promissory notes	23,116	-	23,116
Short-term loans issued	1,654	-	1,654
Net settled derivatives	71	-	71
Cash and cash equivalents (Note 9)	47,133	-	47,133
Total financial assets	119,933	6,090	126,023
Non-financial assets			773,577
Total assets			899,600
As at 31 December 2014			
Assets			
Other non-current assets (Note 8)	7,297	-	7,297
Promissory notes	6,158	-	6,158
Deposits	585	-	585
Long-term loans issued	373	-	373
Net settled derivatives	181	-	181
Available-for-sale financial assets	-	4,132	4,132
Trade and other receivables (Note 10)	35,113	-	35,113
Trade receivables	32,288	-	32,288
Promissory notes receivable	13	-	13
Other financial receivables	2,812	-	2,812
Other current assets (Note 12)	41,703	-	41,703
Deposits and promissory notes	40,122	-	40,122
Short-term loans issued	1,484	-	1,484
Net settled derivatives	97	-	97
Cash and cash equivalents (Note 9)	34,394	-	34,394
Total financial assets	118,507	4,132	122,639
Non-financial assets			760,467
Non-current assets and assets of disposal group classified as held for sale			664
Total assets			883,770

All financial liabilities of the Group are carried at amortised cost. Financial liabilities are represented mainly by the current and non-current debt (Note 15), trade payables and other accounts payable (Note 16).

Note 26. 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.



(in millions of Russian Rubles unless noted otherwise)

The level in the fair value hierarchy into which the recurring fair value measurements are categorised are as follows:

31 March 2015	Level 1	Level 2	Level 3	Total
Financial assets				
Available-for-sale financial assets	6,000	-	90	6,090
Non-financial assets				
Property, plant and equipment (except for construction in progress, office buildings and land)	-	-	453,095	453,095
Total assets recurring fair value measurements	6,000	-	453,185	459,185
31 December 2014				
Financial assets				
Available-for-sale financial assets	4,055	-	77	4,132
Non-financial assets				
Property, plant and equipment (except for construction in progress, office buildings and land)	-	-	451,262	451,262
Total assets recurring fair value measurements	4,055	-	451,339	455,394

The Group had no liabilities measured at fair value as at 31 March 2015 and 31 December 2014.

There were no changes in valuation techniques, inputs and assumptions for recurring fair value measurements during the three months ended 31 March 2015.

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, short-term deposits and accounts receivable approximates their carrying value (Level 3 of the fair value hierarchy). The fair value of long term accounts receivable 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 31 March 2015 the carrying value of bonds exceeded their fair value by RR 3,095 million (31 December 2014: by RR 2,527 million).

As at 31 March 2015 the carrying value of non-current fixed rate debt exceeded their fair value by RR 13,431 million (31 December 2014: by RR 7,319 million).

Note 27. Subsequent events

Dividends. On 26 June 2015 the Company declared dividends for the year ended 31 December 2014 of RR 0.0156 per share in the total amount of RR 6,033 million.

Bonds issue. In April 2015 the Group placed non-convertible ten years interest bearing bonds of series 09 with a nominal amount of RR 10,000. The term of the offer (period of redemption of bonds on request of their owners) – 2.5 years, coupon rate of 12.75 percent per annum was determined for the first 2.5 years only.