

Results of the Board of Directors Meeting on October 25, 2018

PJSC RusHydro (ticker symbol: MOEX, LSE: HYDR; OTCQX: RSHYY) announces that the Company's Board of Directors held a meeting in absentia on October 25, 2018.

Resolutions passed on Items of the agenda:

Item 1: Participation of the Company in other organizations: Termination of the Company's participation in other organizations.

The resolution adopted:

To terminate participation in JSC "Organizator stroitelstva Boguchanskoi GES" and CJSC "Zakazchik stroitelstva Boguchanskoi GES" through their voluntary liquidation.

Item 2: Considering matters of significance to the Company:

2.1. Intellectual property rights management:

2.1.1. Conducting inventory of rights to intellectual activity results with a view to organizing subsequent actions to ensure the legal protection of identified results the rights to which belong to RusHydro Group companies, entering the rights to such results on the balance sheet as intangible assets for their subsequent economic use and, if necessary, assessing the value of the rights to such results.

The resolution adopted:

To instruct the Chairman of the Management Board and General Director of the Company N. G. Shulginov to ensure:

1. The conduct of an inventory of the rights to intellectual activity results belonging to RusHydro Group companies by November 30, 2018.
2. Development and approval by the order of RusHydro PJSC of an Action Plan to ensure the legal protection of identified intellectual activity results the rights to which belong to RusHydro Group companies, the entry of rights to such results on the balance sheet as intangible assets for their subsequent economic use and, if necessary, assessment of the value of the rights to such results by December 31, 2018.

2.1.2. On approval of the Program for Management of Rights to Intellectual Activity Results in RusHydro Group.

The resolution adopted:

1. To approve the Program for Management of Rights to Intellectual Activity Results in RusHydro Group (hereinafter, the "Program") (Schedule No. 1 to the Minutes).
2. To instruct the Chairman of the Management Board and General Director of Company N. G. Shulginov to ensure the publication and the subsequent update of information on the implementation of the Program on the Interdepartmental State Property Management Portal.

2.2. Status of the implementation of priority projects for the construction of 3 facilities in the Far East (Yakutskaya GRES-2 (1st Stage), CHP in Sovetskaya Gavan, Sakhalin GRES-2 (1st Stage) as of June 30, 2018.

The resolution adopted:

To take into account the information on the status of implementation of priority projects for the construction of 3 facilities in the Far East (Yakutskaya GRES-2 (1st Stage),

CHP in Sovetskaya Gavan, Sakhalin GRES-2 (1st Stage) as of June 30, 2018 (Schedule No. 2 to the Minutes).

2.3. Confidential.

The resolution adopted: Confidential.

Item 3: Implementation of RusHydro Group's Long-Term Development Program:

3.1. Progress of implementation of RusHydro Group's Long-term Development Program.

The resolution adopted:

To take into account the information on the progress of implementation of RusHydro Group's Long-Term Development Program in the 1st half of the year 2018 (Schedule No. 3 to the Minutes).

3.2. Approval of the Terms of Reference for conducting the audit of the implementation of RusHydro Group's Long-Term Development Program for the years 2018, 2019 and 2020.

The resolution adopted:

To approve the Terms of Reference for conducting the audit of the implementation of RusHydro Group's Long-Term Development Program for the years 2018, 2019 and 2020 (Schedule No. 4 to the Minutes).

3.3. Consideration of the Long-Term Program for Replacement of Retired Capacities and the Development of Far East Energy Systems.

The resolution adopted:

To take into account the Long-Term Program for Replacement of Retired Capacities and the Development of Far East Energy Systems (Schedule No. 5 to the Minutes).

3.4. Amendments to RusHydro Group's Long-Term Development Program.

The resolution adopted:

1. To supplement RusHydro Group's Long-Term Development Program for the period of 2018—2022 with activities pursuant to Decree of the President of the Russian Federation No. 204 dated May 7, 2018 “On the national goals and strategic objectives of the development of the Russian Federation for the period until 2024” (Schedule No. 6 to the Minutes).

2. To approve changes in key performance indicators of RusHydro Group's Long-term Development Program for the year 2018 (KPI “Return on Equity (ROE)”, “Earnings before Interest, Tax and Depreciation Expenses (EBITDA)”, “Labor productivity, thousand rubles/man-hour” in accordance with the update of the annual key performance indicators of the members of the Company's Management Board (Schedule No. 7 to the Minutes).

Item 4: Transactions.

The resolution adopted: Confidential.

Item 5: Determining the position of the Company (representatives of the Company) on the agenda items of the management bodies of subsidiary economic entities:

5.1. Determining the position of the Company (representatives of the Company) on the agenda items of the management bodies of subsidiary economic entities: Liquidation of JSC “Organizator stroitelstva Boguchanskoi GES”.

The resolution adopted:

Instruct the representatives of the Company in the managing bodies of JSC “Organizator stroitelstva Boguchanskoi GES”, with regard to the item related to the liquidation of JSC “Organizator stroitelstva Boguchanskoi GES”, to vote “FOR”:

- adoption of a resolution on the liquidation of JSC “Organizator stroitelstva Boguchanskoi GES”;
- adoption of resolutions related to the liquidation of JSC “Organizator stroitelstva Boguchanskoi GES” considered in accordance with the Articles 61—64 of the Civil Code of the Russian Federation and Articles 21—24 of Federal Law No. 208-FZ dated December 26, 1995 “On Joint-Stock Companies”.

About RusHydro

RusHydro Group is one of Russia’s largest generating companies. RusHydro is the leading producer of renewable energy in Russia with over 400 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 39 GW, heat capacity – 18.5 thousand GCal/h.

Russian Federation owns 60.56% in RusHydro, the rest is held by other institutional and individual shareholders (over 360,000). The company’s stock is traded on Moscow Exchange (MOEX), and included in MSCI EM и MSCI Russia indexes. Company’s GDRs in the IOB section of LSE, ADRs – in OTCQX.

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The information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of PJSC “RusHydro” (“RusHydro”). One can identify forward-looking statements by terms such as “expect”, “believe”, “anticipate”, “plan”, “aim”, “target”, “forecast”, “project”, “should”, “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 and political 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.
