

June 10, 2016. Moscow, Russia.

RusHydro Group completes squeeze-out of RAO ES of the East shares

PJSC RusHydro (ticker symbol: MOEX, LSE: HYDR; OTCQX: RSHYY) announces that Vostok-Finance LLC (100% subsidiary of PJSC RAO ES of the East) has completed a mandatory squeeze-out procedure in respect of the remaining shares of PJSC RAO ES of the East. During the squeeze-out period 887,233,672 ordinary and 312,687,580 preferred shares of PJSC RAO ES of the East were acquired by Vostok-Finance. It completes the consolidation of 100% of RAO ES of the East initiated 8 months ago by RusHydro Group.

The consolidation process of RAO ES of the East started with the voluntary offer effective from November 2015 till February 2016 which resulted in acquisition of 11.11% of PJSC RAO ES East ordinary and preferred shares from shareholders.

In accordance with the Russian legislation acquisition of over 10% and consolidation of over 95% of RAO ES of the East shares allowed RusHydro Group to exercise a squeeze-out right of the public joint-stock company in relation to the remaining shares. Shareholders should have submitted to the registrar of PJSC RAO ES of the East – JSC “STATUS” their applications containing bank or broker account details to receive payment for shares till May 16, 2016. All calculations were completed on June 1, 2016.

Shareholders who failed to submit their requests may now request their cash proceeds from the notary office of Ms. Irina Vilvovskaya in the city of Khabarovsk, Russian Federation P.O. Box 680038, Volochaevskaya str. 180, tel. +7 (4212) 56-33-42.

The full consolidation of RAO ES of the East ordinary shares is a part of the long-term development program of RusHydro Group aimed to improve the efficiency of control over RAO ES of the East holding.

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 38.5 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 Moscow Exchange (MOEX), 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

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," "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.