

May 18, 2015

Reorganization of JSC FEGC

JSC RusHydro (ticker symbol: MOEX, LSE: HYDR; OTCQX: RSHYY) informs about reorganization of JSC Far-Eastern Generating Company (JSC FEGC), a subsidiary of RusHydro, through demerging JSC Luchegorsky Ugolny Razrez (JSC LUR).

The reorganization of JSC FEGC has been approved by the company's Board of Directors, acting as the Extraordinary General Meeting of shareholders, on May 13, 2015.

Part of property, rights, and obligations of JSC FEGC will be transferred to JSC "LUR" in accordance with the transfer certificate.

JSC FEGC should notify the authority responsible for the state registration of legal entities within 3 working days after resolution on reorganization.

JSC FEGC should publish a notice on its reorganization in mass media two times once in a month once the application on the start of reorganization has been submitted to the Unified State Register of Legal Entities.

Creditors of JSC FEGC, whose rights arose before publication of the first notice on reorganization of JSC FEGC, have the right to claim for loan acceleration through legal proceedings, or termination of obligation and reimbursement of the relevant losses, except for particular cases provided by the applicable law or the agreement between the creditor and JSC FEGC, if early performance of obligations is impossible.

The full name of a company created through reorganization of JSC FEGC will be: Joint-Stock Company Luchegorsky Ugolny Razrez; short name: JSC LUR.

The new company will be located in Luchegorsk, Pozharsky District, Primorski Krai, Russian Federation.

The Articles of Association of JSC LUR are approved.

The share capital of JSC LUR is formed exclusively of the company's own funds, at the expense of its additional capital. The share capital of JSC LUR amounts to RUB 240 mn, and is composed of 24 bn ordinary registered shares with par value of RUB 0.01 per share.

JSC LUR will be controlled by the Audit Committee consisting of 3 members:

1. Viktor Ovchinnikov – Deputy Head of the Internal Audit Department, JSC FEGC.
2. Natalia Sayutina – Chief Specialist of the Internal Audit Department, JSC FEGC.
3. Alexander Sharikov – Head of the Internal Control Unit of the Internal Audit Department, JSC RAO Energy System of East.

The operating activities of JSC LUR will be managed by Yury Vozdvizhensky, General Director of the company.

The Board of Directors of JSC LUR consists of 5 members:

1. Mikhail Lushchikov – Deputy General Director for Resources, JSC FEGC.
2. Andrey Tkachuk – Deputy General Director for Economy and Finance, JSC FEGC.
3. Maxim Niklonsky – Deputy General Director for Capital Construction and Investments, JSC FEGC.
4. Vitaly Chebotkevich – HR Director, JSC FEGC.
5. Vladimir Kolmogorov – Head of the Fuel Supply Department, JSC RAO Energy System of East.

The shares of JSC LUR will be acquired by the joint-stock company reorganized through demerger. The date of shares placement is the date of state registration of JSC LUR.

CJSC Computershare Registrar has been assigned the registrar of JSC LUR. The price limit of the agreement with Computershare Registrar amounts to RUB 2,000 per month and up to one RUB 100,000 for the whole period.

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 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.