

## **Results of the Board of Directors Meeting on February 19, 2019**

PJSC RusHydro (ticker symbol: MOEX, LSE: HYDR; OTCQX: RSHYY) announces that the Company's Board of Directors held a meeting in absentia on February 19, 2019.

### **Resolutions passed on Items of the agenda:**

#### **Item 1. On approval RusHydro's Board of Directors Action Plan for the first half of 2019.**

##### **The resolution adopted:**

To approve RusHydro's Board of Directors Action Plan for the first half of 2019 (Schedule 1 to the Minutes).

#### **Item 2. On approval of the Report on the implementation of Action Plan for the sale of non-core assets of the Company for 2018.**

##### **The resolution adopted:**

To approve the Report on the implementation of the Action Plan for the sale of non-core assets of RusHydro for 2018 (Schedule 2 to the Minutes).

#### **Item 3. On approval of the transactions completed by the Company:**

##### **3.1. On approval of transactions for the gratuitous transfer of the Company's property to third parties.**

##### **The resolution adopted:**

1. To approve the conclusion of an Agreement on the Gratuitous Transfer (Donation) of Property (hereinafter referred to as the Agreement) under the following material terms and conditions:

##### Parties to the Agreement:

The Donor is the Company.

The Donee is the Russian Federation represented by the Interregional Territorial Administration of the Federal Agency for State Property Management in the Khabarovsk Territory and the Jewish Autonomous Region.

##### Subject Matter of the Agreement:

The Donor shall gratuitously transfer and the Donee shall accept ownership of real estate and movable assets of the hydrometeorological network in accordance with Schedule 3 and Schedule 4 to the Minutes (hereinafter referred to as the Property) for the subsequent assignment of the right of operational management to the Federal State Budgetary Institution Far East Hydrometeorology and Environmental Monitoring Department.

##### Price (book value) of the Property (as of December 31, 2018):

20,674,861 (twenty million six hundred seventy-four thousand eight hundred sixty-one) rubles and 28 kopecks.

2. To approve the conclusion of an Agreement on the Gratuitous Transfer (Donation) of Property (hereinafter referred to as the Agreement) under the following material terms and conditions:

##### Parties to the Agreement:

The Donor is the Company.

The Donee is the rural settlement Gimry Village of the Untsukul'sky District of the Republic of Dagestan represented by the Administration of the Municipal Formation Gimry Village of the Untsukul'sky District of the Republic of Dagestan.

##### Subject Matter of the Agreement:

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The Donor shall gratuitously transfer and the Donee shall accept in ownership the real estate asset – the road transport structure "Bridge" with cadastral number 05:35:000022:113, 113 m long, located at: the Republic of Dagestan, Untsukul'sky District, Gimry Village, Irganayskaya HPP in accordance with Schedule 5 to the Minutes (hereinafter, the Property).

Price (book value) of the Property (as of December 31, 2018):

98,977,438 (ninety-eight million nine hundred seventy-seven thousand four hundred thirty-eight) rubles and 26 kopecks.

3. To approve the conclusion of an Agreement on the Gratuitous Transfer (Donation) of Property (hereinafter referred to as the Agreement) under the following material terms and conditions:

Parties to the Agreement:

The Donor is the Company.

The Donee is the Russian Federation represented by the Territorial Administration of the Federal Agency for State Property Management in the Stavropol Territory.

Subject Matter of the Agreement:

The Donor shall gratuitously transfers and the Donee shall accept in ownership the real estate asset – hydraulic structure "Differential No. 1 With a Dam" with the cadastral number 26:15:000000:3586, 1,860 m long, located at: Stavropol Territory, Kochubeyevsky District, 7,850 m in a south-westerly direction from the central part of the Dvortsovskoye Village according to Schedule 6 to the Minutes (hereinafter, the Property) for subsequent assignment of the right of operational management to the Federal State Budgetary Institution Department of Land Reclamation and Agricultural Water Supply in the Stavropol Territory.

Price (book value) of the Property (as of December 31, 2018):

3,469,704 (three million four hundred sixty-nine thousand seven hundred four) rubles and 54 kopecks.

### **3.2. On approval of a transaction for the gratuitous transfer of the Company's property.**

#### **The resolution adopted:**

To approve the conclusion of an agreement on making a contribution to the property of Small HPPs of Altai JSC (hereinafter, the Agreement) as a transaction related to the gratuitous transfer of the Company's property on the following material terms:

Parties to the Agreement:

RusHydro

Small HPPs of Altai JSC

Subject of the Agreement:

Making a contribution (in cash) to the property of Small HPPs of Altai JSC.

The contribution amount is 4,071,399 (four million seventy-one thousand three hundred ninety-nine) rubles and 00 kopecks.

Other terms of the Agreement:

The period for the contribution is until February 25, 2019.

### **Item 4. On approval of the Company's internal documents:**

#### **On approval of the Regulation on the evaluation of the activities of the Board of Directors and committees of the Board of Directors of RusHydro.**

##### **The resolution adopted:**

To approve the Regulations on the evaluation of the activities of the Board of Directors and committees of the Board of Directors of RusHydro (Schedule 7 to the Minutes).

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**Item 5. On determining the position of RusHydro (RusHydro's delegates) in the management bodies of its subsidiaries:**

**The resolution adopted on items 5.1 – 5.5:** Confidential.

**Item 6. On considering matters of significance to the Company:**

**6.1. On the approval of reports concerning the results of activity of the Committees of the Board of Directors of RusHydro.**

**The resolution adopted:**

1. To approve the report concerning the results of the activity of the Audit Committee of the Board of Directors of the Company for the first half of the 2018–2019 corporate year (Schedule 12 to the Minutes).

2. To approve the report concerning the results of the activity of the HR and Remunerations (Nominations) Committee of the Board of Directors of the Company for the first half of the 2018–2019 corporate year (Schedule 13 to the Minutes).

3. To approve the report concerning the results of the activity of the Strategy Committee of the Board of Directors of the Company for the first half of the 2018–2019 corporate year (Schedule 14 to the Minutes).

4. To approve the report concerning the results of the activity of the Investment Committee of the Board of Directors of the Company for the first half of the 2018–2019 corporate year (Schedule 15 to the Minutes).

5. To approve the report concerning the results of the activity of the Far East Power Industry Development Committee of the Board of Directors of the Company for the first half of the 2018–2019 corporate year (Schedule 16 to the Minutes).

6. To approve the report concerning the results of the activity of the Reliability, Energy Efficiency and Innovations Committee of the Board of Directors of the Company for the first half of the 2018–2019 corporate year (Schedule 17 to the Minutes).

**6.2. On the effectiveness of the forward contract and on the implementation of the Plan to increase the value of the RusHydro Group for the period up to 2021.**

**The resolution adopted:**

1. To take into consideration the information on the effectiveness of the forward contract and on the implementation of the Plan to increase the value of the RusHydro Group for the period up to 2021 in accordance with Schedules 18 and 19 to the Minutes.

2. To instruct the Company's Management Board:

2.1. To continue work aimed at increasing the market value of the Company, including creating conditions for ensuring the cost recovery of the pumped storage hydropower plant; inclusion of the Company's projects in the Far Eastern Federal District (hereinafter referred to as the FEFD) in the asset modernization program, taking into account the guaranteed return of the investments; establishing long-term tariff regulation in the FEFD which takes into account the real cost increases of energy companies; and the implementation of measures for the capitalization of the intragroup debt level of DGK JSC in order to preserve the financial stability of the latter.

2.2. To submit proposals for consideration by the Board of Directors of the Company aimed at increasing the transparency and predictability of dividend payments of the Company, taking into account the need to ensure that the financial condition of RusHydro Group does not deteriorate, as well as the implementation of investment projects in the Far Eastern Federal District.

**6.3. On forming RusHydro's management bodies.**

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**The resolution adopted:**

1. To terminate the powers of member of the Management Board V. I. Markin on February 24, 2019.
2. To determine the composition of the Company's Management Board as 6 persons.
3. Confidential.

**6.4. Confidential.****The resolution adopted:**

Confidential.

**6.5. Confidential.****The resolution adopted:**

Confidential.

**6.6. Confidential****The resolution adopted:**

Confidential.

**6.7. Confidential****The resolution adopted:**

Confidential.

**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 39.4 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.

**For more information:**

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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.*

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