



# RusHydro

**RusHydro**

Investor presentation

Raiffaisenbank Russia days @ Stockholm, Frankfurt  
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# RusHydro



**I. About the company & key highlights**

II. Strategy through 2020 & forward contract with VTB

III. Operating & financial results

IV. Russian power market outlook

# Key figures and facts

## Key figures

**39.1**

**GW**

Installed electric capacity of RusHydro Group<sup>(1)</sup>

**140**

**TWh**

Total output of RusHydro Group in 2017 <sup>(1)</sup>

**71**

**thousand employees**

**>60%**

Of Russia's installed hydro capacity controlled by RusHydro Group

**100**

**RUB bn**  
FY2016 EBITDA

**19.9**

**RUB bn**  
Dividends for FY2016 paid in 2017

**1.2x**

net debt/  
EBITDA<sup>(2)</sup>

**61%**

Average EBITDA margin of hydropower segment in 2014-2016

- 🌐 **Largest generating company in Russia** and one of the largest publicly traded generating company with predominantly hydro assets in the world with installed capacity of 39.1 GW <sup>(1)</sup> (ca.16% of Russia's total installed electric capacity)
- 🌐 **A developing and successful dividend story:** 7 consecutive years of increasing dividend payments since 2010; dividend payout in the amount of 50% of net profit in 2016-2017
- 🌐 **Focus on the Russian market:** implementation of new construction projects, extension of life-time and improving efficiency of existing assets
- 🌐 **Diversified holding company** with hydro and thermal generation assets, alternative renewables, transmission and distribution, retail, R&D and repair assets
- 🌐 **One of the most liquid generating companies of the Russian stock market:** local shares included in Level 1 list on MOEX, DRs listed on the LSE and trading on OTCQX in New York, included in MSCI Russia index.
- 🌐 **Green utility** – one of the world's largest renewable energy players, a sustainable development leader in Russia



**RusHydro**

(1) Including 3 GW Boguchanskaya hydropower plant, 50/50 JV with UC RUSAL

(2) Reflecting expected cancelation of guarantee of Boguchanskaya HPP loan by PJSC RusHydro

# Geography of key assets - benefitting from high diversification

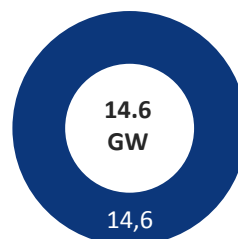
## Key facts

72<sup>(1)</sup> hydro power plants  
4 types of non-hydro renewables

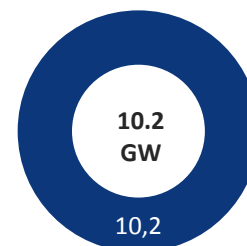
35 major fossil fuel plants  
5 retail companies

>100,000 km of electricity grids  
~ 4,000 km of heating networks

## European Russia

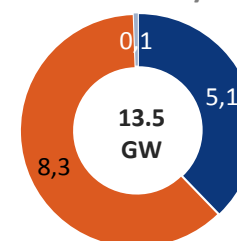


## Siberia<sup>(1)</sup>

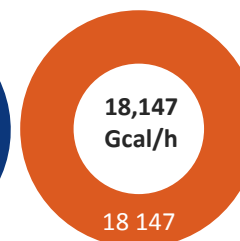


## Far East

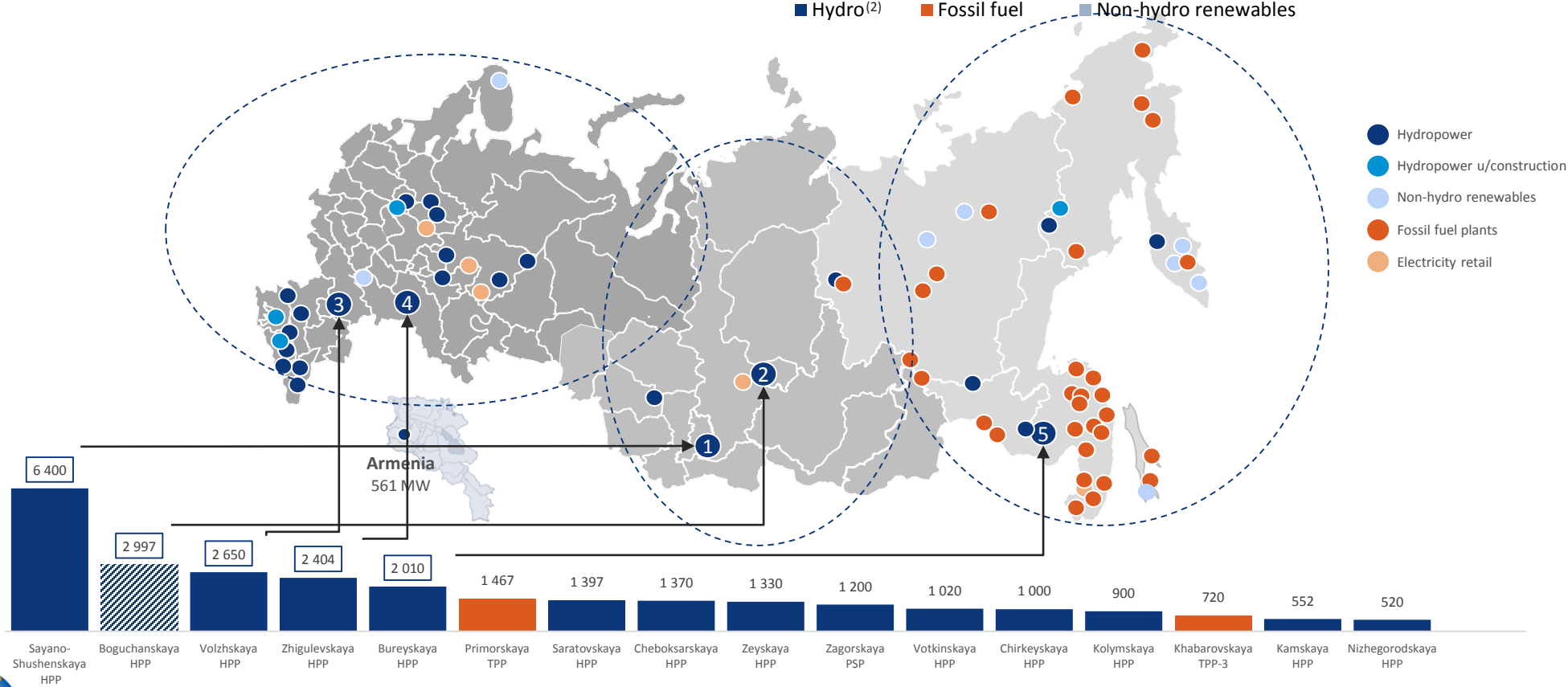
### Electricity



### Heat



■ Hydro<sup>(2)</sup> ■ Fossil fuel ■ Non-hydro renewables



**RusHydro**

(1) Including 2,997MW (total capacity) of Boguchanskaya HPP (50% owned by RusHydro)

(2) Including 1,200MW of pumped storage capacity

# RusHydro: yesterday and today

2015		2017E
38.7 <sup>(1)</sup>	Installed electric capacity, GW	39.1 <sup>(1)</sup>
127 <sup>(1)</sup>	Electricity generation, TWh	140.2 <sup>(1)</sup>
73 20%	EBITDA, RUB bn/ EBITDA margin, %	~ 100 ~25%
6 1.56	Dividend, RUB bn/ Dividend per share, kopecks	20 <sup>(2)</sup> 4.66 <sup>(2)</sup>
222 2.4x	Total debt, RUB bn / Net debt/EBITDA	180 <sup>(3)</sup> 1.2x <sup>(3)</sup>
-49% <sup>(4)</sup>	3-year total shareholder return (TSR)	+45% <sup>(5)</sup>

(1) Including capacity of Boguchanskaya HPP, a 50/50 JV with UC RUSAL

(2) Dividends paid in 2017

(3) Reflecting expected cancellation of suretyship of PJSC RusHydro in respect of Boguchanskaya HPP loan

(4) For 2012-2014

(5) For 2015-2017

# Key highlights and events of 2017

## RAO ES subgroup debt



- Capital raise in the amount of **RUB 55 bn** from VTB Bank
- Repayment of RUB 55 bn debt of Far Eastern subsidiaries
- Reduction of net debt/EBITDA to **1.2x<sup>(1)</sup>**

## Dividend



- Record-high dividend in the amount of **RUB 20 bn** or 4.66 kopecks per share (up 20% to 2016) with payout of 50% of IFRS net profit – one of the best dividends among Russian utilities

## Operations



- **Electricity output in FY2017 – 139.4 TWh<sup>(2)</sup>** – a new historical record
- **42.5 MW hydropower** capacity uprate due following modernization

## Strategy



- Board of Directors approved **RusHydro Group value growth plan through 2021**, aimed at increase in the Company fundamental value and market capitalization and preparation of measures, aimed at introduction of long-term tariff regulation in the Far East Federal District

## Investment program



- Commissioning of **Yakutskaya GRES-2 (193 MW/ 469 Gcal/h)** – second of the 4 priority new construction projects in the Far East
- Completion of comprehensive restoration of Sayano-Shushenskaya and full commissioning of Boguchanskaya hydropower plants

## Financial policy



- Successful entry into Eurobond market: RusHydro placed **RUB 20 bn 5-year RUB-denominated LPNs** on the Irish Exchange
- **Cancellation of RusHydro's suretyship of RUB 26 bn** in respect of Boguchanskaya HPP loan<sup>(3)</sup>.

## Organizational development



- Completion of 100% consolidation of PJSC RAO ES East
- Merging HQs of RusHydro and RAO ES East
- JSC ESC RusHydro took over management of retail function of PJSC DEK in the Far East

(1) Reflecting expected cancellation of guarantee on Boguchanskaya HPP loan by PJSC RusHydro

(2) Estimated output

(3) Actual cancellation of cancellation of suretyship of PJSC RusHydro in respect of Boguchanskaya HPP loan expected in the end of 2017-early 2018





# Implementation of key investment projects and commissioning of electric capacity in 2017-2018

## 2017

- ✓ Commissioning of Yakutskaya TPP-2 (193 MW / 469 Gcal/h).
- ✓ 42.5 MW of installed hydro capacity added due to implementation of modernization program.

## 2018

- Commissioning of combined 1,064 MW of new electric capacity.
- Increase of installed hydro capacity by 63 MW due to implementation of modernization program.



RusHydro

(1) Additional capacity

■ RusHydro Group

■ Boguchanskaya HPP



# RusHydro – among top 20 green power generators of the world <sup>(1)</sup>

No	Company	Country	Nuclear, GW	Hydro, GW	Renewables, GW	CO <sub>2</sub> free, GW	CO <sub>2</sub> free/IC
1	Acciona	Spain	0.0	0.9	8.0	8.9	100%
2	China National Nuclear Corp.	China	11.5	0.0	0.0	11.5	100%
3	E.On	Germany	4.2	0.0	4.2	8.4	100%
4	Energoatom	Ukraine	13.8	0.3	0.0	14.1	100%
5	Rosatom	Russia	27.1	0.0	0.0	27.1	100%
6	Hydro-Quebec	Canada	0.0	36.4	0.0	36.4	99%
7	BC Hydro	Canada	0.0	11.9	0.0	11.9	99%
8	Cemig	Brazil	0.0	7.7	0.1	7.7	98%
9	China Three Gorges	China	0.0	58.8	7.8	66.6	96%
10	Eletrobras	Brazil	2.0	40.8	1.0	43.9	95%
11	Verbund	Austria	0.0	8.2	0.4	8.6	89%
12	Statkraft	Norway	0.0	15.8	0.9	16.7	87%
13	China General Nuclear (CGN)	China	20.4	2.3	13.5	36.2	83%
14	Ontario Power Generation	Canada	5.7	7.4	0.0	13.2	81%
15	Axpo	Switzerland	3.1	3.5	0.5	7.1	80%
<b>16</b>	 <b>RusHydro</b>	<b>Russia</b>	<b>0.0</b>	<b>28.8</b>	<b>0.3</b>	<b>29.1</b>	<b>78%</b>
17	EDF	France	75.0	22.8	7.8	105.5	77%
18	Eurosibenergo	Russia	0.0	15.1	0.0	15.1	77%
19	Energias de Portugal (EDP)	Portugal	0.2	8.1	10.1	18.3	73%
20	Exelon	US	19.5	1.6	2.1	23.2	71%



# RusHydro – one of sustainable development leaders in Russia



FTSE4Good



**In 2017, RusHydro shares were included FTSE4GOOD Emerging index.** Russia is represented in the index by no more than 20 companies. Companies are evaluated using three sets of criteria, reflecting environmental, social and governance practices.



**RusHydro received the 1<sup>st</sup> place among Russian utilities and the 2<sup>nd</sup> place among all Russian companies, participating in RobecoSAM rating.** The Company also was 31 of 64 utilities companies from around the world, researched by the agency. RobecoSAM sustainable development rating is based on 26 criteria.



**RusHydro improved its Carbon Disclosure Project (CDP) ranking.** In 2017, RusHydro received “D” ranking, corresponding to median result among Russian companies- participants. CDP is evaluating greenhouse gases emissions by the companies and initiatives, aimed at emissions reduction. 45 Russian companies took part in the survey in 2017.



**Vigeo Eiris for the first time included RusHydro in list of top-100 most advanced companies in the filed of sustainable development (Best Emerging Markets sustainability performance ranking).** RusHydro is one of four Russian companies, and the only Russian utility, included in the ranking. The agency researched over 850 companies from 37 sectors and 31 emerging markets.



**RusHydro is consistently included in the top-20 largest low-carbon generating companies of the world according to EI ranking.** RusHydro is the 2<sup>nd</sup> among Russian companies, included in the ranking. Only three Russian companies are included in the Energy Intelligence ranking: Rosatom, RusHydro and Eurosibenergo. The agency estimates the share carbon-free generation of RusHydro's overall installed capacity at 78%.



**RusHydro is included in top-20 indices “Responsibility and Transparency” and “Sustainable development vector”.**

Only two Russian utilities are represented in these indices developed by RSPP (Russian Union of Industrialists and Entrepreneurs).



**RusHydro**

# Progress in key aspects of sustainable development



**In September 2017 RusHydro has sent letter of commitment addressed to the UN Secretary General in support of ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption and joined the UN Global Compact.**



## Anti-Corruption policy

- ✓ In May 2017, RusHydro confirms its adherence to the Anti-Corruption Charter, developed by RSPP (Russian Union of Industrialists and Entrepreneurs).
- ✓ RSPP experts recognized RusHydro's corruption prevention practice as one of the best among companies-participants of the Anti-Corruption Charter.



## Corporate governance

- ✓ In March 2017, RusHydro included in the list of top 25 Russian companies under Responsibility and Transparency Index (Global Initiative for Sustainability Ratings – GISR).
- ✓ In November 2017 RusHydro management at a meeting with the head of utilities industry trade-unions signed protocol with decisions, aimed at further joint effort, aimed at development of social partnership on the industry and regional levels.



## Biodiversity

- ✓ In June 2017, RusHydro signs the agreement with the Institute for Environmental and Evolutional Problems to develop the Program for reintroduction of leopard population in the North Ossetia Republic (Caucasus region).
- ✓ In July 2017, RusHydro successfully completed “the Bureyskiy compromise” program in connection with construction of Bureyskaya HPP with creation of the Bureyskiy Natural Park for relocation of animals from the reservoir flood zone.



## Climate change, low carbon economy

- ✓ In May 2017, RusHydro conducted a roundtable “Hydropower in the context of climate change”. The event participants stressed the need to establish classification of HPPs reservoirs, as well as development of methodology for calculation of carbon neutrality and carbon absorption capacity of the reservoirs.

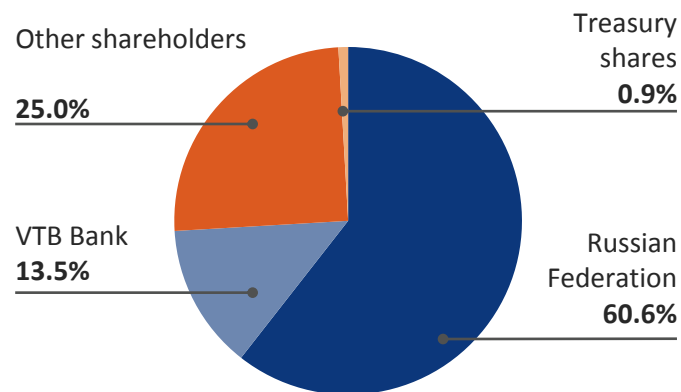


**RusHydro**

## Key highlights

- **The Russian government** directly owns **60.6%** of RusHydro. A special Presidential decree stipulates minimum government's ownership at **60.5%**
- RusHydro's shares are listed on the **Moscow Exchange** and on the **London Stock Exchange** in the form of ADRs (ticker - HYDR)
- The Board of Directors includes **13** reputable representatives and is headed by **Mr. Yuri Trutnev** – Deputy Prime Minister and Authorised Representative of the President in the Far Eastern Federal District

## Shareholder structure<sup>(1)</sup>



## Board of directors

### Non-independent / Executive Directors



**Yuri Trutnev**  
Chairman of the Board  
Deputy Prime Minister  
and Authorised  
Representative of the  
President in the Far  
Eastern Federal District

**Vyacheslav Kravchenko**  
Deputy Minister of Energy

**Nikolay Podguzov**  
General Director of  
Russian Post

**Nikolai Shulginov**  
Chairman of the Management Board  
- General Director of RusHydro

**Alexei Chekunkov**  
CEO of the Far East Development  
Fund

**Sergey Shishin**  
Senior Vice-President, VTB Bank

**Andrei Shishkin**  
Vice-President, Rosneft

**Artem Avetisyan**  
Director of New Business at Agency  
of Strategic Initiatives for Promotion  
of New Projects

**Nikolai Rogalev**  
Head of the National Research  
University "MEI"

### Independent Directors<sup>(2)</sup>

**Pavel Grachev**  
CEO of Polyus

**Sergei Ivanov**  
General Director of RT-Capital

**Maxim Bystrov**  
Chairman of the Management  
Board, ATS, NP Market Council

**Vyacheslav Pivovarov**  
CEO of Altera Capital

## CEO



**Nikolai Shulginov**  
Chairman of the  
Management Board -  
General Director of  
RusHydro  
Works in the electricity  
sector since 1976


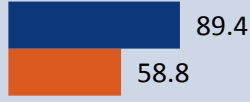

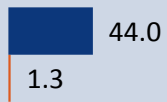









# RusHydro's business segments

## Key highlights

- RusHydro's **hydro generation** business is represented by a separate segment (PJSC RusHydro), which accounted for **c. 82%** of total EBITDA in 9M 2017 (segment EBITDA margin 65.7%)
- Retail operations** (i.e. resale of electricity purchased in the wholesale electricity market to retail customers) in the European part of Russia and Siberia are consolidated in the ESC RusHydro subgroup, which includes **4 regional retail companies**
- In the Far East**, the Company operates **extensive integrated infrastructure** via RAO ES East subgroup:
  - Electricity and heat **generation assets**
  - More than **100,000 km** of **electricity grids** and about **4,000 km** of **heating networks**
  - Retail business** (1 regional retail company)

## Business segments

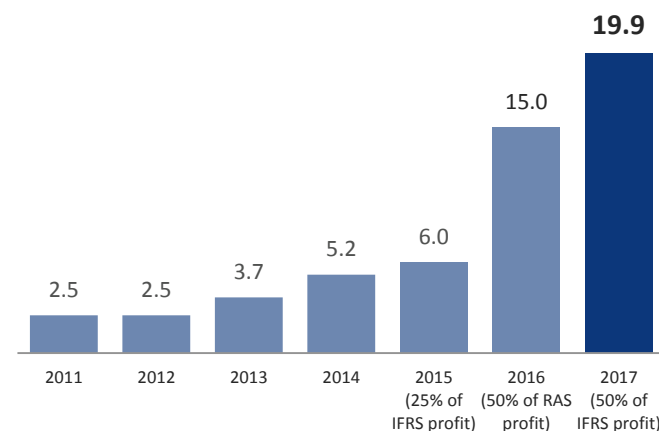
Segment	Location	Description	Line of business				9M 2017 financial results <sup>(1)</sup>	
			Generation	Transmission	Distribution	Retail		
PJSC RusHydro	– Europe	Hydropower generation		Russian Grids / Federal Grid Company (natural monopoly)		–		
	– Siberia – Far East							
ESC RusHydro subgroup	– Europe – Siberia	Electricity retail business	–	–				
RAO ES East subgroup	– Far East – electricity market	Electricity generation, distribution and retail		Russian Grids (natural monopoly)				
	– Far East – heat market	Heat generation, distribution and retail						

■ Segment revenue (RUB bn)  
■ Segment EBITDA (RUB bn)

# Best dividend story and practice among Russian SOE utilities

- Board of Directors of RusHydro recommended the AGM to pay out **50% of 2016 IFRS net profit or 4.66 kopecks per share**. Ex-dividend date – July 7, 2017.
- As of 2015, RusHydro dividend policy provides for dividend payment based on consolidated IFRS net profit.
- 2016 dividends based on RAS net profit were determined in conformity with Government order regarding SOE dividends, providing for payout of 50% of the highest resulting net profit (under IFRS of RAS).
- Dividends to be paid out reduces RusHydro liabilities (and effective rate) under the forward contract with VTB. 50% of net profit payout reduces annual forward rate by more than 4%<sup>(1)</sup>.

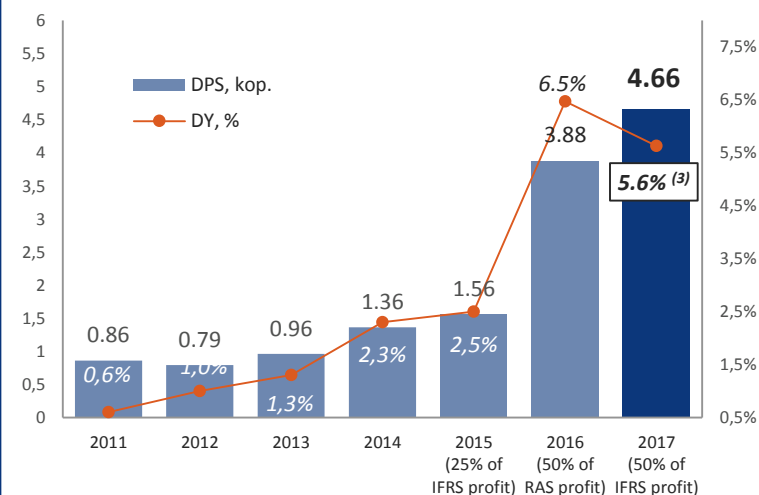
Dividends (RUB bn)



Dividend yield of the Russian generating companies<sup>(2)</sup>

	2011	2012	2013	2014	2015	2016	2017
Krasnoyarskaya HPP	0.0%	4.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Quadra	1.9%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Unipro (EOn Russia)	0.0%	2.6%	10.8%	16.2%	8.8%	7.2%	7.8%
<b>RusHydro</b>	<b>0.6%</b>	<b>1.0%</b>	<b>1.3%</b>	<b>2.3%</b>	<b>2.5%</b>	<b>6.5%</b>	<b>5.6%</b>
Irkutskenergo	0.4%	0.8%	3.3%	5.4%	7.7%	0.0%	0.0%
Mosenergo	0.6%	1.7%	2.2%	4.6%	1.0%	3.6%	3.6%
InterRAO	0.0%	0.0%	0.0%	0.0%	0.1%	0.8%	3.6%
Enel Russia	0.0%	0.0%	0.0%	5.0%	9.0%	0.0%	6.8%
TGK-1	0.2%	0.5%	1.7%	2.6%	4.8%	4.9%	2.8%
OGK-2	0.3%	0.1%	0.0%	0.0%	2.9%	2.1%	2.1%
T Plus (KES Holding)	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%

DPS and dividend yield



(1) Dividends not only would fully cover due quarterly payment on forward, but will also finance more than 40% of the next quarterly payment.

(2) Calculated based on the date of announcement of recommendations on dividends by the Board of Directors.

(3) Calculated based on close price on May 24, 2017 - date of announcement of recommendation on dividends by the Board of Directors.





# RusHydro

I. About the company & key highlights

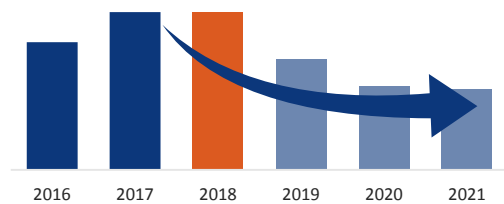


**II. Strategy through 2020 & forward contract with VTB**

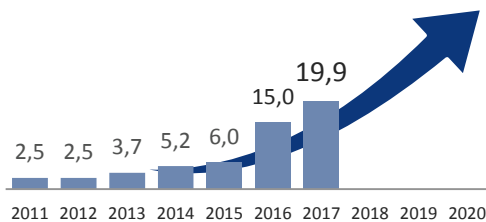
III. Russian power market outlook

IV. Russian power market outlook

# Strategic priorities and development tasks



- **Going through a peak of capex funding with completion of key HPPs and fossil fuel projects** (Nizhne-Bureyskaya HPP, Ust-Srednekanskaya HPP, Zaramagskaya HPP-1, four priority projects in the Far East, Vostochnaya CHP)
- Attaining sustainable positive free cash flow
- Continuation of rehabilitation and modernization program



- **Steady growth of dividends in absolute terms in the long-term in the interest of the government and shareholders**
- Creating conditions for dividends payment from positive free cash flow, as well as more stable and predictable dividends



- **Reliable electricity supply to current and prospective customers in the Far East**
- Introduction of long term tariff regulation in the Far East Federal District providing for return on invested capital, full compensation of operating costs and prevention of further debt build-up of Far Eastern subsidiary utilities as well as creation of competitive environment
- Developing proposals for decommissioning and substitution of obsolete capacity based on review of alternative options

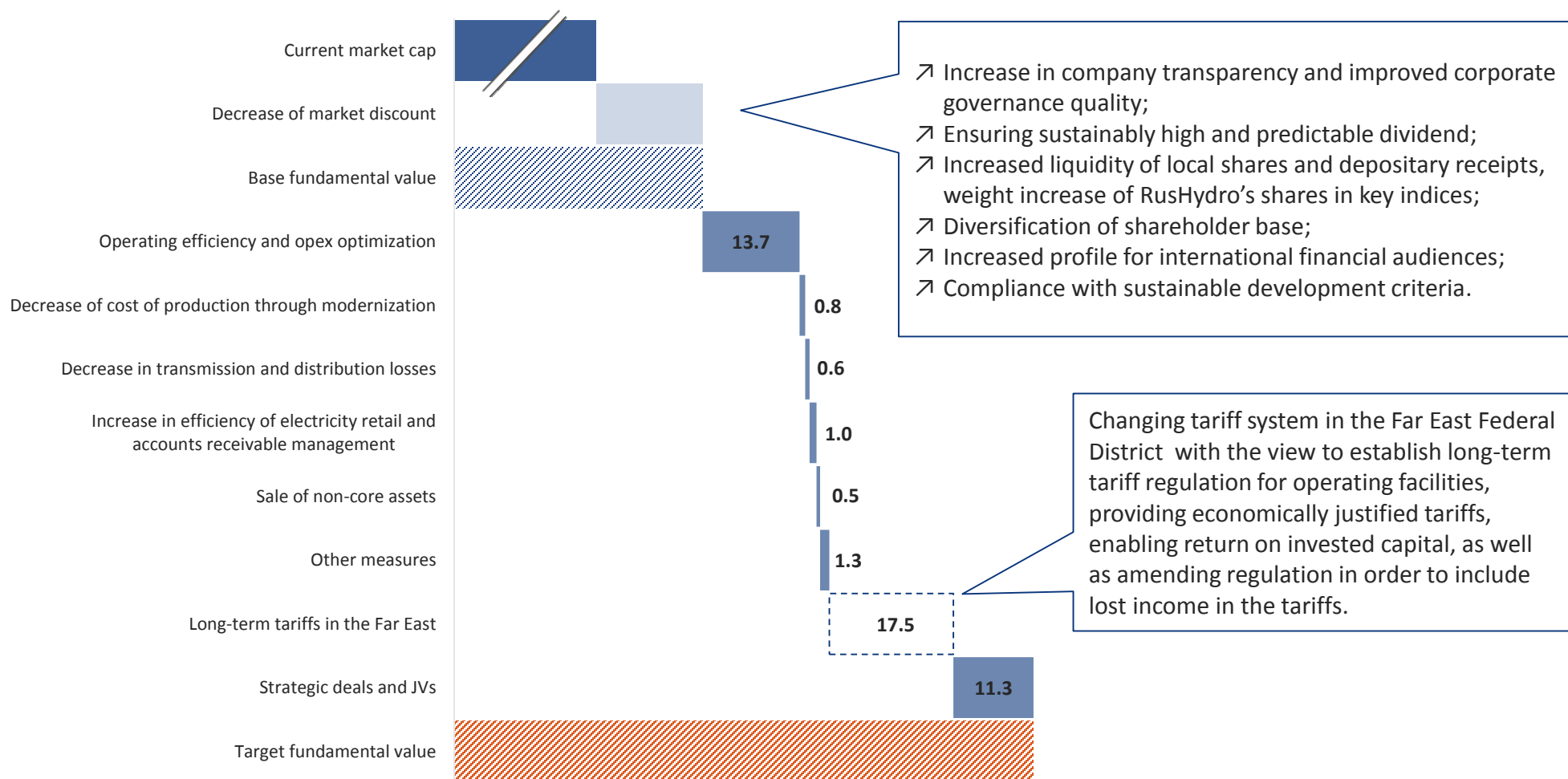


- Low-carbon development of RusHydro Group, development of renewable energy sources for sustainable development and minimization of environmental impact
- Increased transparency and improved corporate governance
- Introduction of best practice environmental technologies, environmental safety, energy saving and increased energy efficiency

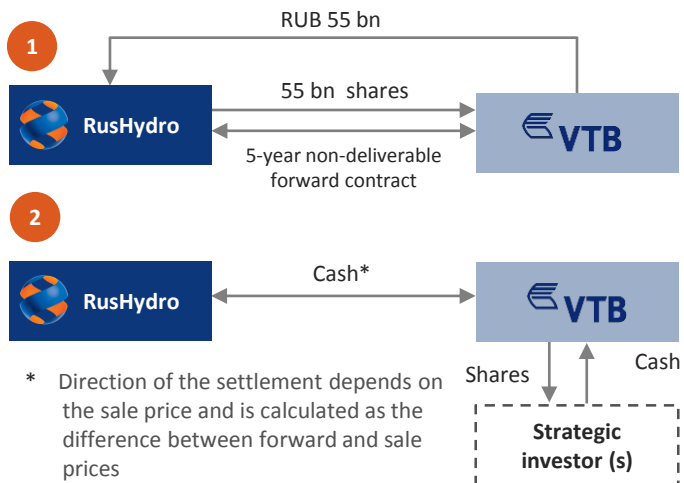


# Key factors of RusHydro Group value growth plan <sup>(1)</sup>

On October 27, 2017, the Board of Directors approved the value growth plan of RusHydro Group through 2021 and commissioned the Management Board to prepare necessary applications to the Government of the Russian Federation for organization of measures in support of the Plan, as well as draft regulations aimed at introduction of long-term tariffs and return on investment principles.



# Overview of forward contract with VTB



No mandatory buy-back of shares from VTB Bank by RusHydro ("put")



Dividends paid to VTB will be netted against quarterly interest payments



Potential additional income for RusHydro in case of further sale of the stake at a price above RUB 55 bn



Option of early settlement before expiration of the 5-year term



Review of the forward rate along inline with CBR key rate



Requirement of Gov't approval of sale of VTB Bank stake to strategic investor



The fair value of forward capitalized at initial recognition is not a subject to change



**6.22%**

Current effective forward rate

**-0.62 p.p.**

Reduction of average rate of RusHydro Group debt portfolio due to the forward contract <sup>(1)</sup>

**476**

**RUB mn**

Effect from reduced payments to the Bank due to reduction of the CBR's key rate 2017

**>RUB 5bn**

Expected effect from reduced payments to the Bank due to reduction of the CBR's key rate for 5 years<sup>(2)</sup>

🌐 **Significant volume of RusHydro's potential liabilities will be covered by third party investors via sale of RusHydro's shares and dividend paid to VTB**

🌐 **The transaction creates strong long-term incentives for the management to maximize company value in the interest if all shareholders**

🌐 Funds raised via the forward contract transaction were used for repayment of external debt of RAO ES East Subgroup companies, allowing to significantly reduce consolidated debt of RusHydro Group.

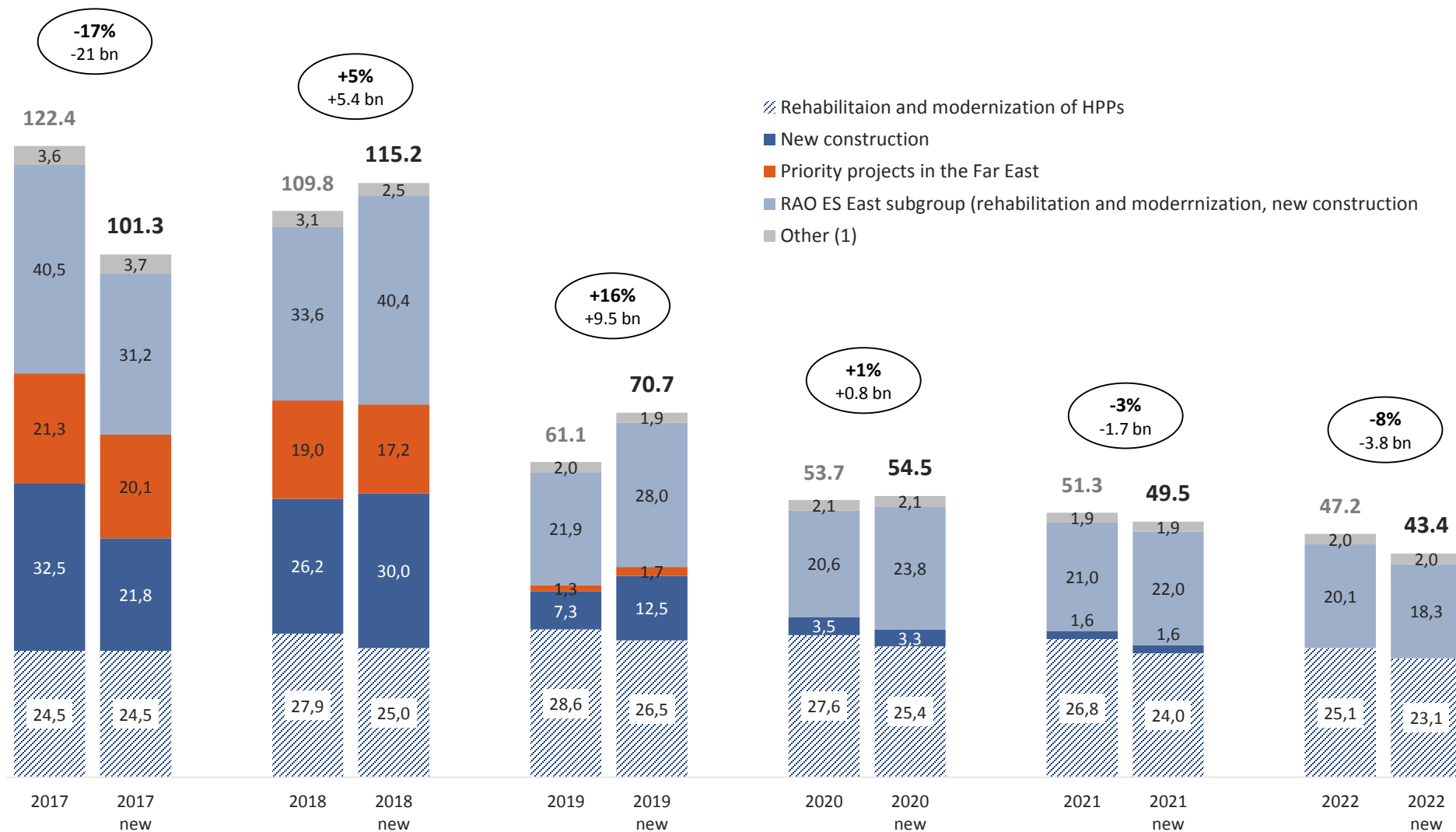
🌐 Primarily short term bank loans were paid back, improving duration of the overall debt portfolio



**RusHydro**

(1) Not reflecting expected further reduction of the rate by the Central Bank  
(2) As of 01.11.2017

# Investment plan of RusHydro Group in 2017-2022, RUB bn (incl. VAT)



**RusHydro**

(1) Investments of electricity retail companies, service subsidiaries and R&D

# Potential implementation of Taishet Aluminum Smelter (TaAZ) project jointly with UC RUSAL<sup>(1)</sup>



## Taishet aluminium smelter project parameters

Annual aluminium output ('000 tonnes)	428.5
Electricity/capacity consumption, TWh p.a. / MW	6.2 / 714
Technology	RA-400
Capex in 2005-2016 (not including VAT), USD mn	776
Residual capex (not including VAT), USD mn	700
Full construction cost (not including VAT), USD mn	1 476
Requirement in project finance for construction completion, USD mn	up to 940

*Construction of Taishet Aluminium Smelter in Irkutsk region began in May 2008, but was suspended in a year. Initial project foresaw beginning of production in 2011.*

## Current scenario for participation in the transaction

Price of 50% share in the project: **USD 388 mn**

- ✓ Partial payment for TaAZ share with a stake in Irkutsk Grid: **USD 150 mn**
- ✓ Partial payment for TaAZ share from the cash flow of TaAZ: **USD 150 mn**
- ✓ Confirmation by RUSAL of interest-free deferral of payment for residual share for the 3-year period after TaAZ reaches project capacity : **USD 88 mn**

## Calculation of total effect for RusHydro from participation in TaAZ project, RUB bn

CAPEX →		0%	+10%	+15%
Al price	Consensus + 1% growth rate	7.7	5.8	4.8
	Consensus + 2% growth rate	18.5	16.6	15.6
	Al futures	33.6	31.7	30.8

- Synergy effect for RusHydro is expected from higher electricity prices on the back of increased energy consumption in Siberia.
- Participation of RusHydro in the project does not assume any preferential conditions for supply of electricity between RusHydro and TaAZ.
- Implementation of TaAZ project does not assume expansion of Boguchansky aluminium smelter beyond capacity of 300 tonnes p.a.





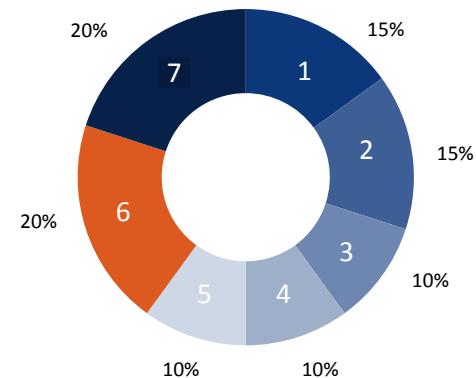
## RusHydro's long-term incentive plan developed in order to align interests of top management and shareholders

### Management KPIs

#### Annual KPIs

- 1 Return on equity (ROE), %
- 2 EBITDA, RUB mn
- 3 Share of procurement from SMEs, %
- 4 Labor productivity, RUB '000/person per hour
- 5 OPEX reduction, %
- 6 Threshold number of accidents, # of accidents
- 7 Capacity commissioning timeline and financing plan, %

#### Contribution of annual KPIs, %

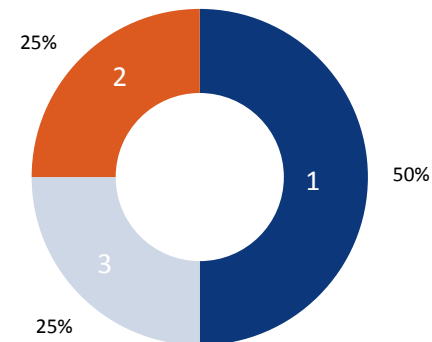


### Long term incentive program

#### Long term incentive program (LTI) KPIs

- 1 TSR, % (*TSR > MICEX Index*)
- 2 Free cash flow (FCF), RUB mn
- 3 Integrated innovation KPI, %

#### Contributions of LTI program components, %



#### LTIP's goals and principles

- Motivating management towards solution of strategic tasks
- Aligning interests of shareholders and management in sustainable capitalization growth
- Transparency for shareholders
- Compensation based on the level of KPI implementation
- Compensation determined through unified procedure
- Equitable conditions for entitlement to compensation



# RusHydro

I. About the company & key highlights

II. Strategy through 2020 & deal with VTB



III. Operating & financial results

IV. Operating & financial results

# Consolidated results of RusHydro Group under IFRS for 3<sup>rd</sup> quarter and 9 months 2017 <sup>(1)</sup> (1/2)

**268.7**

**RUB bn**  
**Revenue** for 9 months of 2017 (-3.6%)

**71.6**

**RUB bn**  
**EBITDA** for 9 months of 2017 (+1.6%)

**30.8**

**RUB bn**  
**profit** for 9 months of 2017 (-17.6%)

**+3.4%**

Manageable costs trend for 9 months of 2017 (CPI for the period +4.1%)

## Positive factors:

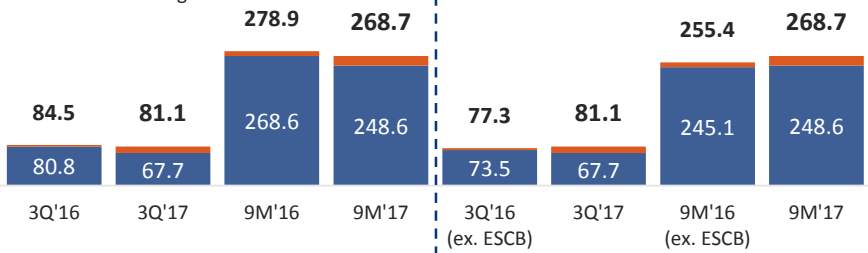
- Increased capacity sales due to commissioning of Zelenchukskaya HPP-PHPP;
- Liberalization of capacity market in Siberia since May, 2016;
- Implementation of cost cutting program;
- Favourable operating results of HPPs in the 1-st price zone.

## Negative factors:

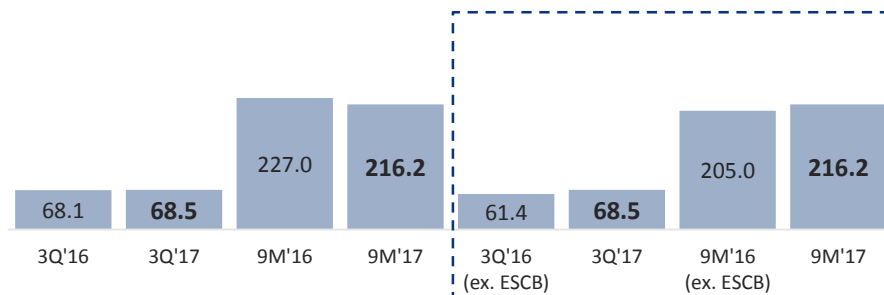
- Lower spot prices for 9 months of 2017 in comparison with 2016;
- Higher fuel expenses of RAO ES East Subgroup.

Revenue, RUB bn

■ Operating revenue  
■ Government grants

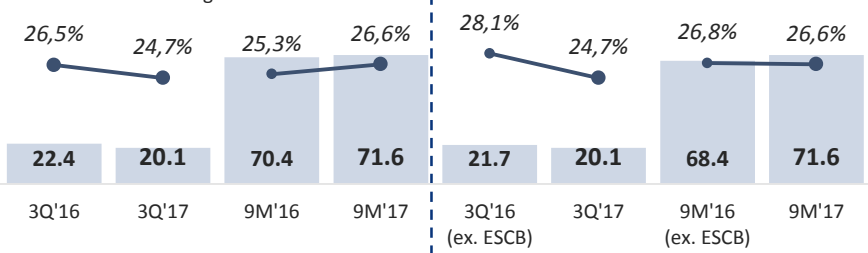


Operating expenses, RUB bn



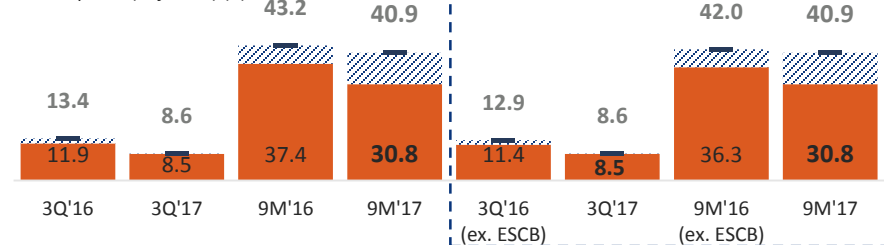
EBITDA, RUB bn

■ EBITDA  
● EBITDA margin



Profit, RUB bn

■ Net profit (reported)  
■ Net profit (adjusted) (2)

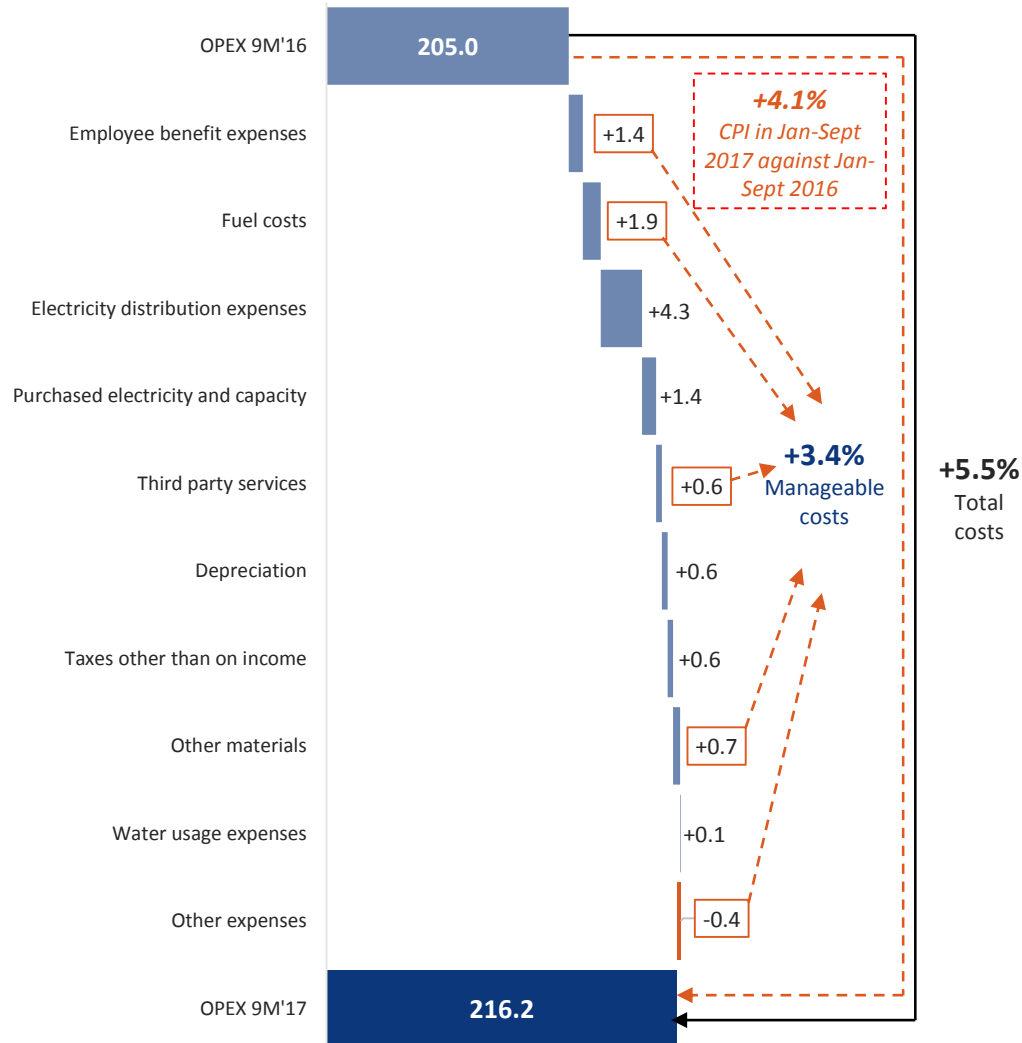


**RusHydro**

- (1) Comparable data of 2016 excluding contribution of LLC ESC of Bashkortostan are given on basis of management accounting exclusively for information purposes.  
(2) Adjusted for the effects of recognition of financial expense resulting from change in fair value of non-deliverable forward contract, impairment of fixed assets, impairment of accounts receivable, profit / loss on disposal of property, plant and equipment, financial result of disposal of subsidiaries.

# Consolidated results of RusHydro Group under IFRS for 3<sup>rd</sup> quarter and 9 months 2017 (2/2)

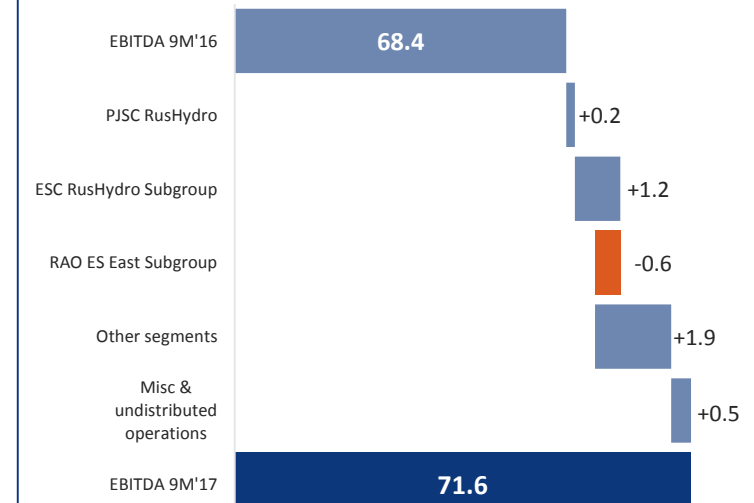
## Comparable operating expenses for 9M 2017 RUB bn



Manageable costs of RusHydro Group in January-September 2017 increased by **3.4%** against same period of 2016 or lower than CPI growth for the period, which according to the Russian Federal Statistics Service, totaled **4.1%**.

Most segments of RusHydro Group demonstrated higher **EBITDA** for 9 months of 2017 due to implementation of efficiency increase program and strong operating results. Reduction in EBITDA of RAO ES East Subgroup reflects substantial increase in fuel consumption in 3Q'2017 against lower output of HPPs in the Far East Federal District.

## Comparable EBITDA for 9M 2017, RUB bn





# Costs audit and estimated aggregate effect from optimization

In 2016, EY performed independent audit of costs of RusHydro Group. Three key areas of activities have been analyzed. Estimated effect from optimization may amount to **RUB 8.8-15.1 bn annually** in operating expenses and up to **RUB 5 bn** in capital expenses.

1

## Operating expenses

### Areas of analysis:

- Plants' equipment operation processes
- Equipment repairs and maintenance system
- Supply and inventory management system
- Operating staff load and efficiency
- Third party services expenses

**Potential effect: RUB 7.9-13.7 bn p.a.**

2

## Control/management & optimization of SG&A costs

### Areas of analysis:

- Organizational structure
- Corporate governance
- Holding structure
- General and administrative expenses

**Potential effect: RUB 0.9-1.4 bn p.a.**

**RUB 8.8-15.1 bn  
annually**

3

## Capital expenses

### Areas of analysis:

- New construction projects
- Rehabilitation and modernization projects

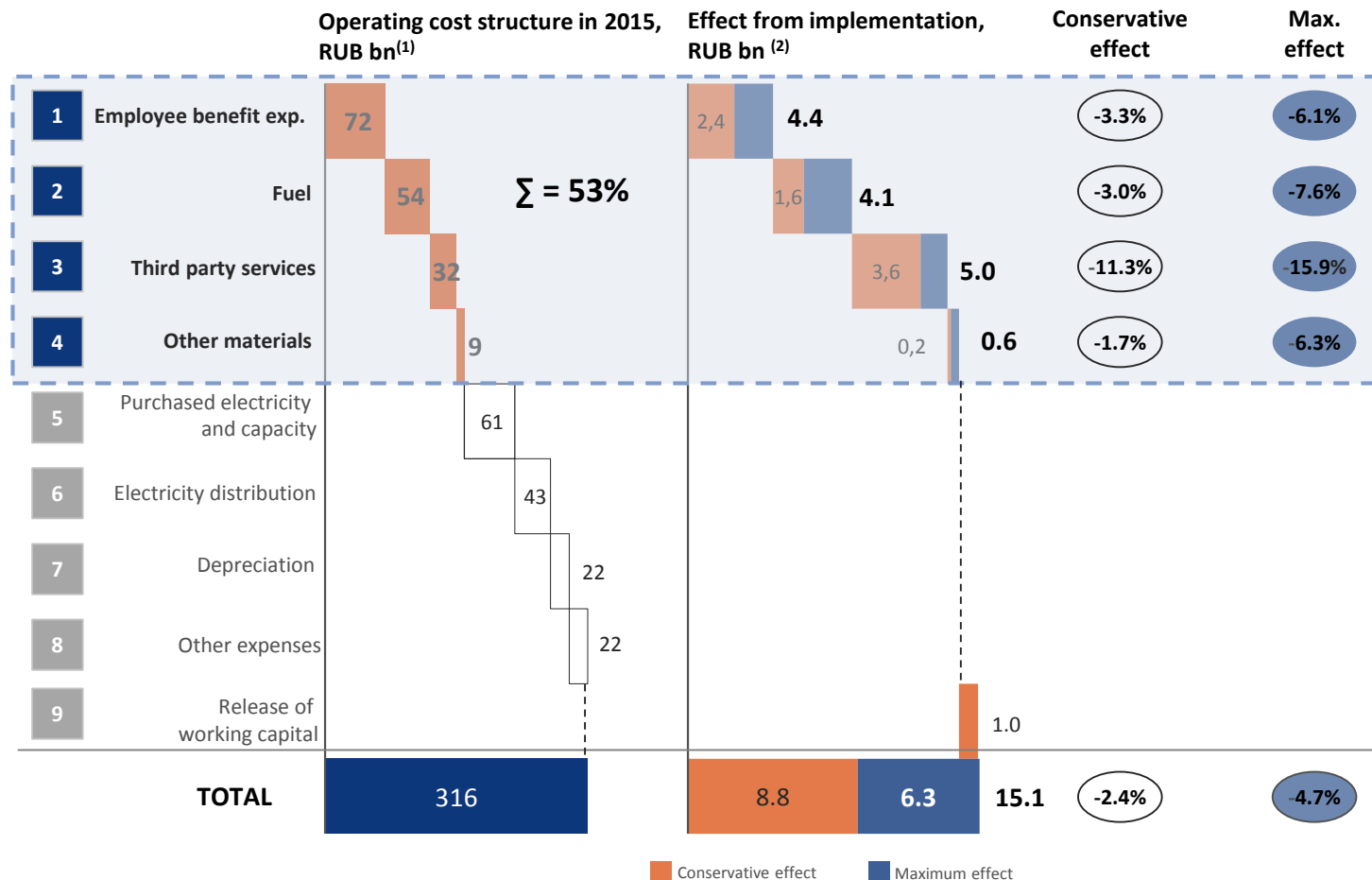
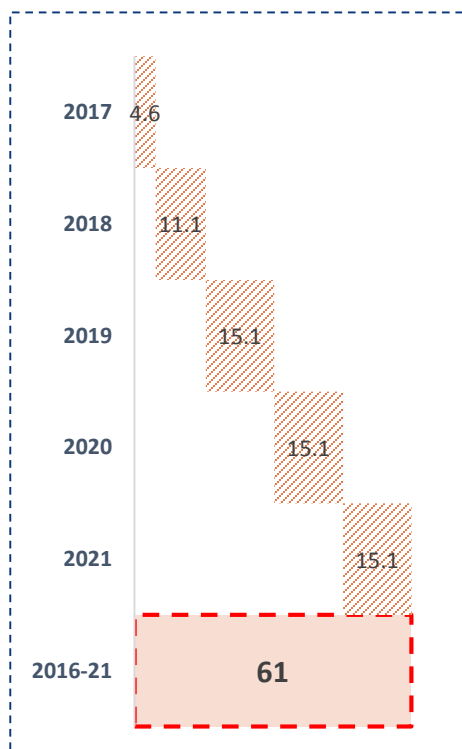
**Effect expected in 2017-2021: ~ RUB 5 bn**

- *The annual effect should be achieved within 2-3 years*
- *The annual effect provides for achievement of estimated value from base value during certain period of time and its further maintenance (it doesn't imply that expenses should be decreased by an estimated amount every year)*

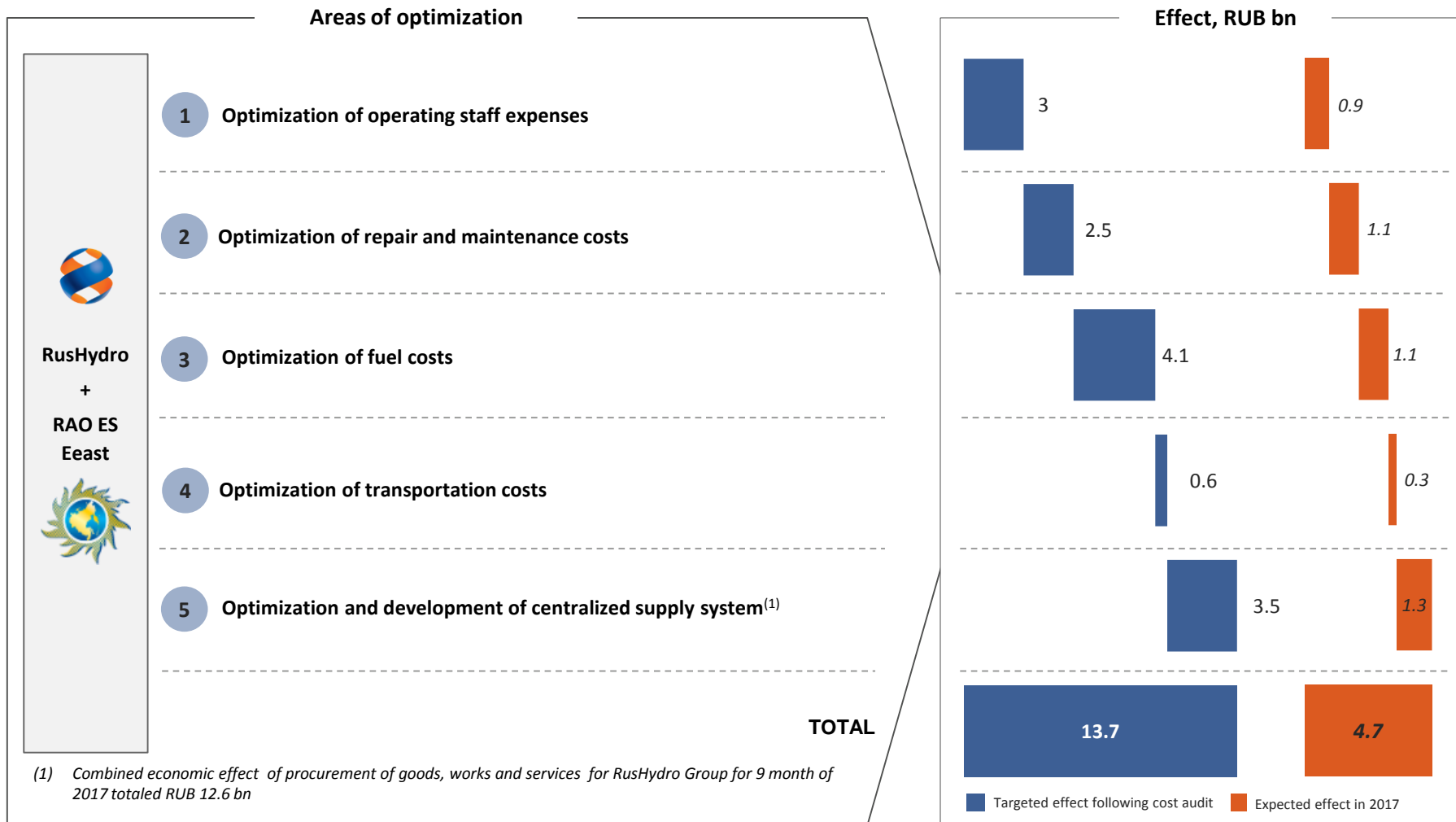
# Operating expenses optimization

Optimization of four items of operating expenses with the biggest potential and cost control option will allow to decrease costs by **2.4-4.7%** or **RUB 8.8-15.1 bn p.a.**

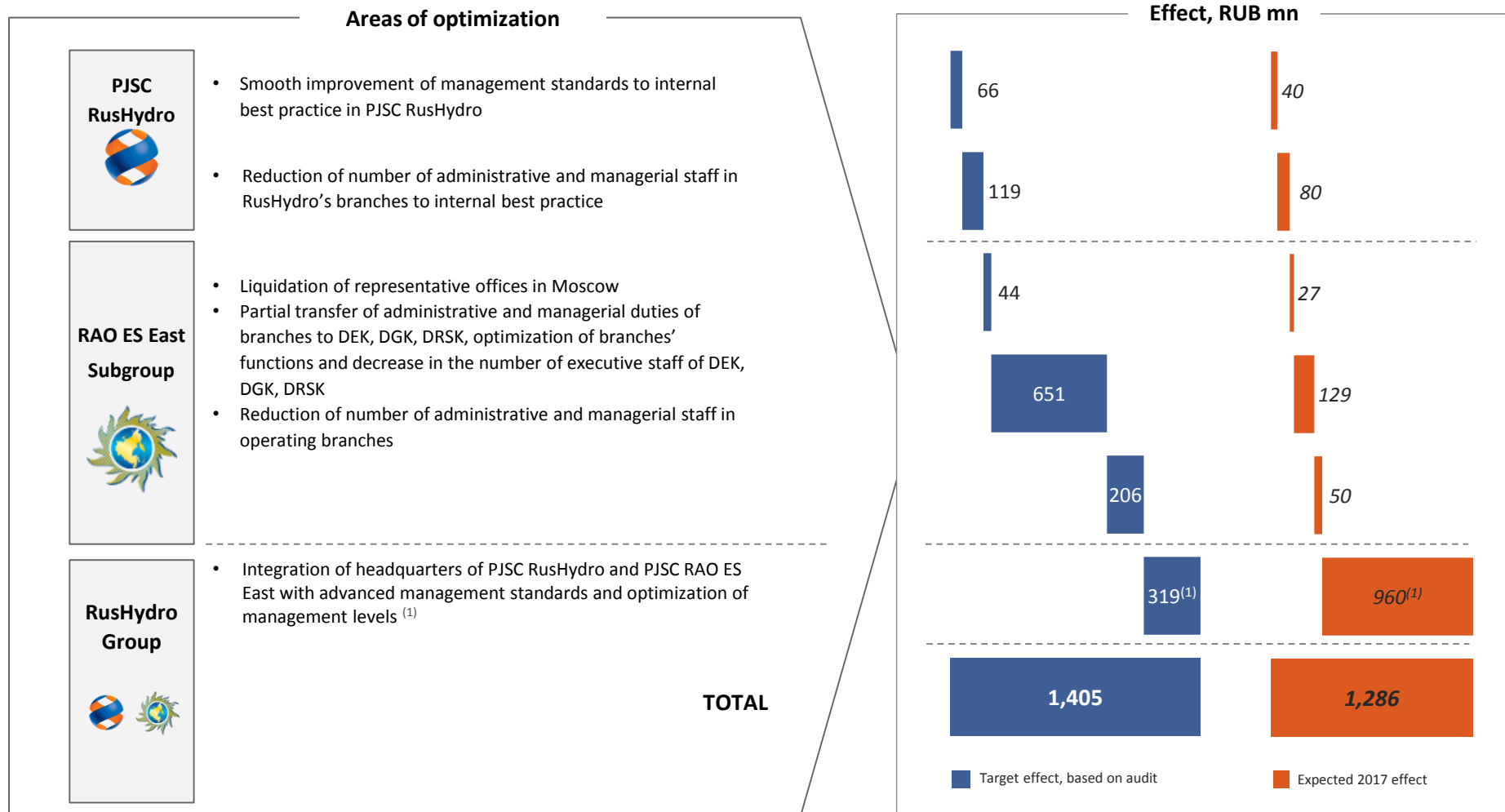
Operating cost reduction target in 2016-2021, RUB bn



# Potential of the Group's operating expenses optimization and achieved effect in 2017



# Potential of SG&A costs reduction and achieved effect in 2017

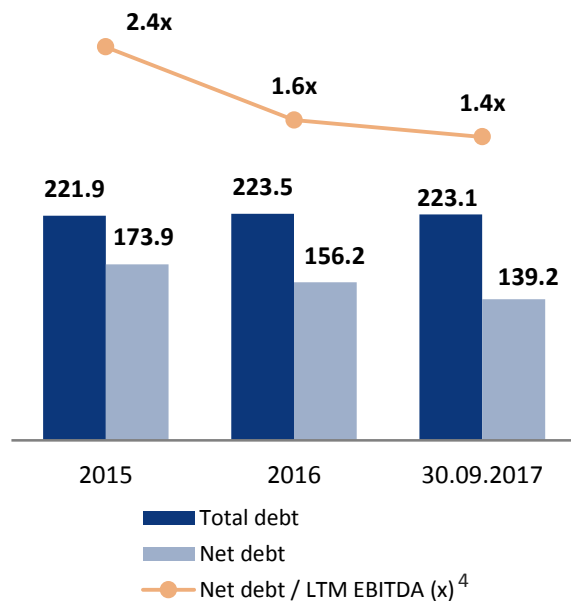


(1) Originally the Audit was conducted under assumption of partial integration of HQs of RAO ES East and RusHydro. In 2017 decision was made on full integration of the HQs.

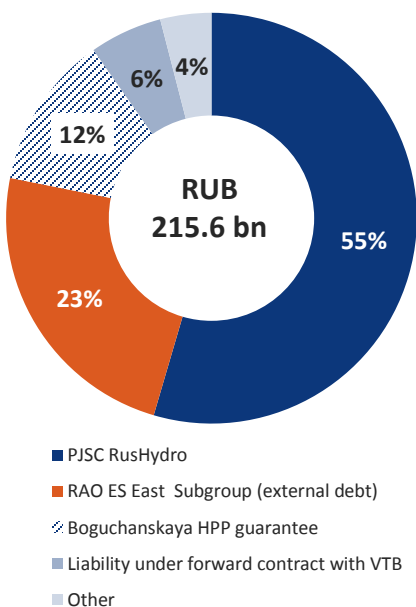
## Key highlights

- Total financial debt of RusHydro Group as of November 30, 2017, amounted to **RUB 213.5 bn**
- A **low-interest and FX risk** debt portfolio with **ca. 95% of the facilities RUB-denominated** and **ca. 98.5% bearing fixed interest rate**, and the **sources are well diversified**
- Weighted-average maturity of debt above **2.6 yrs**, effective rouble interest rate of **ca. 9%**.
- Net debt/EBITDA of RusHydro Group reduced to **comfortable level of 1.4x** (further reduction to 1.2x by end of 2017 is expected after cancellation of Boguchanskaya HPP suretyship).
- RusHydro's RUB 20 bn 5-year Eurobond issue with coupon rate of 8.125% placed in September 2017 won **Cbonds Awards 2017** in nomination **"Best rouble denominated transaction in international market"**.

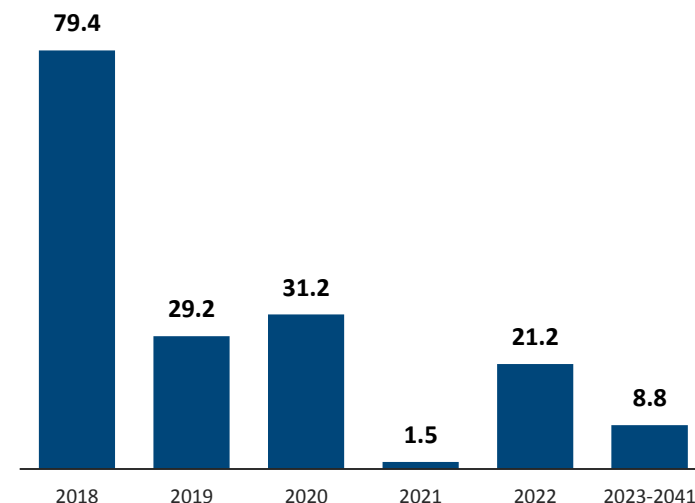
Debt dynamics, RUB bn <sup>(2)</sup>



Debt structure <sup>(1)</sup>



Debt repayment profile, RUB bn <sup>(3)</sup>



(1) Information on RusHydro group debt portfolio base on management accounting data as of Oct 31, 2017 (accrued interest not included in debt).

(2) Actual indicators based on published RusHydro Group IFRS data for respective period.

(3) Debt repayment profile from 2018 does not reflect Boguchanskaya HPP guarantee, leasing, settlement under forward contract with VTB and payment of interest on loans.

(4) LTM EBITDA – EBITDA calculated based on IFRS data for the last 12 months.

## Key events

- ✓ In 2017, **S&P and Moody's** raised **RusHydro's** credit ratings to the sovereign level of the Russian Federation
- ✓ In **October 2017**, ACRA assigned to RusHydro top rating of **"AAA(RU)"**

## Credit ratings (outlooks) of a number of SOEs <sup>(1)</sup>

Issuer	S&P Rating / Outlook	Moody's Rating / Outlook	Fitch Rating / Outlook	ACRA Rating / Outlook
Russian Federation	BB+ / Positive	Ba1 / Stable	BBB- / Positive	AAA(RU)
<b>RusHydro</b>	<b>BB+ / Positive</b> ✓ Apr 2017	<b>Ba1 / Stable</b> ✓ Sep 2017	<b>BB+ / Stable</b> ✓ Jun 2017	<b>AAA(RU) / Stable</b> ✓ Oct 2017
Russian Railways	BB+ / Positive	Ba1 / Stable	BBB- / Positive	AAA(RU) / Stable
Gazprom	BB+ / Positive	Ba1 / Stable	BBB- / Positive	- <sup>(2)</sup>
Rosneft	BB+ / Positive	Ba1 / Stable	-	-
Atomenergoprom	BB+ / Positive	Ba1 / Stable	BBB- / Positive	-
Federal Grid	BB+ / Positive	Ba1 / Stable	BBB- / Positive	AAA(RU) / Stable
InterRAO	-	Ba1 / Stable	BBB- / Positive	-
Russian Grid	BB+ / Positive	Ba1 / Stable	-	-

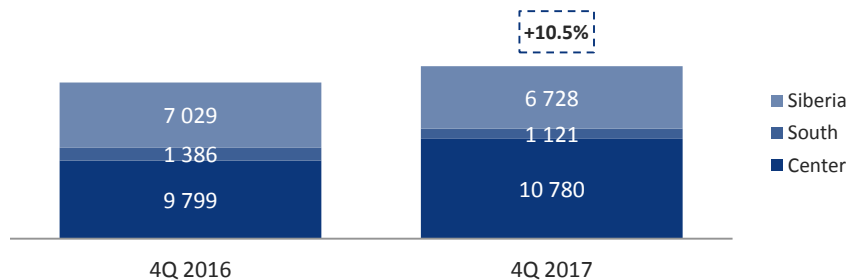




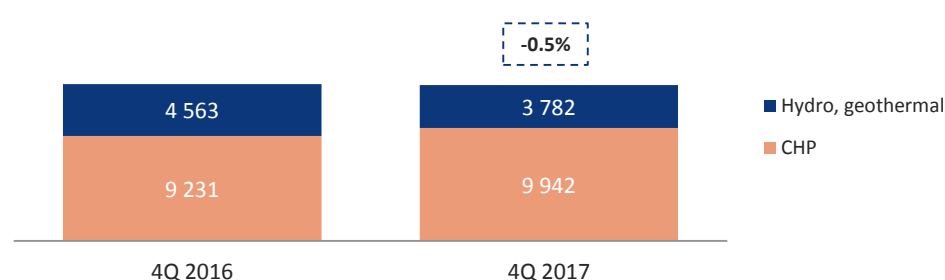
# RusHydro Group 4Q & FY 2017 operating results

- **Record operating results driven by rational utilization of increased water inflows to major reservoirs of the Volga-Kama cascade, modernization and commissioning of new power plants;**
- Total electricity generation by RusHydro's HPPs of the Volga-Kama cascade has reached second highest result since its inception;
- Electricity output by RusHydro Group's electricity retail companies (excl. LLC ESC Bashkortostan divested in December 2016 ) in 4Q amounted to 5,781 GWh (-7.7%), in 2017 – 20,717 GWh (-5.5%);
- In 2017, heat output by thermal plants of RAO ES East decreased by 5% to 29,924 thousand GCal as compared to same period of 2016;
- *Water inflow to the reservoirs of the hydropower plants of the Volga-Kama cascade in 1Q 2018 is expected to be higher than long-run average, to reservoirs of all other major hydropower plants of the Group it is expected to be close to the long-run average.*

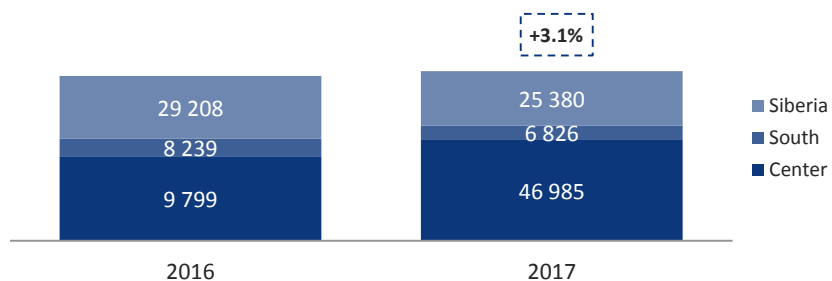
4Q'16/17 – European part of Russia and Far East (price zones), GWh



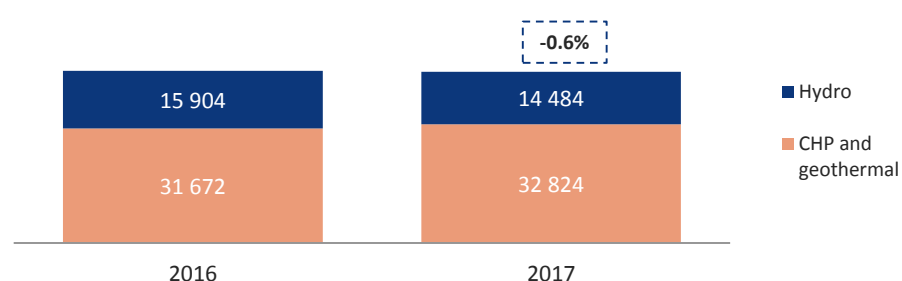
4Q'16/17 – Far East (non-price and isolated zones), GWh



FY'16/17 – European part of Russia and Far East (price zones), GWh



FY'16/17 – Far East (non-price and isolated zones), GWh





# RusHydro

I. About the company & key highlights

II. Strategy through 2020 & forward contract with VTB

III. Focus on operating efficiency and optimization



IV. Russian power market outlook

# Changing tariff regulation in the energy sector of the Far East as a strategic development priority



***“I would like to highlight that Capacity Supply Agreement plan might encompass the energy system of the Russian Far East”***

*Alexander Novak, Minister of Energy of Russia at a meeting on development of power generation (hosted by V.Putin), November 14, 2017*

**RusHydro is developing a long-term program of obsolete capacity substitution and is preparing proposals on stage-by-stage transition of the Far East energy sector to tariff regulation based on return on invested capital**



***“Development of the Far East should be accompanied by development of the energy sector infrastructure, otherwise this might become a hindering factor. Now, that the new Capacity Supply Agreement program is being discussed, I think it is important that the Program includes the Russian the Far East.”***

*Nikolay Shulginov, Chairman of the Management Board of RusHydro, at a meeting devoted to development of power generation (hosted by V.Putin), November 14, 2017*

## **Far East TPPs, operating over normative life span (by commissioning year)**

Vladivostokskaya CHPP-1 <sup>(1)</sup>	<b>1911</b>
Mayskaya GRES	<b>1935</b>
Artemovskaya CHPP	<b>1936</b>
Arkagalinskaya TPP	<b>1954</b>

**> 70%**

**wear and tear of equipment of energy facilities in the Far East District**

- ✓ Substitution of obsolete capacity by construction of new generation and grid facilities.
- ✓ Improved reliability of energy supply in the Far East, improved safety of facilities and lower accident rate in the energy sector if the region.
- ✓ Higher company value due to implementation of projects with guaranteed return.
- ✓ Creating opportunities for efficient energy projects reflecting competition between investors.



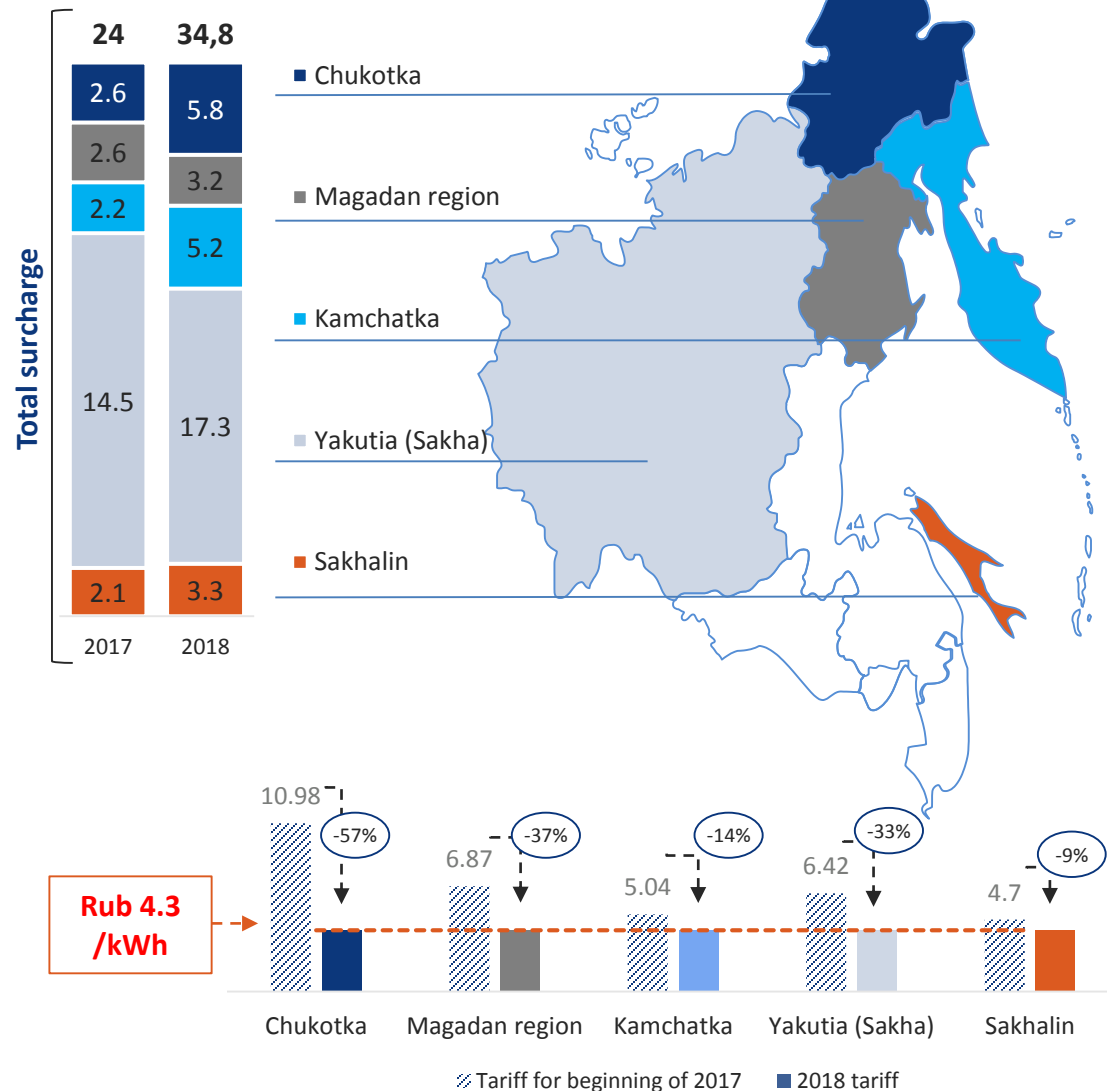
**RusHydro**

# Tariff 'smoothing' in the Far East – implications for the region and RusHydro Group

The mechanism of 'tariff smoothing' aims to lower the economic burden for the industry and other commercial electricity consumers in developing Far Eastern regions, increase competitiveness of regional economies and promote investment in the Far East

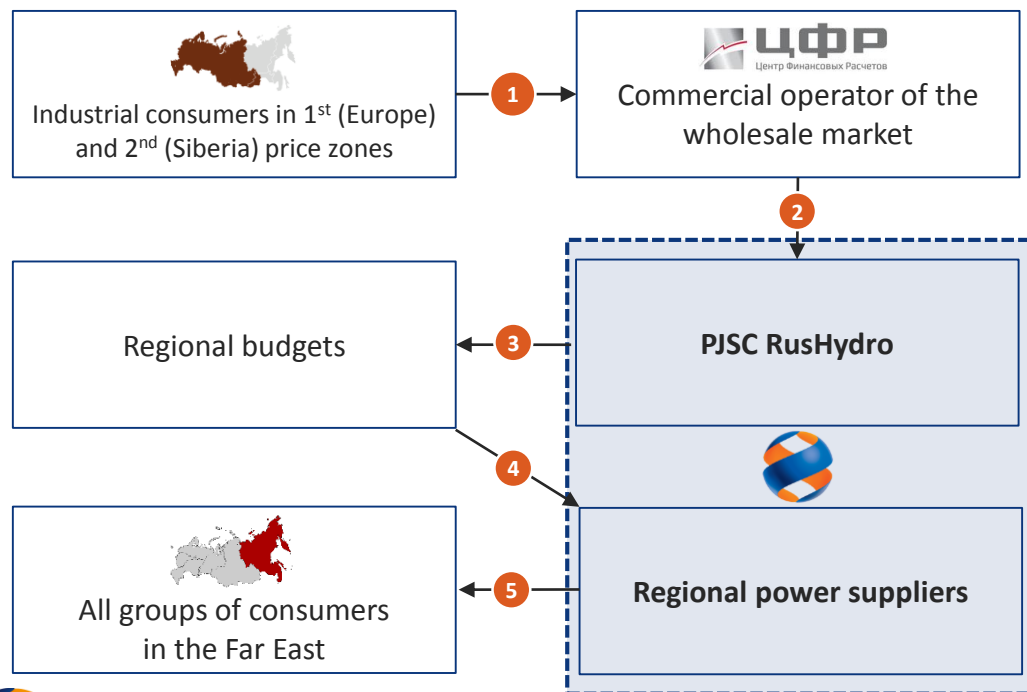
## Основные положения

- On Dec 8, 2015, the President of the Russian Federation ordered to develop a mechanism aimed at decreasing end-user electricity tariffs in the Far East of Russia (except for tariff for households) to an average level of tariffs in Russia.
- RusHydro was selected as recipient of the surcharge.
- The mechanism sees RusHydro collecting additional revenue via capacity sales (KOM price) and transferring the proceeds in full to selected Far Eastern regions to offset losses incurred by subsidized power sales (*see Appendix*).
- The base level of end-user tariff for 2017 was set at **Rub 4/kWh** and total surcharge to RusHydro's KOM price was set at **RUB 24 bn**, for 2018 set at respectively **Rub 4.3** and **Rub 35 bn**.
- In 2017, the mechanism came into effect 5 out of 9 regions in the Far East with an average end-user power tariff >RUB 4/kWh.

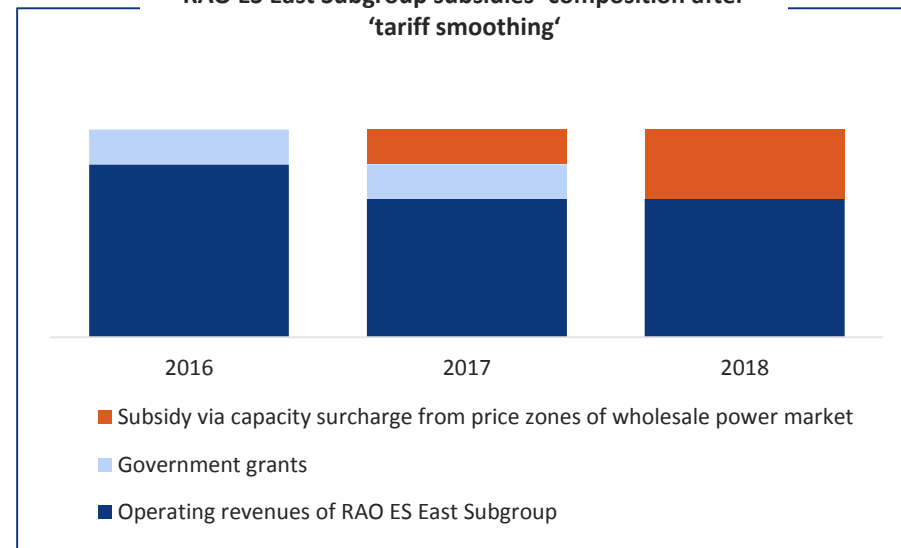


# Mechanism of surcharge transfer for lowering end-users electricity tariffs in the Far East

- 1 Payment of surcharge on wholesale power market
- 2 Transfer of proceeds to collector of surcharge on dedicated account on the 21-22 of each month
- 3 Transfer of accumulated proceeds within 3 business days to regional budgets
- 4 Transfer of subsidies to regional power suppliers
- 5 Supply of electricity/capacity under subsidized tariffs



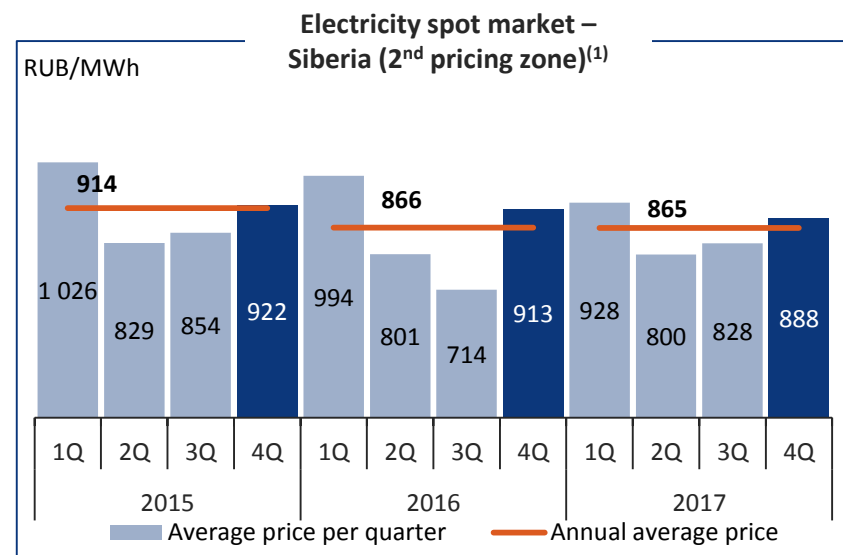
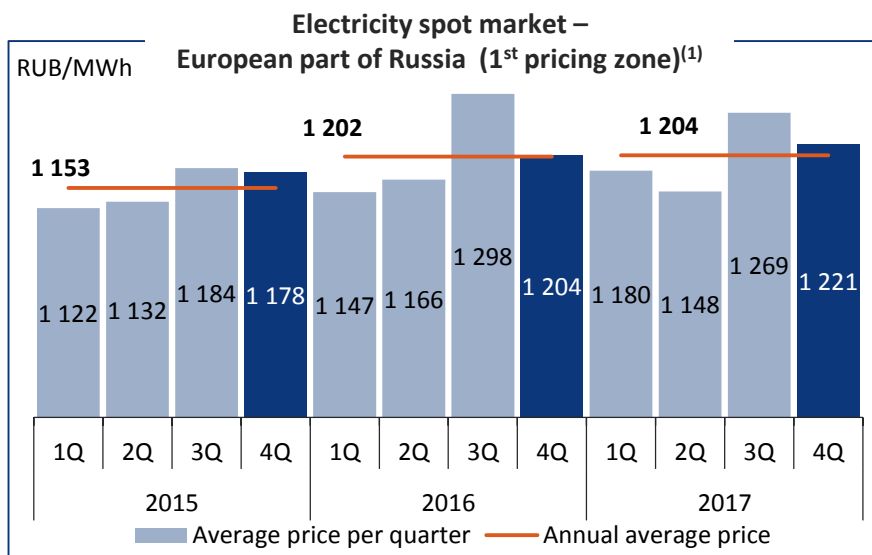
RAO ES East Subgroup subsidies' composition after 'tariff smoothing'



- ✓ No loss of revenue as a result of tariff decrease: full compensation via surcharge to KOM prices
- ✓ Potential improvement in accounts receivable management as part of revenue collected from customers will be substituted with direct subsidies from regional budgets
- ⚠ Potential increase in surcharge to incentivize investment and provide ROI in the power sector of the Far East is now under discussion, but no decision has been made yet

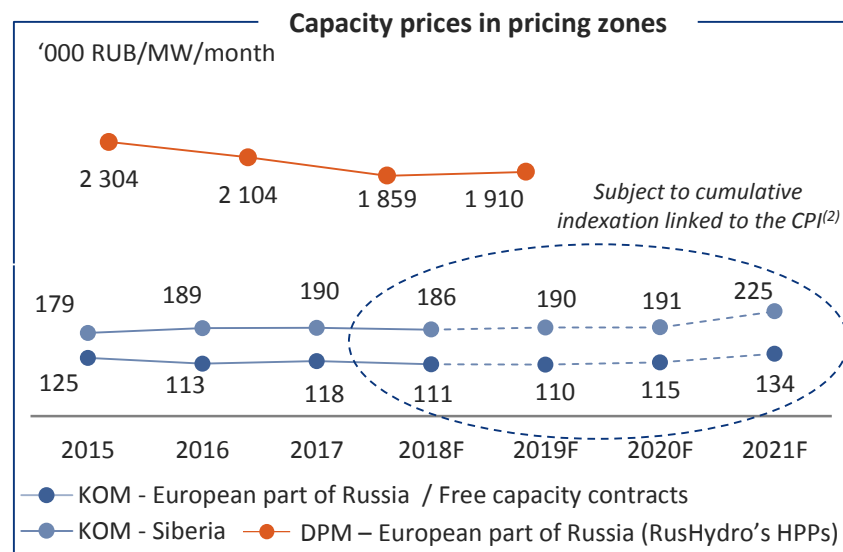


# Electricity and capacity prices – expected to remain broadly stable



## Key highlights

- Electricity prices:
  - In the **European part** of Russia prices are expected to remain **broadly stable** due to modest demand growth and slow pace of gas tariff indexation
  - In **Siberia** prices are supported by **coal price dynamics** (which are not regulated as opposed to gas tariffs)
- Capacity prices:
  - Base **KOM prices** that have been set on respective competitive auctions are **subject to indexation** ("CPI for the preceding year minus 0.1%" in 2018 onward)
  - Free capacity contracts** (which the Company has only in the European part of Russia) are linked to KOM prices
  - Average **DPM prices** are much higher than KOM prices to provide required return on new investments



(1) Source: one-day-ahead (spot) selling prices data from the Administrator of the trading system (ATS)

(2) Indexation equals to "CPI for the preceding year minus 1 p.p." in 2017 and "CPI for the preceding year minus 0.1 p.p." in 2018-2021 cumulatively



# RusHydro Group exposure to unregulated and regulated power markets

## Wholesale electricity market

- Two commodities: **electricity** and **capacity**
- Pricing (non-pricing) zones:
  - **1<sup>st</sup> pricing zone** (European part of Russia)
  - **2<sup>nd</sup> pricing zone** (Siberia)
  - **Non-pricing zones** (Far East and some regions in the European part)
- **In the pricing zones:**
  - Electricity prices are **primarily unregulated**
  - Capacity prices are primarily **unregulated** / determined on the basis of **long-term mechanisms**
  - **Regulated contracts** (tariffs) are applicable only to specific groups of customers (such as households) and certain regions
- **In non-pricing zones:**
  - the sector is fully regulated

## Other markets / businesses

- **Retail electricity market:**
  - Sales premiums of “guaranteeing suppliers” are regulated<sup>(2)</sup>
- **Electricity distribution** – fully regulated
- **Heat** – fully regulated

## Structure of the Group's sales in the wholesale electricity market

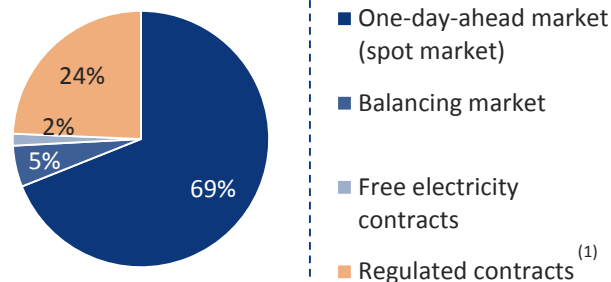
### PJSC RusHydro:

- c. 77% of electricity sales
- c. 71% of capacity sales

### RAO ES East subgroup:

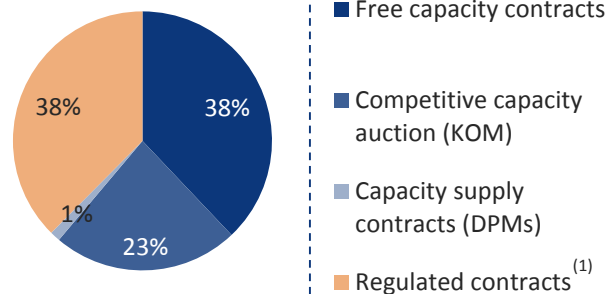
- c. 23% of electricity sales
- c. 29% of capacity sales

### Volume of supplied electricity, 2017

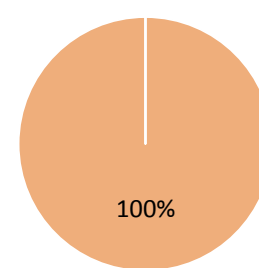
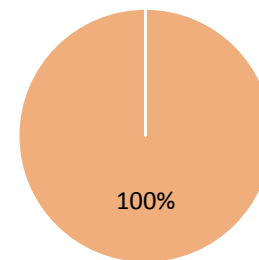


- One-day-ahead market (spot market)
- Balancing market
- Free electricity contracts
- Regulated contracts<sup>(1)</sup>

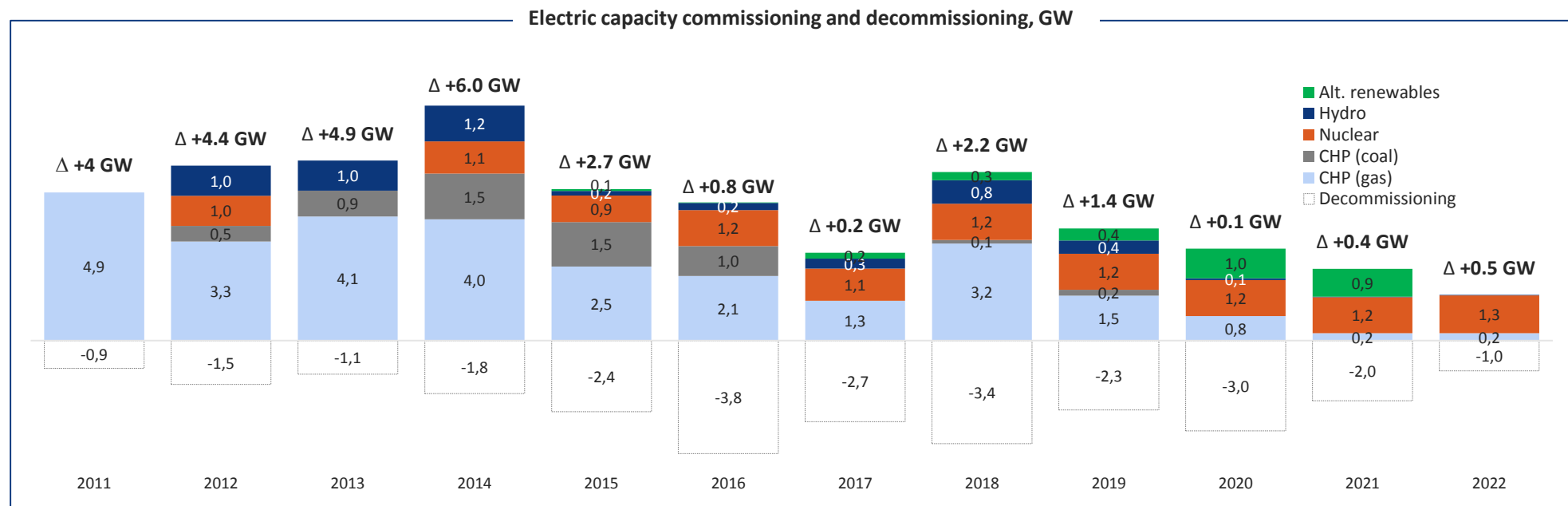
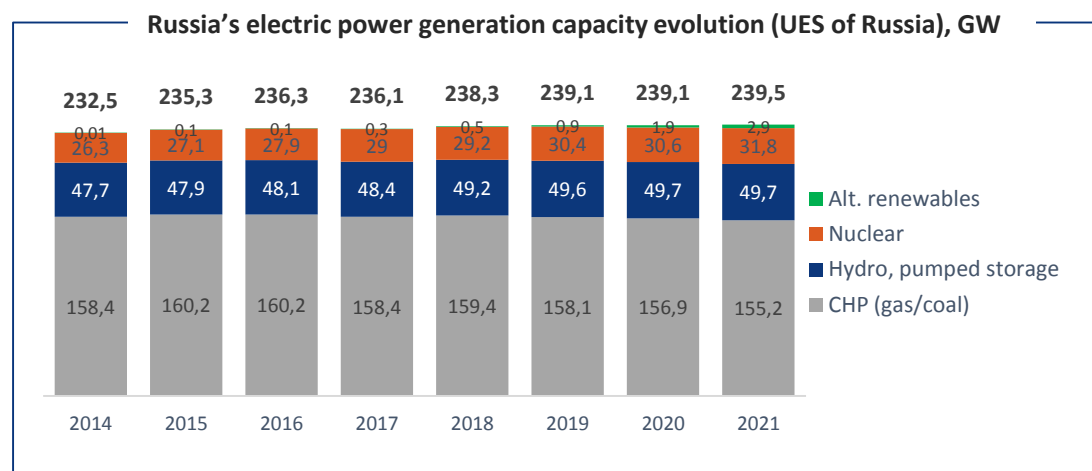
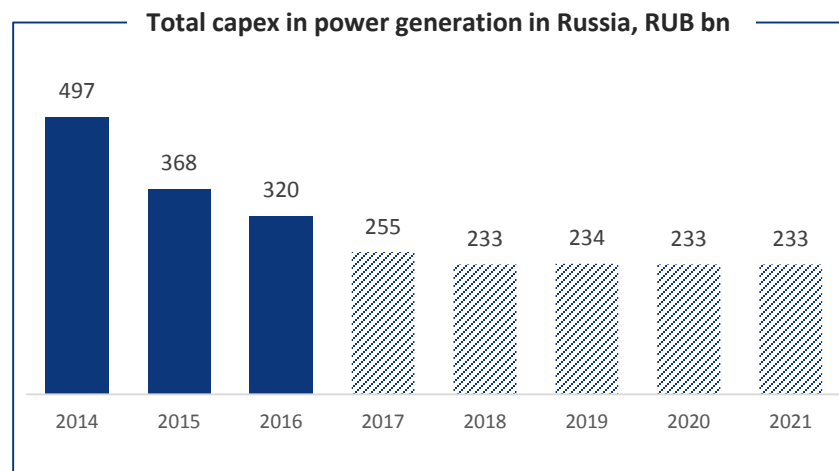
### Volume of supplied capacity, 2017



- Free capacity contracts
- Competitive capacity auction (KOM)
- Capacity supply contracts (DPMs)
- Regulated contracts<sup>(1)</sup>

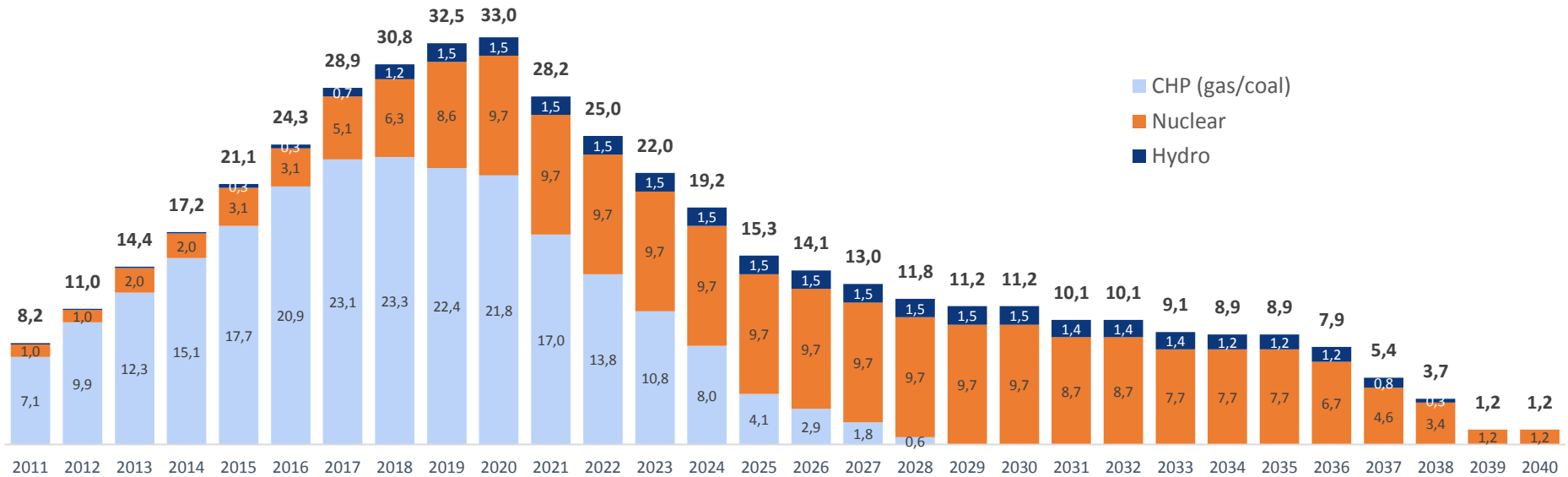


# Electric capacity commissioning and investment in power generation in Russia in 2011-2022 <sup>(1)</sup>

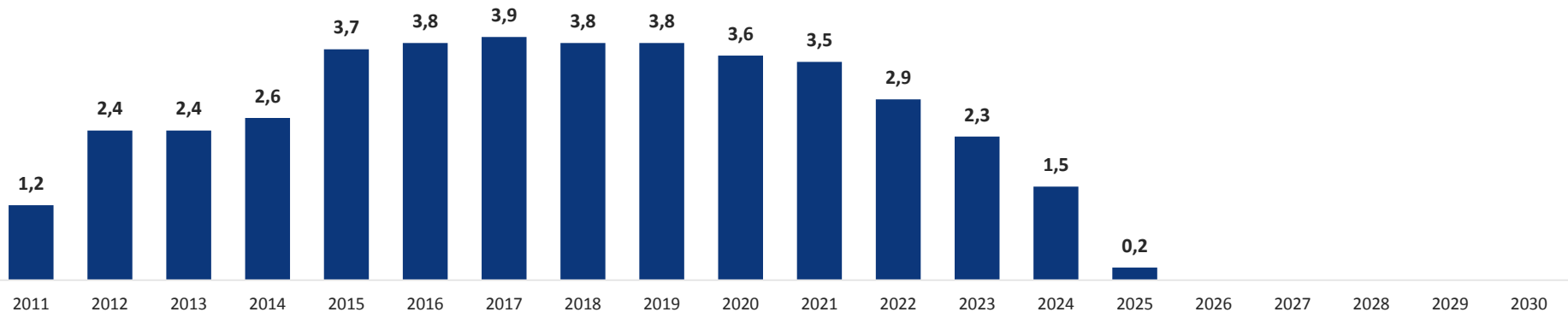


# Capacity remunerated under capacity supply agreements (DPM) <sup>(1)</sup>

Electric capacity remunerated under DPMs in 1<sup>st</sup> price zone (European Russia), GW



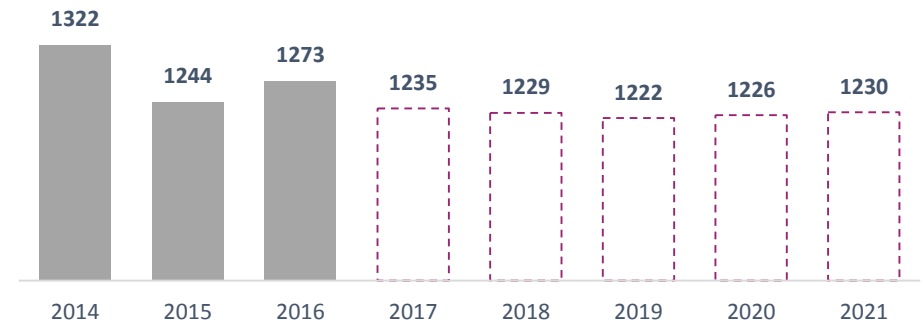
Electric capacity remunerated under DPMs in 2<sup>nd</sup> price zone (Siberia), GW



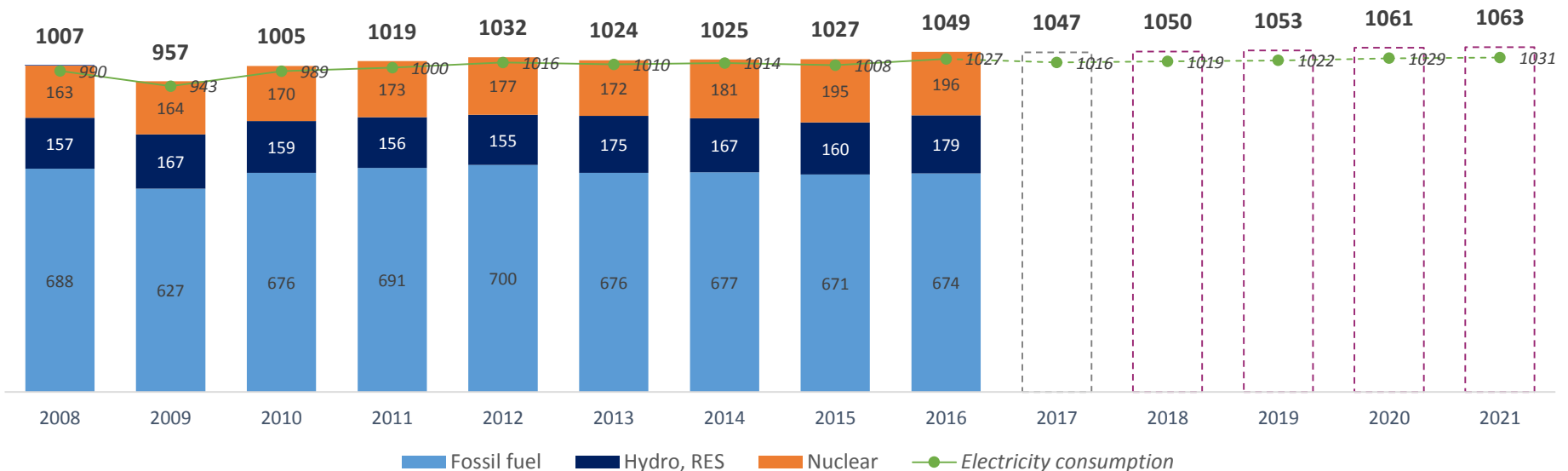
# Electricity and heat production in Russia <sup>(1)</sup>

- Increase in household consumption and economic recovery should be key factors driving electricity demand;
- 2016 increase in electricity consumption was mostly weather-driven and is unlikely to repeat in 2017;
- RusHydro with its Russia's largest hydropower fleet should remain mostly immune to electricity consumption dynamics.

Heat power production 2014-2021, mn GCal

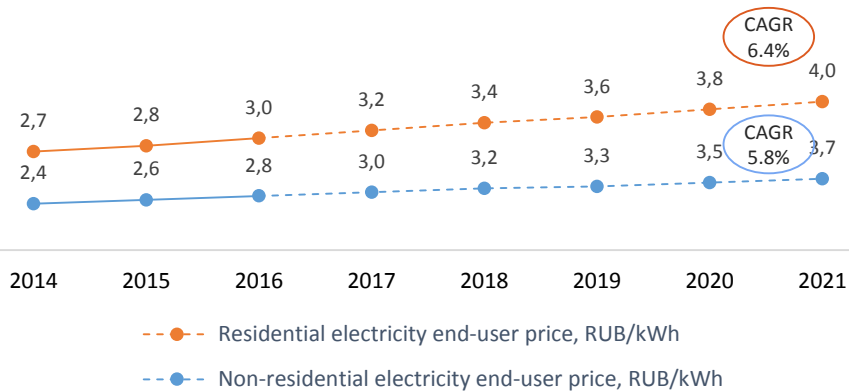


Electricity production and consumption 2008-2021, GWh

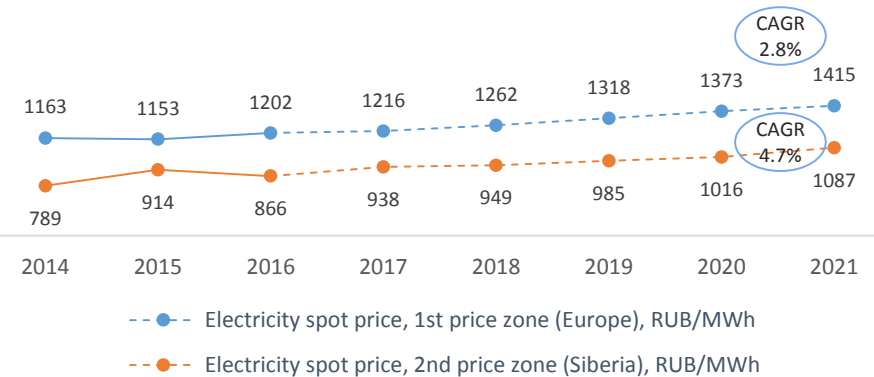


# Electricity and capacity prices dynamics in Russia

Electricity end-user prices 2014-2021<sup>(1)</sup>



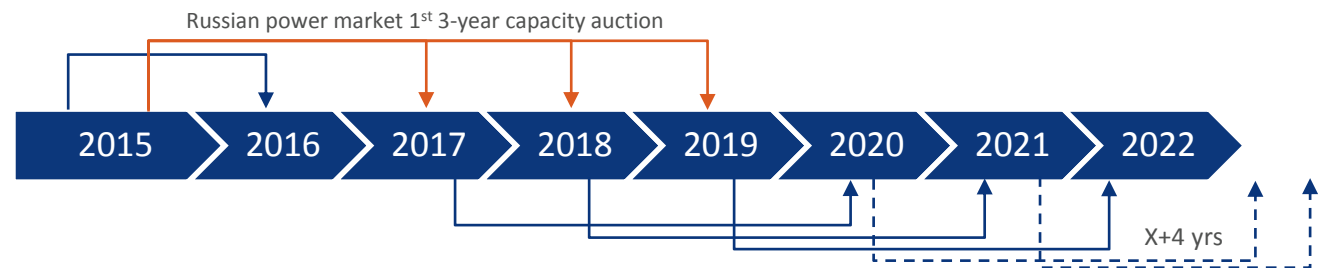
Electricity spot (day-ahead market) prices 2014-2021<sup>(1)</sup>



## Results of 2016, 2017-2019, 2020 capacity auctions

- In November 2015, System Operator held 2016 capacity auction (KOM) under new rules;
- In December 2015, first 3-year capacity auction was held for 2017-2019;
- for the first time auctions were held within all of the price zones (previously – within smaller free-flow zones in 2 price zones);
- KOM prices in 2017-2019 will be hiked to CPI of the preceding year

	3-year capacity auction results						
	2015 <sup>(4)</sup>	2016	2017	2018	2019	2020	2021
1 <sup>st</sup> price zone (Europe)	123,842	112,624	113,207	110,992	110,451	115,199	134,393
2 <sup>nd</sup> price zone (Siberia)	179,000	189,191	181,760	185,739	190,281	190,512	225,339

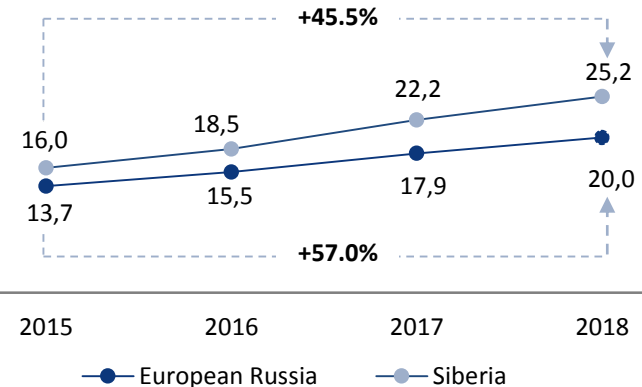


## Key highlights

- **Electricity tariffs** demonstrated healthy growth over the period of 2015-2018, which exceeds average CPI levels for the period
- Indexation of **capacity tariffs** in 2015-2018 amounted to **12.0%** in the European part and **11.0%** in Siberia (cumulatively)
- In the **Far East**, tariffs (on electricity and heat) vary depending on the region. In 2017-2018, most of them were subject to indexation above CPI levels

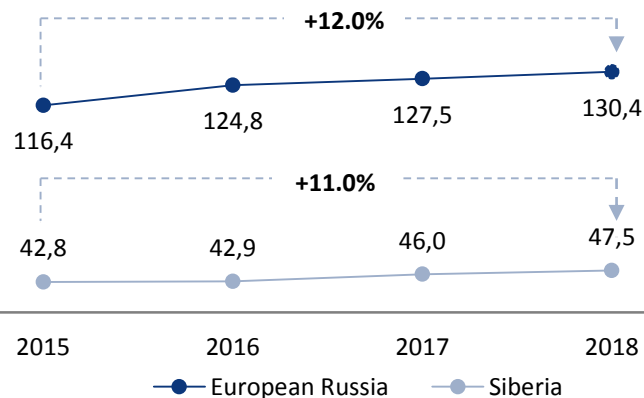
## Average electricity tariffs for RusHydro's HPPs in pricing zones

RUB/MWh



## Average capacity tariffs for RusHydro's HPPs in pricing zones

'000 RUB/MW/month



## Electricity and heat tariffs growth in the Far East

	Electricity tariffs		Heat tariffs	
	2017/2016	2018/2017	2017/2016	2018/2017
DGK	5.6%	0.8%	3.8%	4.4%
DEK	7.4%	5.9%	-	-
Kamchatskenergo	12.1%	11.5%	8.6%	4.2%
YuESK	-0.8%	6.1%	4.1%	-8.0%
Magadanenergo	14.4%	12.6%	4.3%	6.3%
Chukotenergo	11.4%	56.2%	6.2%	11.4%
Sakhalinenergo	1.2%	10.2%	-2.5%	0.0%
Yakutskenergo	27.7%	9.0%	11.6%	9.9%
Sakhaenergo	10.1%	9.5%	11.4%	8.4%
Peredvizhnaya Energetika	22.3%	4.5%	-	-





**RusHydro**

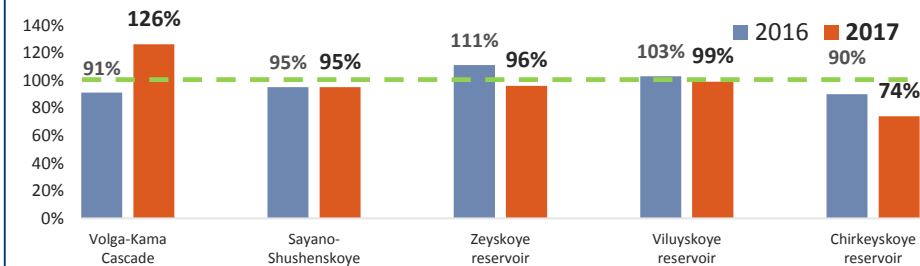


**Appendix**

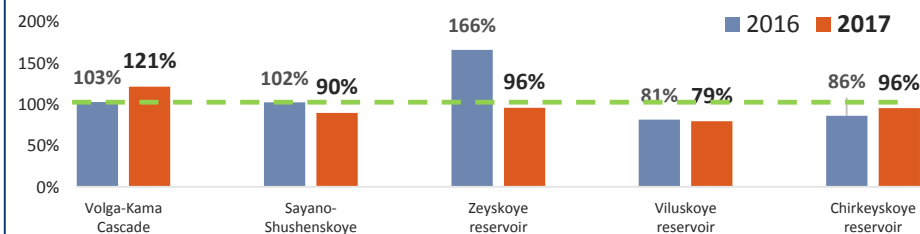
# Hydrological situation in 2017

- In 2017, rivers of the central regions of Russia experienced volatile spring flooding affected by heavy rains with several inflow peaks. Due to prolonged rains inflows in rivers of the central regions was record-high. Overall flows during the spring-summer period was **228.0 km<sup>3</sup> against the long-run average of 198.0 km<sup>3</sup>**.
- Lower volumes in Chirkeyskiye reservoir caused by inflows, lower than long-run norm (by 9% on average) during the past 3 years.
- Water level in Sayano-Shushenskoye reservoir reached **538.58 meters**. This is the record level in Sayano-Shushenskoye reservoir for the last 11 years.
- Inflows to reservoirs of Angara cascade were low comparable to levels during the last 4 years. Boguchanskaya HPP worked in accordance with instructions from Yenisei Basin Water Resources Directorate reflecting requirements of ship navigation in Lower Angara.
- Inflows to reservoirs of the Far East hydropower plants during spring-summer flood period of 2017 were close to long-run average.
- Inflows to main HPPs of RusHydro Group in 4Q'17 are expected to exceed long-run average by 15-25%.

Water storage in reservoirs of the main HPPs as of December 2016/2017



Actual inflows to main reservoirs in January-November 2017



- Current water volumes in reservoirs of Volga-Kama hydropower cascade are 26% higher than long-run average. Water reserves in other reservoirs of RusHydro Group, with certain exceptions, are close to long-run average.
- The reserves guarantee necessary output of RusHydro HPPs during autumn-winter period of 2017-2018.**

## Key conditions of RusHydro's participation TaAZ project, approved by the BoD on August 30, 2017

- !! Obtaining a formal confirmation from banks of availability of **project financing** sufficient for construction of the smelter to its project capacity. Project financing **must not contain any provisions** of PJSC RusHydro's and/or any of RusHydro's subsidiaries' guarantees;
- !! Independent **technological and price audit** of the market value of 50% ownership stake in TaAS, and which must not exceed USD 388 mn;
- !! Partial payment for ownership stake in TaAS with a **42.75% stake in JSC Irkutsk Grid Company**, owned by RusHydro, at its book value;
- !! **Payment for a residual share in the project** (no less than USD 150 mn) from the cash **flow of the aluminium smelter after the start of production** (liability in the amount equivalent to RusHydro's deferred payment for a residual ownership stake will be recorded on the balance sheet of the JV provided that net asset value of the jointly controlled entity exceeds its authorized share capital);
- !! Confirmation of **interest-free deferred payment for a residual share** in the project for a period of not less than 3 years **after the smelter reaches its project capacity**;
- !! **Sufficient guarantee, provided by UC Rusal, of funding of additional CAPEX in case construction cost exceeds initial amount** agreed by parties and confirmed by independent technological and price audit by more than 15%. UC RUSAL will provide additional funding at own expense without increasing its ownership in the project or raising debt to the TaAZ;
- ☑ Full cancellation of PJSC RusHydro's guarantee in respect of 100% liabilities of PJSC Boguchanskaya HPP under the Vnesheconombank loan, obtained for the joint project between PJSC RusHydro and UC Rusal – Boguchansky energy and metals complex (BEMO).

# Selected Consolidated Financial Information

Consolidated income statement	9M ended 30 June		Year ended 31 December	
RUB mn	2017	2016	2016	2015
Revenue	248,604	268,644	374,072	347,512
Government grants	20,138	10,214	17,250	14,314
Other operating income	690	2,132	12,422	8,230
Expenses (excl. impairment)	(216,218)	(226,954)	(315,705)	(315,103)
Impairment	(4,989)	(7,227)	(40,500)	(20,272)
<b>Operating profit</b>	<b>48,225</b>	<b>46,809</b>	<b>47,539</b>	<b>34,681</b>
Finance income	6,770	7,237	9,943	12,313
Finance costs	(11,251)	(6,137)	(9,041)	(9,744)
Share of results of associates and JVs	176	928	6,682	428
<b>Profit before income tax</b>	<b>43,920</b>	<b>48,837</b>	<b>55,123</b>	<b>37,678</b>
Income tax expense	(13,116)	(11,437)	(15,372)	(10,519)
<b>Profit for the period</b>	<b>30,804</b>	<b>37,400</b>	<b>39,751</b>	<b>27,159</b>

Consolidated statement of cash flows	9M ended 30 June		Year ended 31 December	
RUB mn	2017	2016	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
<b>Profit before income tax</b>	<b>43,920</b>	<b>48,837</b>	<b>55,123</b>	<b>37,678</b>
D&A	18,375	18,234	24,130	22,477
Other adjustments	9,163	1,170	20,291	11,480
<b>Operating cash flows</b>	<b>70,996</b>	<b>69,555</b>	<b>99,544</b>	<b>71,635</b>
Working capital and other changes	(12,311)	(19,269)	(15,394)	6,114
Income tax paid	(11,738)	(9,699)	(12,777)	(7,949)
<b>Net cash generated by operating activities</b>	<b>46,947</b>	<b>40,587</b>	<b>71,373</b>	<b>69,800</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of property, plant and equipment	(41,112)	(40,674)	(60,957)	(79,238)
Changes in bank deposits and other investments	(2,623)	15,247	15,484	19,028
Interest and dividends received	6,297	5,617	7,094	8,953
Other investing cash flows	111	(7,331)	13,461	2,876
<b>Net cash used in investing activities</b>	<b>(37,327)</b>	<b>(27,141)</b>	<b>(24,918)</b>	<b>(48,381)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from share issue	40,000	-	-	-
Proceeds from sale of treasury shares	15,000	-	-	-
Proceeds from current debt	46,943	57,499	64,855	83,896
Proceeds from non-current debt	50,203	45,630	71,829	36,487
Repayment of debt	(109,719)	(79,709)	(128,291)	(102,851)
Interest paid	(11,927)	(15,030)	(20,271)	(19,498)
Dividends paid to shareholders of PJSC RusHydro	(19,650)	(14,226)	(14,228)	(5,712)
Other financing cash flows	(3,781)	(647)	(731)	(906)
<b>Net cash generated by financing activities</b>	<b>7,069</b>	<b>(6,483)</b>	<b>(26,837)</b>	<b>(8,584)</b>
Effect of forex	(161)	(352)	(289)	796
<b>Increase in cash and cash equivalents</b>	<b>16,528</b>	<b>6,611</b>	<b>19,329</b>	<b>13,631</b>

Consolidated statement of financial position	9M ended 30 June	Year ended 31 December	
RUB mn	2017	2016	2015
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	799,053	765,047	744,585
Investments in associates and JVs	20,011	20,278	14,142
Available-for-sale financial assets	20,479	21,181	6,094
Deferred income tax assets	7,052	6,640	5,486
Other non-current assets	22,933	21,847	21,402
<b>Total non-current assets</b>	<b>869,528</b>	<b>834,993</b>	<b>791,709</b>
<b>Current assets</b>			
Cash and cash equivalents	83,877	67,354	48,025
Income tax receivable	2,753	889	1,396
Accounts receivable and prepayments	55,779	47,076	49,646
Inventories	28,979	24,037	23,999
Other current assets	9,358	9,097	22,574
Non-current assets held for sale	311	-	788
<b>TOTAL ASSETS</b>	<b>1,050,585</b>	<b>983,446</b>	<b>938,137</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	426,289	386,255	386,255
Treasury shares	(4,613)	(22,578)	(26,092)
Share premium	39,202	39,202	39,202
Retained earnings and other reserves	243,195	243,790	203,114
Non-controlling interest	2,347	4,263	11,440
<b>TOTAL EQUITY</b>	<b>706,420</b>	<b>650,932</b>	<b>613,919</b>
<b>Non-current liabilities</b>			
Deferred income tax liabilities	42,938	39,086	37,034
Non-current debt	122,949	158,046	135,179
Non-deliverable forward contract	12,557	-	-
Other non-current liabilities	22,714	18,726	14,551
<b>Total non-current liabilities</b>	<b>201,158</b>	<b>215,858</b>	<b>186,764</b>
<b>Current liabilities</b>			
Current debt	64,542	41,757	62,214
Accounts payable and accruals	63,046	58,784	60,307
Current income tax payable	676	858	898
Other taxes payable	14,420	15,257	14,035
<b>Total current liabilities</b>	<b>142,684</b>	<b>116,656</b>	<b>137,454</b>
<b>TOTAL LIABILITIES</b>	<b>344,165</b>	<b>332,514</b>	<b>324,218</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,050,585</b>	<b>983,446</b>	<b>938,137</b>





# RusHydro



**Thomson Reuters Extel 2011:  
No.1 IR Team in Russian Utilities**



**Thomson Reuters Extel 2012:  
No.1 IR Team in Russian Utilities**



**Thomson Reuters Extel 2013:**

- No.1 IR Team in Russian Utilities
- Best CFO, mid-cap (Russia), #1
- Best IRO, mid-cap (Russia), #2
- Best overall IR, mid-cap (Russia), #3



**Thomson Reuters Extel 2014:**

- No.1 IR Team in Russian Utilities
- Best IRO, Russian Utilities

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