

Interaction with the investment community

Interaction with investors

Inter RAO uses a wide range of channels to interact with shareholders and investors. The Group's management is committed to improving the quality of voluntary disclosure.

In an effort to improve information transparency as part of webcasts, representatives of the Group's management not only disclose financial statements, but also financial forecasts and plans, present a quarterly report on measures that have been taken to improve operating efficiency in key segments, highlight key and relevant market trends, and answer questions from investors and analysts. The Company's Investor Relations Service is in constant contact with investors and analysts via telephone, email as well as alternative platforms for interacting with the investment community. Representatives of the Company were awarded the following awards based on the results of independent voting: Best Investor Relations in the Russian Utilities Sector (2015, 2016, and 2017) and the Emerging EMEA Utilities Sector (2018).

Inter RAO is the most transparent and open company in the sector, a fact that is highly appreciated by representatives of the investment community.

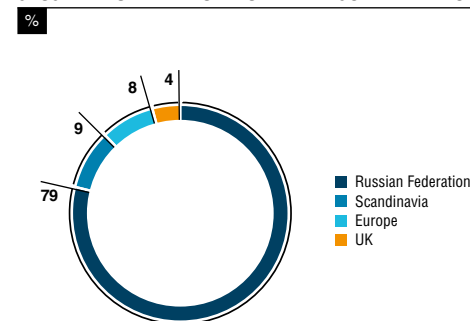
In 2018, management continued to enhance the appeal of investing in Inter RAO shares. The actions taken by management are regularly communicated to the investment community as part ongoing IR activities.

In 2018, 139 meetings were held with Russian and foreign investors. The format of the meetings included Investor Day, site visits, non-deal road-shows, webcasts, and conference calls. Meetings were held with representatives of major global European and Russian investment funds, including:

- Blackrock (USD >4.3 trillion)
- Amundi Asset Management (USD >900 billion)
- Abu Dhabi Investment Authority (USD >770 billion)
- T Rowe Price (USD >765 billion)
- Morgan Stanley Investment Management (USD >471 billion)
- Schroders (USD >462 billion)
- Pictet & CIE (USD >437 billion)
- Aberdeen (USD >395 billion)
- Fiera Capital (USD >143 billion)

Most of the meetings with investors were held at conferences in the Russian Federation, primarily in Moscow.

GEOGRAPHIC BREAKDOWN OF MEETINGS WITH INVESTORS



Interaction with analysts

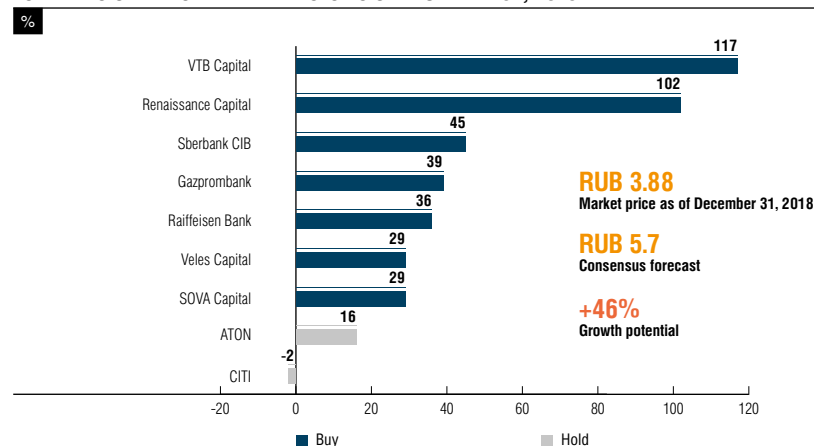
Analytical coverage of PJSC Inter RAO in 2018 was provided by nine experts from leading Russian and international banks who worked on updating financial models, and most of them raised their target prices and recommendations for PJSC Inter RAO shares. In 2018, major international and local banks such as VTB Capital, Sovia Capital, and Gazprombank initiated and resumed their coverage of Inter RAO.

THE CURRENT ESTIMATES OF INVESTMENT ANALYSTS ARE AVAILABLE ON THE WEBSITE

as of December 31, 2017					as of December 31, 2018			
Company	Analyst	Recommendation	Target price	Date	Analyst	Recommendation	Target price	Date
Gazprombank	Matvey Tayts	Buy	3.7	12/26/2017	Igor Goncharov	Buy	5.4	12/25/2018
Aton	Alexander Kornilov	Hold	4.5	12/13/2017	Alexander Kornilov	Hold	4.5	12/13/2018
VTB Capital	Vladimir Sklyar	Revise	-	12/18/2017	Vladimir Sklyar	Buy	8.4	12/10/2018
Raiffeisen	Fedor Kornachev	Hold	4.6	06/14/2017	Sergey Garamita	Buy	5.3	12/07/2018
Veles Capital	Alexey Adonin	Buy	4.6	09/27/2017	Alexey Adonin	Buy	5	11/15/2018
Sberbank CIB	Igor Vasilyev	Buy	4.4	10/24/2016	Fedor Kornachev	Buy	5.6	06/13/2018
CITI	Agarval Nitesh	Hold	3.7	11/21/2017	Agarval Nitesh	Hold	3.8	-03/29/2018
BCS	Igor Goncharov	Buy	4.6	12/22/2017	-	-	-	-
Renaissance Capital	-	-	-	-	Sergey Beyden	Buy	7.9	12/07/2018
Sova Capital	-	-	-	-	Matvey Tayts	Buy	5	08/17/2018
Consensus forecast			4.7				5.7	

Source: Bloomberg

ESTIMATES OF INVESTMENT ANALYSTS AS OF DECEMBER 31, 2018



Investment bank analysts have high praise for the development potential of the Inter RAO Group and believe it is undervalued and has the greatest potential compared with other companies in the energy industry.

Renaissance Capital

In the medium term, the Company has fairly high potential for growth in retail and trading, but the generating business will remain the main source of revenue. We see fundamentally strong prospects in its shares and believe that the market undervalues the Company due to its net cash position.

Raiffeisen

At present, the Company's shares are the most undervalued in the sector (the projected EV/EBITDA multiplier in 2019 is 1.3x; for comparison, Enel Russia's is 3.5x and RusHydro's is 2.7x)

Gazprombank

We believe accumulating financial resources is a reasonable approach in the current conditions, especially considering the high-yield investment opportunities under the auspices of the modernization program. We maintain a positive outlook for the shares due to good balance sheet indicators and the high yield of free cash flow (> 20%).

VTB Capital

The Company's current strategy is calculated until 2020, and all the key objectives in it have been fulfilled. We maintain our target price for Inter RAO shares for the next 12 months at the level of RUB 8.4 rubles, which corresponds to growth potential of 117%.

Events for investors and analysts in 2018

Q1

- Webcast/conference call for investors and analysts on the Group's operational and financial performance for 2017 (Moscow)

Q2

- Participation in the Exchange Forum and meetings with investors at the annual Renaissance Capital Conference (Moscow)
- Road shows (London, Stockholm, Frankfurt, and Vienna)
- Webcast/conference call for investors and analysts on the Group's operational and financial performance for Q1 2018 (Moscow)
- Site visit to a supply asset on the theme 'Innovative development of the supply business using the example of the Inter RAO Group's supply assets' (Moscow)

Q3

- Webcast/conference call for investors and analysts on the Group's operational and financial performance for H1 2018 (Moscow)
- Participation in the annual Prosperity Conference (Moscow)
- Road shows (Tallinn, Helsinki, Frankfurt, and Stockholm)
- Meetings with investors at the ATON Energy Day annual conference (Moscow)

Q4

- Participation in the Russia Calling! VTB Capital annual investment conference (Moscow)
- Webcast/conference call for investors and analysts on the Group's operational and financial performance for 9M 2018 (Moscow)
- Investor Day, site visit to the Sochinskaya TPP

The most large-scale group meetings were held at conferences organized in Moscow by such investment houses as Renaissance Capital, VTB Capital, and ATON. A significant number of investment community representatives attended Investor Day and the site visit that was held by the Inter RAO Group in Sochi in December 2018.

During the reporting year, the key themes for interaction with the investment community at events included:

- the results of operational and financial activities and measures to improve operational efficiency
- the dividend policy and dividend payments
- the strategic priorities and long-term development forecast of the Inter RAO Group
- targets for the use of idle cash
- M&A activities of the Group
- the launch of a new long-term management incentive program
- the buyback of treasury shares and the use of the treasury block
- the modernization of generating equipment and the long-term competitive capacity auction (CCA)
- export potential in the Russian power industry
- the development of the wholesale capacity market
- the completion of the CDA program and construction of facilities in the Kaliningrad Region
- the development of a standard supply model
- the sustainable development of the Inter RAO Group and others



FAQ by investors and analysts are available at <https://www.interrao.ru/investors/>



EVENT CALENDAR FOR INVESTORS AND ANALYSTS IN 2019

Date	Event
February 11	Publication of RAS financial results for 2018
February 11	Publication of the production results of the Inter RAO Group for 2018
March 4	Investor Day in London attended by an independent member of the Board of Directors Webcast/conference call for investors and analysts on the Group's operational and financial performance for 2018 (Moscow)
March 5–7	Road show (Europe)
April	Publication of RAS financial results of Inter RAO and its subsidiaries for Q1 2019
April	Publication of the production results of the Inter RAO Group for Q1 2019
May 16	Webcast/conference call for investors and analysts on the Group's operational and financial performance for Q1 2019
June 24–26	Renaissance Capital Conference (Moscow)
July	Publication of RAS financial results of Inter RAO and its subsidiaries for H1 2019
July	Publication of the production results of the Inter RAO Group for H1 2019
August 14	Webcast/conference call for investors and analysts on the Group's operational and financial performance for H1 2019
August–September	Investor/Analyst Day (Moscow)
September	Road show (Europe)
October	Publication of RAS financial results for 9M 2019
October	Publication of the production results of the Inter RAO Group for 9M 2019
October–November	Russia Calling! VTB Capital Conference (Moscow)
November 14	Webcast/conference call for investors and analysts on the Group's operational and financial performance for 9M 2019
November–December	Capital Markets Day and a site visit for investment analysts (Russia/Europe)

Interaction with minority shareholders

As of December 31, 2018, there were 351,968 individuals registered in the share register of Inter RAO, which equals 99.22% of the total number of shareholders.

The Company interacts with individual shareholders in accordance with the Program for Interaction with Minority Shareholders of PJSC Inter RAO for 2018-2020. In 2018, as part of the program:

- informational brochure stands were updated at the locations of the Group's companies
- an animated product was created for shareholders to reduce the flow of inquiries from shareholders taking into account the rights to their shares in depositories
- the shareholder memo for the Annual General Shareholders Meeting was updated
- work was continued with LLC Inter RAO Invest to provide services to shareholders in transactions involving the Company's shares
- e-voting was provided at the General Meeting of Shareholders with the relevant explanations on the procedure for such voting in the Energy Without Borders newspaper
- other measures of the Program were completed

The Company responded to a total of 107 written inquiries from shareholders received by mail and 61 electronic inquiries in 2018. An analysis of the changes in the subjects of the inquiries from the Company's shareholders to PJSC Inter RAO shows percentage-based growth in inquiries related to such themes as the receipt of dividends, including updating questionnaires, ways of calculating them, and transferring dividends to a shareholder's bank account.

The inquiry statistics show a decrease in inquiries for clarification on the sale

SUBJECTS OF SHAREHOLDER INQUIRIES
