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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

SECOND QUARTER 2016 TRADING UPDATE

This announcement is made by United Company RUSAL Plc (“**UC RUSAL**” or the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and applicable French laws and regulations.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of UC RUSAL.

UC RUSAL announces its operating results for the second quarter 2016 (“2Q16”)¹.

Aluminium

- Aluminium production² in 2Q16 totalled 919 thousand tons (flat QoQ). Smelters utilization remained on average at 95%. Siberian smelters accounted for the largest proportion (~94%) of total aluminium output.
- 2Q16 aluminium sales remained relatively flat QoQ totalling 958 thousand tons. The share of value added products (**VAP**)³ in total aluminium sales increased to 47% in 2Q16 (vs 41% in 1Q16) largely as a result of the seasonal demand growth and strengthened company’s positions in the niche product markets.

¹ Operating data is based on preliminary data and can be updated in 2Q16 financial results.

² Aluminium production represented by salable products output (the number include all facilities excluding Volgograd remelting).

³ VAP includes alloyed ingots, slabs, billets and wire rod.

- In 2Q16 the average aluminium realised price⁴ increased by 2.7% QoQ to USD1,711/ton influenced by the London Metal Exchange (“LME”) QP⁵ component growth and a marginal increase of the realized premium amid a better product mix.
- 1H16 aluminium production totalled 1,835 thousand tons (+1.2% YoY).
- 1H16 aluminium sales increased by 5.0% YoY to 1,915 thousand tons due largely to the addition of the Boguchansky smelter (the plant is currently operating in test mode) volumes⁶. The average realized price in 1H16 declined by 23.7% YoY to USD1,688/ton primarily as a result of higher aluminium LME prices and commodity premiums in 1H15.

Alumina

- In 2Q16, total alumina production was 1,851 thousand tons (-1.2% QoQ). Alumina production at non-Russian operations decreased marginally by 1.2% QoQ to 1,181 thousand tons due to scheduled repairs performed at the Company’s production facilities (in particular at the Windalco and Aughinish refineries). Output at RUSAL’s Russian operations remained largely flat QoQ, totalling 670 thousand tons.
- 1H16 alumina output totalled 3,724 thousand tons (+2.7% YoY).

Bauxite

- In 2Q16, bauxite output increased by 3.9% QoQ to 3,126 thousand tons driven largely by an increase in mining volumes at the Timan and North Urals mines. Guyana output declined by 23.4% QoQ to 244 thousand tons largely due to seasonal factors (rainy season). Nepheline ore production at Kiya Shaltyr in 2Q16 increased further by 8.8% QoQ to 1,208 thousand tons. This increase boosted ore stock levels ahead of the winter season at the Achinsk refinery.
- In 1H16 bauxite output totalled 6,135 thousand tons (+2.7% YoY). Nepheline ore output in 1H16 totalled 2,319 thousand tons (+10.1% YoY).

⁴ The realized price includes three components: LME component, commodity premium and VAP upcharge.

⁵ QP (quotation period) prices differs from the real time LME quotes due to a time lag between LME quotes and sales recognition and due to contract formula speciality.

⁶ Aluminium produced at Boguchansky smelter was purchased by RUSAL and sold to third parties.

Market overview⁷

- The LME aluminium price rose to USD1682/ton in mid-July, the highest level since July 2015. This was attributable to the growing metal deficit, particularly in China, strong growth in global manufacturing activity and improved investor sentiment towards base commodities. From the beginning of June to mid July 2016 the net positions⁸ of aluminum money managers on the LME have surged by 37% led by stronger investor sentiment.
- June's PMI data offers more evidence that global manufacturing output and wider industrial production activity is improving. According to Macquarie Bank estimates, global aggregate manufacturing PMI rose by 0.9 points to 51.1 in June, the highest level since May 2015. Russian PMI in processing industries grew strongly to 51.5 level in June from 49.6 in May 2016.
- Chinese GDP in 2Q16 grew by 6.7% YoY higher than the 6.1% forecast by analysts. Land prices grew by 7.1% in June after seeing 6.0% growth in May. China's passenger vehicle sales expanded fast in 1H16. Total car sales increased by 9.5% to 10.8 million units in the January-June period, driven by the strong demand for SUV and new energy vehicles according to the China Passenger Car Association.
- China's aluminium output totalled 2.69 million tons in June (+3.8% MoM). 1H16 production fell 2.5% YoY to 15.1 million tons. According to SMM's data, aluminium stocks in China's biggest warehouses declined by 71% YoY or by 765 thousand tons to 313 thousand tons as at the end of 1H16.
- Only 0.9 million tons/year out of the 4.8 million tons/year of total idled capacity in China resumed operation in 1H16. Ongoing strong Governmental control coupled with high restarting costs and weak financing availability kept the supply recovery at a very moderate pace.
- Chinese exports continue to slow down as a result of weak arbitrage and a tight domestic metal market. In 1H16 China's export of aluminium semis fell 10.1% YoY (days adj.) to 2.01 million tons as compared to 2.22 million tons for the same period of 2015.

⁷ Data for the Market review section is sourced from Bloomberg, CNIA, IAI and Antaike unless otherwise mentioned.

⁸ Net number derived from the sum of long (positive) and short (negative) positions.

- The thermal coal market has continued to strengthen. Coal prices since April have seen more than a 30% surge, which has provided a boost for the cost structures of power intensive metals including aluminium, further supporting higher prices for the metal. China's ongoing industry reforms across the key provinces of Inner Mongolia, Shanxi, Shandong (enforced cuts to operating days, from 330 days/year to 276 days/year, and capacity utilisation rates) have already reduced coal output. China's domestic thermal coal production is down 12.5% YoY in May.

KEY OPERATING DATA

GROUP PRODUCTION DATA⁹

| ('000 tons) | 2Q16 | 1Q16 | Change, % | 1H16 | 1H15 | Change, % |
|---------------------------------------|-------|-------|--------------|-------|-------|--------------|
| | | | (QoQ) | | | (YoY) |
| Aluminium | 919 | 916 | 0.3% | 1,835 | 1,808 | 1.5% |
| <i>utilisation rate</i> | 95.0% | 94.0% | | 95.0% | 88.0% | |
| Aluminium foil and packaging products | 22.0 | 18.8 | 16.7% | 40.8 | 44.6 | -8.6% |
| Alumina | 1,851 | 1,873 | -1.2% | 3,724 | 3,626 | 2.7% |
| Bauxite | 3,126 | 3,009 | 3.9% | 6,135 | 5,971 | 2.7% |
| Nepheline | 1,208 | 1,111 | 8.8% | 2,319 | 2,106 | 10.1% |

GROUP SALES DATA

| ('000 tons) | 2Q16 | 1Q16 | Change, % | 1H16 | 1H15 | Change, % |
|-----------------------------------|-------|-------|--------------|-------|-------|--------------|
| | | | (QoQ) | | | (YoY) |
| Aluminium sales | 958 | 957 | 0.1% | 1,915 | 1,823 | 5.0% |
| incl BOAZ aluminium product sales | 31 | 39 | -20.8% | 70 | | 100.0% |
| <i>Realized price, USD/ton</i> | 1,711 | 1,666 | 2.7% | 1,688 | 2,212 | -23.7% |
| Share of VAP | 47% | 41% | | 44% | 41% | |

⁹ The production data throughout the report is presented on equity-adjusted basis if not stated otherwise. Production volumes are calculated based on the pro rata share of the Company's (and its subsidiaries') ownership.

ALUMINIUM PRODUCTION

| ('000 tons) | Interest | Change, % | | | Change, % | | |
|---|----------|--------------|------------|-------------|--------------|--------------|-------------|
| | | 2Q16 | 1Q16 | (QoQ) | 1H16 | 1H15 | (YoY) |
| Russia (Siberia) | | | | | | | |
| Bratsk aluminium smelter | 100% | 250 | 251 | -0.2% | 501 | 499 | 0.4% |
| Krasnoyarsk aluminium smelter | 100% | 256 | 256 | 0.3% | 512 | 501 | 2.2% |
| Sayanogorsk aluminium smelter | 100% | 132 | 130 | 1.7% | 263 | 262 | 0.1% |
| Novokuznetsk aluminium smelter | 100% | 53 | 53 | -0.5% | 106 | 103 | 3.2% |
| Irkutsk aluminium smelter | 100% | 103 | 103 | 0.4% | 206 | 204 | 1.2% |
| Khakas aluminium smelter | 100% | 73 | 73 | -0.4% | 146 | 143 | 1.9% |
| Russia — Other | | | | | | | |
| Nadvoitsy aluminium smelter | 100% | 3 | 3 | -4.4% | 6 | 6 | 5.0% |
| Kandalaksha aluminium smelter | 100% | 17 | 17 | 0.8% | 34 | 33 | 2.6% |
| Sweden | | | | | | | |
| Kubikenborg Aluminium (KUBAL) ¹⁰ | 100% | 31 | 30 | 3.1% | 62 | 57 | 8.2% |
| Total production | | 919 | 916 | 0.3% | 1,835 | 1,808 | 1.5% |
| <i>Remelting of third-party primary aluminium at Volgograd smelter</i> | | 8 | 12 | -32.4% | 19 | | 100.0% |
| Total aluminium products output including remelting¹¹ | | 927 | 928 | 0.0% | 1,855 | 1,808 | 2.6% |

¹⁰ Does not include remelting of the metal from other RUSAL's smelters

¹¹ Here and further "total production" may not equal to the arithmetic addition of the numbers above presented in the table. The difference arises due to the roundoff of exact numbers (incl. decimals).

Foil and packaging production results

| ('000 tons) | Interest | 2Q16 | 1Q16 | Change, | 1H16 | 1H15 | Change, |
|-------------------------|----------|-------------|-------------|--------------|-------------|-------------|--------------|
| | | | | % | | | (QoQ) |
| Russia | | | | | | | |
| Sayanal | 100% | 9.2 | 6.9 | 33.8% | 16.1 | 19.6 | -17.7% |
| Ural Foil | 100% | 4.3 | 3.9 | 10.7% | 8.2 | 8.3 | -1.7% |
| Sayana Foil | 100% | 0.7 | 0.8 | -21.4% | 1.5 | 1.4 | 5.1% |
| Armenia | | | | | | | |
| Armenal | 100% | 7.8 | 7.2 | 8.1% | 15.0 | 15.3 | -2.1% |
| Total production | | 22.0 | 18.8 | 16.7% | 40.8 | 44.6 | -8.6% |

Other aluminium products output and silicon output

| ('000 tons) | 2Q16 | 1Q16 | Change, | 1H16 | 1H15 | Change, |
|------------------|------|------|---------|------|------|---------|
| | | | % | | | (QoQ) |
| Secondary alloys | 6.4 | 5.6 | 14.6% | 11.9 | 12.3 | -3.1% |
| Silicon | 14.2 | 15.2 | -6.6% | 29.4 | 30.3 | -2.8% |
| Powder | 5.3 | 4.0 | 32.6% | 9.3 | 9.0 | 3.7% |

ALUMINA PRODUCTION

| ('000 tons) | Interest | 2Q16 | 1Q16 | Change, % | 1H16 | 1H15 | Change, % |
|---------------------------------|----------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | | | (QoQ) | | | (YoY) |
| Ireland | | | | | | | |
| Aughinish Alumina | 100% | 477 | 488 | -2.1% | 965 | 964 | 0.2% |
| Jamaica | | | | | | | |
| Alpart ¹² | 100% | — | — | — | — | — | — |
| Windalco | 100% | 147 | 154 | -4.2% | 301 | 291 | 3.3% |
| Ukraine | | | | | | | |
| Nikolaev Alumina Refinery | 100% | 370 | 370 | -0.1% | 740 | 714 | 3.6% |
| Italy | | | | | | | |
| Eurallumina | 100% | — | — | — | — | — | — |
| Russia | | | | | | | |
| Bogoslovsk Alumina Refinery | 100% | 238 | 235 | 1.2% | 473 | 459 | 3.1% |
| Achinsk Alumina Refinery | 100% | 231 | 244 | -5.6% | 475 | 446 | 6.5% |
| Urals Alumina Refinery | 100% | 201 | 197 | 2.0% | 399 | 383 | 4.1% |
| Boxitogorsk Alumina Refinery | 100% | — | — | — | — | — | — |
| Guinea | | | | | | | |
| Friguia Alumina Refinery | 100% | — | — | — | — | — | — |
| Australia (JV) | | | | | | | |
| Queensland Alumina Ltd | 20% | 186 | 184 | 1.0% | 370 | 368 | 0.5% |
| Total alumina production | | 1,851 | 1,873 | -1.2% | 3,724 | 3,626 | 2.7% |

¹² The Alpart was sold to external party (see RUSAL's announcement dated 19th July 2016). The results of Alpart will be taken out from RUSAL Consolidated Financial Statements since 3Q 2016.

BAUXITE MINING

| <i>('000 tons wet)</i> | | | | Change, % | | | Change, % |
|-----------------------------------|----------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Interest | 2Q16 | 1Q16 | (QoQ) | 1H16 | 1H15 | (YoY) |
| Jamaica | | | | | | | |
| Alpart | 100% | 25 | 44 | -42.7% | 69 | — | — |
| Windalco | 100% | 530 | 488 | 8.7% | 1,018 | 991 | 2.8% |
| Russia | | | | | | | |
| North Urals | 100% | 597 | 551 | 8.4% | 1,148 | 1,345 | -14.7% |
| Timan | 100% | 802 | 683 | 17.3% | 1,485 | 1,363 | 8.9% |
| Guinea | | | | | | | |
| Friguia | 100% | — | — | — | | | — |
| Kindia | 100% | 928 | 925 | 0.3% | 1,852 | 1,719 | 7.7% |
| Guyana | | | | | | | |
| Bauxite Company of Guyana Inc. | 90% | 244 | 319 | -23.4% | 563 | 554 | 1.7% |
| Total bauxite production | | 3,126 | 3,009 | 3.9% | 6,135 | 5,971 | 2.7% |

Nepheline ore production¹³

| <i>('000 tons wet)</i> | | | | Change, % | | | Change, % |
|-----------------------------------|----------|-------|-------|--------------|-------|-------|--------------|
| | Interest | 2Q16 | 1Q16 | (QoQ) | 1H16 | 1H15 | (YoY) |
| Kiya Shaltyr Nepheline Syenite | 100% | 1,208 | 1,111 | 8.8% | 2,319 | 2,106 | 10.1% |

¹³ Nepheline ore used as a feedstock for alumina production at the Achinsk alumina refinery

JOINT VENTURE OPERATING RESULTS

| | | | | Change, % | | | Change, % |
|---|-----|-------|-------|--------------|-------|-------|--------------|
| | | 2Q16 | 1Q16 | (QoQ) | 1H16 | 1H15 | (YoY) |
| Boguchanskaya HP | | | | | | | |
| Electricity generation, mwh | 50% | 3,365 | 3,127 | 7.6% | 6,491 | 5,964 | 8.8% |
| Boguchanskiy aluminium smelter¹⁴ | | | | | | | |
| Aluminium production ('000 tons) | 50% | 37 | 38 | -1.3% | 75 | — | — |
| Bogatyr Komir and Bogatyr Trans | | | | | | | |
| Coal production (50%) (Kt) | 50% | 3,215 | 4,465 | -28.0% | 7,680 | 7,830 | -1.9% |
| Transportation volumes (50%) (Kt of transportation) | 50% | 1,497 | 1,516 | -1.2% | 3,013 | 2,683 | 12.3% |

**By order of the Board of Directors of
United Company RUSAL Plc
Aby Wong Po Ying
Company Secretary**

28 July 2016

As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev and Mr. Siegfried Wolf, the non-executive Directors are Mr. Maxim Sokov, Mr. Dmitry Afanasiev, Mr. Len Blavatnik, Mr. Ivan Glasenberg, Mr. Maksim Goldman, Ms. Gulzhan Moldazhanova, Mr. Daniel Lesin Wolfe, Ms. Olga Mashkovskaya and Ms. Ekaterina Nikitina, and the independent non-executive Directors are Mr. Matthias Warnig (Chairman), Mr. Philip Lader, Dr. Elsie Leung Oi-sie, Mr. Mark Garber, Mr. Dmitry Vasiliev and Mr. Bernard Zonneveld.

All announcements and press releases published by the Company are available on its website under the links <http://www.rusal.ru/en/investors/info.aspx>, <http://rusal.ru/investors/info/moex/> and <http://www.rusal.ru/en/press-center/press-releases.aspx>, respectively.

¹⁴ Boguchansky smelter is currently operates in the test mode