RUSAL

UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2015

Key highlights

- The first quarter of 2015 was a challenging period for the aluminium industry. In particular, there was a 8.5% decrease in the average London Metals Exchange ("**LME**") aluminium price of USD1,801 for the first quarter of 2015 as compared to USD1,968 in the preceding quarter, as well as downward trend on product premiums across all key markets reducing the average realized premium of the United Company RUSAL Plc ("**UC RUSAL**" or the "**Company**", together with its subsidiaries, the "**Group**") by 1.2% as compared to the preceding quarter, which put pressure on the Company's margins.

- Revenue in the first quarter of 2015 increased by 16.7% to USD 2,477 million as compared to USD2,123 million for the first quarter of 2014 due to the increase in LME aluminium price, growth in volumes sold and higher average realized premiums between the comparable periods.

- Aluminium segment cost per tonne was under pressure following significant increase in electricity prices, railway transportation tariffs and other key raw materials in Russian Rouble terms in the first quarter of 2015. However, these factors were offset by the efficiency initiatives significantly supported by the depreciation of the Russian Rouble and the Ukrainian Hryvnia against the US dollar and aluminium segment cost per tonne decreased by 17.5% to USD1,437 in the first quarter of 2015 as compared to USD1,741 per tonne for the same period of 2014.

- As a result, the Adjusted EBITDA was increased to USD721 million in the first quarter of 2015 as compared to USD173 million for the same period of 2014, and USD651 million for the last quarter of 2014.

- In the first quarter of 2015 the Company decreased its' Net Debt by USD213 million that together with the strong financial results leads to the further decrease in the leverage ratio to below 3.5:1 as at 31 March 2015 that will decrease interest rate margin starting from June 2015.

Statement of the Chief Executive Officer ("CEO")

"In 2015 we are beginning to witness a new turn in the global aluminium market's development. The most important trends include the recent collapse in premiums despite steady consumption growth, higher metal availability as a result of financing deals becoming less attractive and rising exports of aluminium products from China. In such an environment, the Company's first quarter of 2015 results demonstrate that our strategy to focus on efficiency and our value added products portfolio is paying off. The key factors driving our results were our supply discipline and cost control, strongly supported by local currency depreciation.

Given current market conditions, UC RUSAL's priority is to be the most efficient aluminium producer globally. We will continue to maintain our production discipline and develop our value added products portfolio so as to further strengthen our margins and efficiency. As end use applications become more demanding and the competitive landscape becomes fiercer, we recognize that the relentless pursuit of quality is the fundamental driver for future success. Longer term, aluminium market fundamentals remain strong, and as such we expect a market correction and steady consumption growth."

Vladislav Soloviev
Chief Executive Officer

12 May 2015

Financial and Operating Highlights

	Quarter ended 31 March 2015 *unaudited*	2014 *unaudited*	Change quarter on quarter,% (1Q to 1Q)	Quarter ended 31 December 2014 *unaudited*	Change, quarter on quarter,% (1Q to 4Q)
Key operating data					
('000 tonnes)					
Aluminium	900	883	1.9%	915	(1.6%)
Alumina	1,808	1,814	(0.3%)	1,818	(0.6%)
Bauxite	3,124	2,882	8.4%	2,932	6.5%
Key pricing and performance data					
('000 tonnes)					
Sales of primary aluminium and alloys	935	854	9.5%	874	7.0%
(USD per tonne)					
Aluminium segment cost per tonne[1]	1,437	1,741	(17.5%)	1,671	(14.0%)
Aluminium price per tonne quoted on the LME[2]	1,801	1,708	5.4%	1,968	(8.5%)
Average premiums over LME price[3]	424	339	25.1%	429	(1.2%)
Average sales price	2,299	2,042	12.6%	2,419	(5.0%)
Alumina price per tonne[4]	343	329	4.3%	354	(3.1%)
Key selected data from the consolidated interim condensed statement of income					
(USD million)					
Revenue	2,477	2,123	16.7%	2,496	(0.8%)
Adjusted EBITDA	721	173	316.8%	651	10.8%
margin (% of revenue)	*29.1%*	*8.1%*	*NA*	*26.1%*	*NA*
Adjusted Profit/(Loss) for the period	228	(246)	NA	387	(41.1%)
margin (% of revenue)	*9.2%*	*(11.6%)*	*NA*	*15.5%*	*NA*
Recurring Profit/(Loss) for the period	467	(169)	NA	276	69.2%
margin (% of revenue)	*18.9%*	*(8.0%)*	*NA*	*11.1%*	*NA*

1 For any period, "Aluminium segment cost per tonne" is calculated as aluminium segment revenue less aluminium segment results less amortisation and depreciation divided by sales volume of the aluminium segment.

2 Aluminium price per tonne quoted on the LME representing the average of the daily closing official LME prices for each period.

3 Average premiums over LME realized by the Company based on management accounts.

4 The average alumina price per tonne provided in this table is based on the daily closing spot prices of alumina according to Non-ferrous Metal Alumina Index FOB Australia USD per tonne.

Key selected data from consolidated interim condensed statement of financial position

	As at		Change,
	31 March 2015	**31 December 2014**	**quarter on year end**
	(unaudited)		
(USD million)			
Total assets	14,630	14,857	(1.5%)
Total working capital[5]	1,376	1,363	1.0%
Net Debt[6]	8,624	8,837	(2.4%)

Key selected data from consolidated interim condensed statement of cash flows

	Quarter ended		Change
	31 March 2015	**31 March 2014**	**quarter on quarter, (1Q to 1Q)**
	(unaudited)	*(unaudited)*	
(USD million)			
Net cash flows generated from operating activities	612	81	655.6%
Net cash flows used in investing activities	(66)	(108)	(38.9%)
of which CAPEX[7]	*(87)*	*(119)*	*(26.9%)*
Interest paid	(145)	(158)	(8.2%)

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5 Total working capital is defined as inventories plus trade and other receivables minus trade and other payables.

6 Net Debt is calculated as Total Debt less cash and cash equivalents as at the end of any period. Total Debt refers to UC RUSAL's loans and borrowings and bonds outstanding at the end of any period.

7 CAPEX is defined as payment for the acquisition of property, plant and equipment and intangible assets.

Global aluminum market trends in the first quarter of 2015

- Global aluminum demand grew by 6% in 1Q 2015 year-on-year (**“YoY**”), due to strong demand in North America, China and India. A 6.5% growth during 2015 is expected to be maintained.

- Production outside of China grew by 2% in 1Q 2015 YoY as a consequence of restarts of 200 ktpy capacities and completed commissioning of 1.0 Mtpy new capacities.

- All-in aluminum price declined by 8.5% in 1Q 2015 compared to the fourth quarter (“**4Q**”) of 2014 may lead to additional supply cuts outside of China with widening supply deficit.

- LME stocks declined to 3.88 million tonnes in line with physical market deficit.

- Chinese semis export increased by 49% in 1Q 2015 YoY but is expected to decline due to a negative LME/Shanghai Futures Exchange (“**SHFE**”) price arbitrage.

Aluminium demand

Global aluminium demand rose to 13.4 million tonnes (6%) during 1Q 2015 and similarly over the same period last year mainly as a result of stronger demand in North America and the EU and the growth of India as the key contribution to the growth in the BRIC economies.

The US recovery is still firmly on track, which is strongly supported by market fundamentals. The demand for aluminium in North America improved by 4.7% YoY in 1Q 2015. Demand is being driven primarily by the transportation sector, with net new orders for aluminium products continuing to exhibit strong growth. During March 2015, total orders excluding domestic can stock were up by 8.2% YoY and on a year-to-date (“**YTD**”) basis, orders are up by 6.9% YoY. The growth continues to come from heat treatable sheet, up 152% YoY, reflecting the strength of automotive demand.

Aluminium demand in Europe improved in 1Q 2015 growing by 1.6% YoY and by 4.4% comparing 1Q 2015 with 4Q 2014. The biggest rise came from Turkey (4.0%), France (3.5%), Switzerland (9.0%) and Germany (1.3%). Western European automotive sales rose by 10.7% in March 2015 as a regional recovery extended into France, which lifted the annual selling rate to 13.15 million cars in March 2015 from 12.91 million in the previous month. Analysts are seeing a strong rebound in the automotive market after years of underperformance.

Primary aluminium demand in India grew by 6% in 1Q 2015, supported by a number of economic reforms started by the Indian Government in 2014. The Indian Government is taking steps to boost foreign direct investment ("**FDI**") in the country. As a result, the FDI in India rose more than doubled to USD4.48 billion in January 2015, reached the highest inflow in the last 29 months. Aluminium consumption in India is roughly 3.8 kg/capita, far below the average of other developed countries, which average 16 kg/capita and China with 17.5 kg/capita.

Automotive production in Japan has contracted by 7.5% over the first two months in 2015 compared to the same period in the previous year. Vehicle sales experienced a double-digit annual fall of 13.1% in March 2015, following a 14.2% drop in February 2015.

Automotive production in South Korea in 1Q 2015, being the biggest aluminium consumption sector, was down by 4% YoY as a result of sluggish exports to emerging markets. Meanwhile, industrial output growth reached the highest in about four years in February 2015, indicating that the economy may resume recovery.

China's primary aluminum apparent consumption was 6.66 million tonnes in 1Q 2015, up by 10.4% YoY. Demand is driven by construction; with China's real estate industry having completed an investment of Renminbi 878.6 billion with a YoY rise of 10.4% during January to February 2015. Further support came from automotive output sales in January and February 2015, which were 3.91 million units and 3.91 million units, up by 6.22% and 4.25% YoY, respectively. China's power cable (including copper cable and aluminum alloy cable) output amounted to 6.196 million kilometres in January and February 2015, up by 11.3% YoY.

UC RUSAL forecasts that global aluminium demand will grow by 6.5% during 2015 to 59 million tonnes.

Aluminum supply

Aluminum production ex-China grew by 2% in 1Q 2015 YoY to 6.5 million tonnes, mainly from Asia and the Middle East but with declining production coming mainly from South America and North America. More than 200 ktpy of capacities was restarted and completed commissioning of 1.0 Mtpy new capacities.

All-in aluminum price declined by 8.5% in 1Q 2015 compared to 4Q 2014 which may lead to additional supply cuts outside of China with widening supply deficit.

Overcapacity in the Chinese aluminium market continued throughout 1Q 2015 due to seasonal factors affecting local prices. As a result, total aluminum stocks in China grew to 3.0 million tonnes in 1Q 2015 up by 1.0% YoY. It is expected that the aluminum balance in China would improve during the second and third quarters of 2015.

Chinese installed aluminium capacity rose by 579 ktpy during January to March in 2015 to 35.8 million tonnes. More than 800 ktpy of operating capacity was commissioned and around 120 ktpy resumed for the same period. This created additional supply pressures in domestic markets and the SHFE price has decreased by 2.6% YoY in 1Q 2015. This meant that 48% of Chinese alumunum production, or 14 million tonnes, was loss making at the current SHFE prices.

The main change to the supply environment came from the export of aluminium semis from China which totaled 298,926 tonnes in March 2015 reduced from 391,302 tonnes in February 2015 and 480,000 tonnes in December 2014.

The Chinese Government recently announced the removal of 15% of export tariffs on aluminium bar and rods. However, this is not backed by a VAT refund and UC RUSAL predicts that this will not be a source of significant export in the future.

Aluminum price, premiums and stocks

The aluminum all-in price has dropped by 20% YTD, although the long term price 'floor' of USD1,980 per tonne has been maintained. UC RUSAL, along with market commentators, anticipates that the all-in price will stablise at or above USD2,000 per tonne based on the marginal cost of production.

In relation to the premiums, the current levels of contango have downgraded the attractiveness of metal financing, particularly at LME warehouses, which has led to significant liquidation of stocks to the market with consequential negative impact for the premium. Large warehouses are not attracting metal through higher incentive payments thus more metal has become available to the market at depressed premiums. As a result, premiums increased by 22% YoY on average in 1Q 2015.

Since the beginning of 2015, LME stocks have dropped by 309 thousand tonne to 3.896 million tonnes or by 1.4 million tonnes annualised. This is in line with the market deficit outside of China in 2014 of 1.2 million tonnes and 1.5 million tonnes in 2015 according to UC RUSAL estimates. 60% of total stocks were canceled at the LME, maintaining a high demand for physical delivery or cheaper storage. Based on the current supply and demand balance and the LME warehouse policy, the aluminum LME stocks are expected to continue to decline reaching 2.6 million tonnes by the end of 2015.

Business review

Aluminium production

Total aluminium output amounted to 900 thousand tonnes (declined by 1.6% quarter-on-quarter ("**QoQ**") and increase by 1.9% year-on-year). The Company maintains production discipline in accordance with the previously provided guidance.

UC RUSAL management expects flat year-on-year aluminium production volumes in 2015. The Company does not plan restarting of aluminium smelters which were idled in 2013. The management is currently reviewing the Company's smelting capacity that may result in idling of up to 200 thousand tonnes of smelting capacity.

Alumina production

UC RUSAL's volume of alumina production remained flat at 1,808 thousand tonnes for the first quarter of 2015 (decrease by 0.6% quarter-on-quarter and by 0.3% year-on-year).

Bauxite production

UC RUSAL's bauxite production amounted to 3,124 thousand tonnes for the first quarter of 2015 (growth by 6.5% quarter-on-quarter and 8.4% year-on-year). The production growth is mostly attributable to stronger demand from the Company's alumina refineries and third parties.

Financial Overview

Revenue

	Quarter ended 31 March 2015 *(unaudited)*	Quarter ended 31 March 2014 *(unaudited)*	Change, quarter on quarter, % (1Q to 1Q)	Quarter ended 31 December 2014 *(unaudited)*	Change, quarter on quarter, % (1Q to 4Q)
(USD million)					
Sales of primary aluminium and alloys					
USD million	*2,150*	*1,744*	*23.3%*	*2,114*	*1.7%*
kt	*935*	*854*	*9.5%*	*874*	*7.0%*
Average sales price (USD/t)	*2,299*	*2,042*	*12.6%*	*2,419*	*(5.0%)*
Sales of alumina					
USD million	*140*	*146*	*(4.1%)*	*149*	*(6.0%)*
kt	*391*	*455*	*(14.1%)*	*434*	*(9.9%)*
Average sales price (USD/t)	*358*	*321*	*11.5%*	*343*	*4.4%*
Sales of foil (USD million)	68	71	(4.2%)	80	(15.0%)
Other revenue (USD million)	119	162	(26.5%)	153	(22.2%)
Total revenue (USD million)	**2,477**	**2,123**	**16.7%**	**2,496**	**(0.8%)**

Total revenue increased by USD354 million, or by 16.7%, to USD2,477 million in the first quarter of 2015, as compared to USD2,123 million for the corresponding period of 2014.

Revenue from sales of primary aluminium and alloys increased by USD406 million, or by 23.3%, to USD 2,150 million in the first quarter of 2015, as compared to USD1,744 million for the same period of 2014 due to the increase of both aluminium sales volumes and realized sales price. The increase in weighted-average realized aluminium price by 12.6% in the first quarter of 2015 as compared with the same period of 2014 resulted from better LME aluminium price performance, as well as 25.1% growth in premiums above the LME prices in the different geographical segments (to an average of USD424 per tonne and USD339 per tonne for the first quarters of 2015 and 2014, respectively). Revenue from sales of primary aluminium and alloys increased by USD36 million, or by 1.7%, in the first quarter of 2015, as compared to the fourth quarter of 2014 due to the growth in the sales volumes partially offset by decrease in LME aluminium price.

Revenue from sales of alumina decreased by USD6 million or by 4.1% to USD140 million in the first quarter of 2015 from USD146 million in the same period of 2014 and decreased by USD9 million or by 6% compared to USD149 million for the fourth quarter of 2014. The decrease in revenue over the comparable periods was primarily attributable to a decrease in sales volumes, which is partially offset by an increase in average sales price.

Revenue from sales of foil decreased by USD3 million or by 4.2% to USD68 million in the first quarter of 2015, as compared to USD71 million for the corresponding period in 2014, primarily due to a decrease in sales volume.

Revenue from other sales, including sales of other products, bauxite and energy services decreased by USD43 million or by 26.5% to USD119 million in the first quarter of 2015 as compared to USD162 million for the same period of 2014, due to a 33.3% decrease in sales of bauxite and a 20.9% decrease in sales of other materials.

Cost of sales

The following table demonstrates the breakdown of UC RUSAL's cost of sales for the first quarter of 2015 and 2014:

	Quarter ended 31 March		Change,	
	2015	**2014**	**quarter on quarter, %**	**Share of costs, %**
	(unaudited)	*(unaudited)*		
(USD million)				
Cost of alumina	198	183	8.2%	11.9%
Cost of bauxite	135	151	(10.6%)	8.1%
Cost of other raw materials and other costs	611	656	(6.9%)	36.9%
Energy costs	459	486	(5.6%)	27.7%
Depreciation and amortisation	114	108	5.6%	6.9%
Personnel expenses	128	189	(32.3%)	7.7%
Repairs and maintenance	12	14	(14.3%)	0.7%
Net change in provisions for inventories	1	5	(80.0%)	0.1%
Total cost of sales	**1,658**	**1,792**	**(7.5%)**	**100.0%**

Total cost of sales decreased by USD134 million, or 7.5%, to USD1,658 million for the first quarter of 2015, as compared to USD1,792 million for the corresponding period in 2014. The decrease was primarily driven by the continuing depreciation of the Russian Rouble and the Ukrainian Hryvnia against the US dollar by 77.9% and 138.25%, respectively, between the reporting periods that were partially compensated by the increase in volumes of primary aluminium and alloys sold.

Cost of alumina increased to USD198 million in the first quarter of 2015 by USD15 million from USD183 million as compared to the same period of 2014. The increase was driven by the growth in the aggregate volumes of aluminium sold for 9.5% (or 81 thousand tonnes) as well as the increase in alumina purchase price.

Cost of bauxite decreased by 10.6% in the first quarter of 2015 as compared to the corresponding period of 2014, primarily as a result of a decrease in the purchase volume.

Cost of raw materials (other than alumina and bauxite) and other costs decreased by 6.9% in the first quarter of 2015 compared to the same period of previous year, due to the lower raw materials purchase price (such as raw petroleum coke by 26.1%, raw pitch coke by 43.9%, calcined petroleum coke by 16.0%).

Energy cost decreased by 5.6% to USD459 million for the first quarter of 2015 as compared to USD486 million the first quarter of 2014 due to an increase in aluminium sales volumes and weighted average electricity tariffs were more than the offset by the significant depreciation of the Russian Rouble against the US dollar.

Gross profit

As a result of the foregoing factors, UC RUSAL reports a gross profit of USD819 million for the first quarter of 2015 compared to USD331 million for the same period in 2014, representing gross margins of 33.1% and 15.6%, respectively.

Adjusted EBITDA and results from operating activities

(USD million)	Quarter ended 31 March 2015 *(unaudited)*	2014 *(unaudited)*	Change, quarter on quarter, % (1Q to 1Q)
Reconciliation of Adjusted EBITDA			
Results from operating activities	583	30	1,843.3%
Add:			
Amortisation and depreciation	120	115	4.3%
Impairment of non-current assets	18	27	(33.3%)
Loss on disposal of property, plant and equipment	—	1	(100.0%)
Adjusted EBITDA	**721**	**173**	**316.8%**

Adjusted EBITDA, defined as results from operating activities adjusted for amortisation and depreciation, impairment charges and loss on disposal of property, plant and equipment, increased to USD721 million during the first quarter of 2015, as compared to USD173 million for the corresponding period of 2014. The factors that contributed to the increase in Adjusted EBITDA margin were the same that influenced the operating results of the Company.

Results from operating activities increased in the first quarter of 2015 by 1,843.3% to USD583 million, as compared to USD30 million for the corresponding period of 2014, representing operating margins of 23.5% and 1.4%, respectively.

Finance income and expenses

	Quarter ended 31 March		
	2015	**2014**	**Change**
(USD million)	*(unaudited)*	*(unaudited)*	
Finance income			
Interest income on loans and deposits	12	5	140.0%
	12	**5**	**140.0%**
Finance expenses			
Interest expense on bank and company loans, bonds and other bank charges, including:	(174)	(194)	(10.3%)
Interest expense	*(160)*	*(160)*	*0.0%*
Bank charges	*(14)*	*(34)*	*(58.8%)*
Net foreign exchange loss	(126)	(91)	38.5%
Change in fair value of derivative financial instruments, including:	(29)	(133)	(78.2%)
Change in fair value of embedded derivatives	*(4)*	*(60)*	*(93.3%)*
Change in other derivatives instruments	*(25)*	*(73)*	*(65.8%)*
Interest expense on provisions	(3)	(4)	(25.0%)
	(332)	**(422)**	**(21.3%)**

Finance expenses decreased by USD90 million or by 21.3% to USD332 million in the first quarter of 2015 as compared to USD422 million for the corresponding period of 2014, primarily due to a decrease in the net loss from change in fair value of derivative financial instruments and lower bank charges, partially compensated by an increase in the net foreign exchange loss.

Interest expenses on bank and company loans for the first quarter of 2015 decreased by USD20 million and comprised USD174 million as compared to USD194 million for the first quarter of 2014 due to the decrease in bank charges in the first quarter of 2015 as compared to the same period of the previous year.

Net foreign exchange loss of USD126 million for the first quarter of 2015 as compared to the USD91 million for the first quarter of 2014 was driven by continuing depreciation of the Russian Rouble and the Ukrainian Hryvnia against the US dollar and resulting revaluation of working capital items of several Group companies denominated in foreign currencies.

Net loss from the change in the fair value of derivative financial instruments decreased to USD29 million for the first quarter of 2015 as compared to USD133 million for the same period of 2014 due to maturity and settlement of certain cross-currency instruments after the first quarter of the prior year as well as significant changes in forward rates in the first quarter of prior year as compared to relatively stable forward rates in the first quarter of 2015.

Share of profit/(losses) in results and impairment of associates and joint ventures

	Quarter ended 31 March		
	2015	**2014**	**Change**
(USD million)	*(unaudited)*	*(unaudited)*	
Share of profits of Norilsk Nickel, with	239	77	210.4%
Effective shareholding of	*27.82%*	*27.82%*	*NA*
Share of losses of other associates	*(3)*	*(7)*	*(57.1%)*
Share of profits of associates	**236**	**70**	**237.1%**
Share of (losses)/profits and impairment of joint ventures	**(8)**	**12**	**NA**

Share of profits of associates was USD236 million in the quarter ended 31 March 2015 and USD70 million for the corresponding period in 2014. Share in results of associates in both periods resulted primarily from the Company's investment in OJSC MMC Norilsk Nickel ("**Norilsk Nickel**"), which amounted to a profit of USD239 million and USD77 million for the quarter ended 31 March 2015 and 2014, respectively.

As stated in Note 10 to the consolidated interim condensed financial information for the three months period ended 31 March 2015, at the date of this consolidated interim condensed financial information the Group was unable to obtain consolidated interim financial information of Norilsk Nickel as at and for the three-month period ended 31 March 2015. Consequently the Group estimated its share in the profits, other comprehensive income and foreign currency translation of Norilsk Nickel for the three-month period ended 31 March 2015 based on publicly available information reported by Norilsk Nickel. The information used as a basis for these estimates is incomplete in many aspects. Once the consolidated interim financial information for Norilsk Nickel becomes available, it will be compared to management's estimates. If there are significant differences, adjustments may be required to restate the Group's share in profit, other comprehensive income, foreign currency translation and the carrying value of the investment in Norilsk Nickel reported in this consolidated interim consolidated financial information.

The market value of UC RUSAL's stake in Norilsk Nickel was USD7,908 million as at 31 March 2015, as compared to USD6,388 million as at 31 December 2014.

Share of (losses)/profits and impairment of the joint ventures is represented by the Company's investments in BEMO, LLP Bogatyr Komir, Mega Business and Alliance (transportation business in Kazakhstan) and North United Aluminium Shenzhen Co., Ltd ("North United Aluminium") and was not significant in both reporting periods.

Profit recycled from other comprehensive income

On 11 March 2015, the Supreme Court of Ukraine denied the Group's appeal to reconsider the previous court decision that 68% of shares of OJSC Zaporozhye Aluminium Combine ("**ZALK**"), an indirect subsidiary of UC RUSAL, should be deprivatized and returned to the State of Ukraine.

The Company intends to pursue all available legal alternatives, including, but not limited to, the European Court on Human Rights, to overturn the above decision. However as a result of the Supreme Court ruling the Group no longer has the rights to varying returns from ZALK or the ability to control this entity to affect those returns.

The assets and liabilities of ZALK have been deconsolidated which resulted in USD155 million of foreign currency translation gain arising on the translation of ZALK accumulated from 2007 was recycled through profit and loss.

Profit/(Loss) for the period

As a result of the above, the Company recorded a profit of USD572 million for the quarter ended 31 March 2015, as compared to USD325 million of loss for the same period of 2014.

Adjusted and Recurring Net Profit/(Loss)

(USD million)	Quarter ended 31 March 2015 *(unaudited)*	Quarter ended 31 March 2014 *(unaudited)*	Change, quarter on quarter (1Q to 1Q)	Quarter ended 31 December 2014 *(unaudited)*	Change, quarter on quarter (1Q to 4Q)
Reconciliation of Adjusted Net Profit/(Loss)					
Profit/(Loss) for the period	572	(325)	NA	(102)	NA
Adjusted for:					
Share of profits/(losses) and other gains and losses attributable to Norilsk Nickel, net of tax effect, with	(239)	(77)	210.4%	111	NA
Share of profits, net of tax	*(239)*	*(77)*	*210.4%*	*111*	*NA*
Change in fair value of derivative financial instruments, net of tax (20.0%)	32	129	(75.2%)	342	(90.6%)
Foreign currency gain recycling from other comprehensive income on deconsolidated of subsidiary	(155)	—	100.0%	—	100.0%
Impairment of non-current assets, net of tax	18	27	(33.3%)	36	(50.0%)
Adjusted Net Profit/(Loss)	**228**	**(246)**	**NA**	**387**	**(41.1%)**
Add back:					
Share of profits/(losses) of Norilsk Nickel, net of tax	239	77	210.4%	(111)	NA
Recurring Net Profit/(Loss)	**467**	**(169)**	**NA**	**276**	**69.2%**

Adjusted Net Profit/(Loss) for any period is defined as the Net Profit/(Loss) adjusted for the net effect of the Company's investment in Norilsk Nickel, the net effect of derivative financial instruments and the net effect of impairment of non-current assets. Recurring Net Profit/(Loss) for any period is defined as Adjusted Net Profit/(Loss) plus the Company's net effective share in Norilsk Nickel's results.

Segment reporting

The Group has four reportable segments, as described in the annual report of the Company, which are the Group's strategic business units: Aluminium, Alumina, Energy, Mining and Metals. These business units are managed separately and results of their operations are reviewed by the CEO on a regular basis.

The core segments are Aluminium and Alumina.

	Quarter ended 31 March			
	2015		**2014**	
	Aluminium	**Alumina**	**Aluminium**	**Alumina**
(USD million)	*(unaudited)*	*(unaudited)*	*(unaudited)*	*(unaudited)*
Segment revenue				
kt	981	1,534	889	1,733
USD million	2,195	462	1,784	545
Segment result	686	67	144	(50)
Segment EBITDA[8]	785	86	236	(29)
Segment EBITDA margin	35.8%	18.6%	13.2%	(5.3%)
Total capital expenditure	55	24	61	54

For the quarters ended 31 March 2015 and 2014, respectively, segment result margins (calculated as the percentage of segment result to total segment revenue) from continuing operations were positive 31.3% and 8.1% for the aluminium segment, and positive 14.5% and negative 9.2% for the alumina segment. Key drivers for the increase in margin in the aluminium segment are disclosed in "Revenue", "Cost of sales" and "Adjusted EBITDA and results from operating activities" sections above. Detailed segment reporting can be found in the consolidated interim condensed financial information as at and for the three-month period ended 31 March 2015.

8 Segment EBITDA for any period is defined as segment result adjusted for amortisation and depreciation for the segment.

Capital expenditure

UC RUSAL recorded total capital expenditures of USD87 million for the three months ended 31 March 2015. UC RUSAL's capital expenditure for the first quarter of 2015 was aimed at maintaining existing production facilities.

	Quarter ended 31 March	
	2015	**2014**
(USD million)	*(unaudited)*	*(unaudited)*
Development capex	14	22
Maintenance		
Pot rebuilds costs	27	38
Re-equipment	46	59
Total capital expenditure	**87**	**119**

The BEMO project companies utilise the project financing proceeds to make necessary contributions to the ongoing construction projects and do not require contributions from the joint ventures partners at this time.

Auditors' conclusion on the review of consolidated interim condensed financial information

The Company notes that its auditor, JSC KPMG, has provided a qualified conclusion in its review of the unaudited consolidated interim condensed financial information of the Company for the three months ended 31 March 2015 as it was unable to obtain and review the consolidated interim financial information of Norilsk Nickel. An extract from the review report provided by JSC KPMG on the consolidated interim condensed financial information of the Company dated 12 May 2015 is as follows:

"Basis for Qualified Conclusion

We were unable to obtain and review consolidated interim financial information of the Group's equity investee, OJSC MMC Norilsk Nickel ("Norilsk Nickel"), supporting the Group's estimate of the share of profit, other comprehensive income and the foreign currency translation loss in relation to that investee of USD239 million, USD1 million and USD210 million, respectively, for the three-month period ended 31 March 2015 and the carrying value of the Group's investment in the investee stated at USD4,171 million as at 31 March 2015. Had we been able to complete our review procedures in respect of interests in associates, matters might have come to our attention indicating that adjustments might be necessary to this consolidated interim condensed financial information.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the consolidated interim condensed financial information as at 31 March 2015 and for the three-month period then ended is not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*."

Consolidated interim condensed financial information

The unaudited consolidated interim condensed financial information of UC RUSAL for the three months ended 31 March 2015 was approved by the Directors of UC RUSAL on 12 May 2015, and reviewed by the Audit Committee. It has also been filed with the French *Autorité des marchés financiers* on the date hereof and is accessible on UC RUSAL's website at *http://www.rusal.ru/en/investors/financial_stat.aspx*.

Audit Committee

The Board established an Audit committee (the "Audit Committee") to assist it in providing an independent view of the effectiveness of the Company's financial reporting process, internal control and risk management systems and to oversee the audit process. The Audit Committee consists of a majority of independent non-executive Directors. The members are as follows: Dr. Peter Nigel Kenny (chairman of the committee, independent non-executive Director, with relevant professional qualifications and knowledge related to accounting and financial management); Mr. Philip Lader (independent non-executive Director); Ms. Elsie Leung Oi-sie (independent non-executive Director); Mr. Daniel Lesin Wolfe (non-executive Director); Ms. Olga Mashkovskaya (non-executive Director).

On 12 May 2015, the Audit Committee has reviewed the financial results of the Company for the quarter ended 31 March 2015.

Material events over the first quarter of 2015 and since the end of that period

The following is a summary of the key events that have taken place over the first quarter of 2015 and since the end of that period. All information regarding key events that has been made public by the Company for the three months ended 31 March 2015 and since the end of that period pursuant to legislative or regulatory requirements, including announcements and press releases, is available on the Company's website *(www.rusal.com)*.

19 January 2015	UC RUSAL announced that construction of the "Centre for epidemic and microbiological research and treatment" in the Kindia administrative region of the Republic of Guinea had completed. The Centre will support Guinea's national health system and help fight the spread of the Ebola virus
30 January 2015	UC RUSAL announced its operating results for the fourth quarter and full year 2014
2 February 2015	UC RUSAL announced the 2015 plan to cut import of silicon by 50%
25 February 2015	UC RUSAL announced results for the year ended 31 December 2014
2 March 2015	UC RUSAL announced structural changes: Evgeny Zhukov, who had previously led UAZ, was appointed as Managing Director of RUSAL Achinsk. Whereas Viktor Kozhevnikov, who have led RUSAL Achinsk until recently, became the head of UAZ
5 March 2015	UC RUSAL announced change of principal share registrar and transfer office in Jersey
12 March 2015	UC RUSAL announced arbitration claim in respect of the long-term electricity and capacity supply contract. On 11 March 2015, KrAZ filed a claim against Krasnoyarsk HPP in the Arbitration Court of the Krasnoyarsk Province
12 March 2015	UC RUSAL started bauxite mining at Kurubuka-22 in Guyana

23 March 2015	UC RUSAL announced that the Company's ordinary shares have been admitted to the Moscow Exchange (MOEX) in the First Level quotation list. The trading of the Company's shares on the MOEX is expected to commence on 30 March 2015 (stock code: RUAL)
	UC RUSAL announced that the trading of the Company's shares commenced on 30 March 2015
30 March 2015	UC RUSAL announced that the trading of the Company's shares commenced on 30 March 2015
3 April 2015	UC RUSAL announced the launch of the Clean Soderberg project at its Irkutsk aluminium smelter (IrkAZ)
7 April 2015	UC RUSAL announced the launch of a programme to increase alumina production at the Urals Aluminium Smelter (UAZ) to 900 thousand tonnes. Investment in the project is expected to be over USD23 million
10 April 2015	UC RUSAL announced the launch of the first start-up complex at the Cheremoukhovskaya-Gloubokaya mine in the North Urals Bauxite Mine. Cheremoukhovskaya-Gloubokaya becomes Russia's deepest mine, with a depth of 1,550 meters, and ranks among the top five deepest mines in the world. Total investment in the mine to 10 April 2015 is over 5.8 billion rubles
13 April 2015	UC RUSAL announced an update on the annual results announcement for the year ended 31 December 2014 and inside information
22 April 2015	UC RUSAL announced operating results for the three months ended 31 March 2015
30 April 2015	UC RUSAL announced the appointment of Evgeny Zenkin as Managing Director of the Bratsk Aluminium Smelter. Andrey Volvenkin, who previously held this position, has been promoted to a managerial position within the Aluminium Division.

Compliance

Pursuant to Article L.451-1-2 IV of the French Code monétaire et financier, the Company is required to publish quarterly financial information for the first and third quarters of the financial year.

The Directors confirm that the information contained in this announcement does not contain any false statements, misleading representations or material omissions, and all of them jointly and severally accept responsibility as to the truthfulness, accuracy and completeness of the content of this announcement.

Forward-looking statements

This announcement contains statements about future events, projections, forecasts and expectations that are forward-looking statements. Any statement in this announcement that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risk and uncertainties include those discussed or identified in the prospectus for UC RUSAL. In addition, past performance of UC RUSAL cannot be relied on as a guide to future performance. UC RUSAL makes no representation on the accuracy and completeness of any of the forward-looking statements, and, except as may be required by applicable law, assumes no obligations to supplement, amend, update or revise any such statements or any opinion expressed to reflect actual results, changes in assumptions or in UC RUSAL's expectations, or changes in factors affecting these statements. Accordingly, any reliance you place on such forward-looking statements will be at your sole risk.

By Order of the board of directors of
United Company RUSAL Plc
Vladislav Soloviev
Director

12 May 2015

As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Ms. Vera Kurochkina, Mr. Vladislav Soloviev and Mr. Stalbek Mishakov, 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), Dr. Peter Nigel Kenny, Mr. Philip Lader, Ms. Elsie Leung Oi-sie and Mr. Mark Garber.

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 and http://www.rusal.ru/en/press-center/press-releases.aspx, respectively.