UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

THIRD 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 third quarter 2016 ("3Q16")[1].

Aluminium

- Aluminium production[2] in 3Q16 totaled 920 thousand tons (flat QoQ), with Siberian smelters representing 94% of total aluminium output. Smelters utilization remained on average at a high of 94%.

[1] Operating data is based on preliminary data and can be updated in 3Q16 financial results.

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

- 3Q16 aluminium sales increased by 2.4% QoQ to 981 thousand tons. The value added products (**VAP**[3]) sales increased marginally (+0.5% QoQ), totaling 446 thousand tons.

- In 3Q16 the average aluminium realized price[4] increased by 2.5% QoQ to USD1,754/t largely driven by the London Metal Exchange (**"LME"**) QP[5] component growth from USD1,550/t in 2Q16 to USD1,604/t in 3Q16. The realized premium decreased from USD162/t to USD150/t amid lower average commodity premium and higher volumes of commodity grades sales (including purchased volumes).

- 9M16 aluminium production totaled 2,756 thousand tons (+1.2% YoY).

- 9M16 aluminium sales volumes increased to 2,896 thousand tons (+4.9% YoY) due largely to the additional volumes of the Boguchansky smelter, where the plant is currently operating in test mode. The average realized price in 9M16 was USD1,711/t (-18.0% YoY). The average price reduction is explained by the structurally different market environment in 9M 2015 versus 9M 2016 and therefore lower aluminium LME prices and premiums YoY.

Alumina

- In 3Q16, total alumina production remained flat QoQ, totaling 1,865 thousand tons. Russian operations represented 36% of the total output, totaling 665 thousand tons.

- 9M16 alumina output totaled 5,588 thousand tons (+1.7% YoY). The production increase largely came from the Russian operations performance where output increased 3.9% YoY, amid higher utilization rates.

Bauxite

- In 3Q16, bauxite output totaled 3,211 thousand tons (+2.7% QoQ). The increase came largely from Russian bauxite mining assets performance at North

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

[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.

Urals and Timan where subtotal output increased by 8.9% QoQ. Bauxite Company of Guyana production also increased in 3Q16 by 15.1% QoQ, amid completion of scheduled repairs that largely impacted previous quarter volumes. The rest of the bauxite operations showed a negative performance that was largely explained by the current production plan and scheduled repairs. The Alpart asset is currently under review ahead of completion of the disposal transaction and as such the operations are currently postponed. Nepheline ore[6] production decreased by 6.1% QoQ to 1,135 thousand tons amid planned repairs at the facility.

- In 9M16 bauxite output totaled 9,346 thousand tons (+0.9% YoY). Nepheline ore output increased 9.3% YoY to 3,454 thousand tons.

Market overview[7]

- The LME aluminium price rose to USD1659/t at the end of 3Q16, the highest level since mid-August 2016 and remains stable at a USD1600-1700/t level. This was attributable to the growing metal deficit, particularly in the U.S. and EU and continued slow production growth in China, coupled with strong growth in global manufacturing activity. Global reported aluminium inventories fell to 4.975 million tons in September, the lowest since January 2009, and to 29.9 days of consumption - significantly below than pre-crises level in August 2009 at 76.0 days of consumption, making aluminium best-positioned in the base metals universe. Aluminium premiums in the key consuming regions started to improve in the end of 3Q16, as supported by strong demand and improved metal financing conditions.

- The PMI data in October 2016 supports stronger end user demand growth rates in the developed economies. The preliminary reading of Markit US Manufacturing PMI in October climbed to 53.2, its highest mark in a year, rising from 51.5 in September 2016. European manufacturing activity growth accelerated to a 10-month high as the Eurozone Composite PMI came to 53.3 in October 2016. The Nikkei Japan Flash Manufacturing PMI increased to 51.7 in October 2016, the sharpest improvement in nine months, after a final reading of 50.4 in September 2016.

[6] Kiya Shaltyr Nepheline ore is used as a feedstock for alumina production at Achinsk alumina refinery.

[7] Data for the Market overview section is sourced from Bloomberg, CRU, CNIA, IAI and Antaike unless otherwise mentioned.

- China's economic growth remained stable in the third quarter, ensuring the government's full-year growth target. Gross domestic product rose by 6.7% YoY in 3Q16 (higher than the 6.1% growth forecast by analysts), China's industrial output rose by 6.1% YoY and retail sales increased by 10.7%. Fixed-asset investment in the first nine months grew by 8.2% YoY. China produced 2.53 million units of vehicles in September 2016 (+32.8% YoY, and +26.8% MoM), according to monthly data released by the China Association of Automobile Manufacturers.

- Global aluminium supply is currently growing at a slower pace now with a strong pressure of growing cost inflation including power and alumina; around 1.3 Mtpy (5% of the global production capacity outside China) of aluminium production capacity is loss making at the current LME price (including premium) and around 30% operate at low margin.

- China's aluminium smelting costs continue to be under strong pressure from rising power and alumina costs. Alumina prices in China entered the upward track from the beginning of this year, increasing by more than 50% in October 2016 from the beginning of the year. Steam coal prices have moved all the way up this year, up as much as 56% from January to October, pushing up power costs.

- According to CNIA data on a yearly basis, China's daily average aluminium production increased only by 1.3% in September after falling for the previous five consecutive months. From January 2016 to September 2016 China's primary aluminium production fell by 2.7% YoY to 23.223 million ton. Despite the new Chinese capacity launches that have been taking place since mid-2015, the net rise in capacity since July 2015 to August 2016 was only 0.9 million tons as the majority of closed capacity is still frozen and additional restarts might be limited. This is amid increasing pressure from aluminium cost of production and difficulties related to access to financing.

- China's exports of aluminium semis remain stagnant as a result of weak arbitrage and a tight domestic metal market. From January 2016 to September 2016, China's exports of aluminium semis fell by 2.0% YoY (days adj.) to 3.09 million tons as compared to 3.14 million tons during the same period of 2015.

KEY OPERATING DATA

GROUP PRODUCTION DATA[8]

('000 tons)	**3Q16**	**2Q16**	**Change, % (QoQ)**	**9M16**	**9M15**	**Change, % (YoY)**
Aluminium	920	919	0.1%	2,756	2,724	1.2%
utilisation rate	94.2%	95.1%	—	95.1%	87.5%	—
Aluminium foil and packaging products	21.4	22.0	-2.5%	62.2	66.7	-6.7%
Alumina	1,865	1,851	0.8%	5,588	5,496	1.7%
Bauxite	3,211	3,126	2.7%	9,346	9,261	0.9%
Nepheline	1,135	1,208	-6.1%	3,454	3,159	9.3%

GROUP SALES DATA

('000 tons)	**3Q16**	**2Q16**	**Change, % (QoQ)**	**9M16**	**9M15**	**Change, % (YoY)**
Aluminium sales including	981	958	2.4%	2,896	2,762	4.9%
BOAZ aluminium product sales	41	30	36.7%	109	—	—
other third party aluminium products sales	45	1	—	50	28	75.6%
VAP sales (included in the total aluminium sales)	446	444	0.5%	1,277	1,178	8.4%
Realized price, USD/t	1,754	1,712	2.5%	1,711	2,087	-18.0%

[8] The production data throughout the report is presented on equity-adjusted basis if not stated otherwise (for exceptions please refer to data of Boguchansky smelter and Boguchanskaya HPP). Production volumes are calculated based on the pro rata share of the Company's (and its subsidiaries') ownership.

ALUMINIUM PRODUCTION

('000 tons)	Interest	3Q16	2Q16	Change, % (QoQ)	9M16	9M15	Change, % (YoY)
Russia (Siberia)							
Bratsk aluminium smelter	100%	251	250	0.3%	752	751	0.0%
Krasnoyarsk aluminium smelter	100%	256	256	-0.3%	768	755	1.6%
Sayanogorsk aluminium smelter	100%	132	132	-0.3%	395	395	0.0%
Novokuznetsk aluminium smelter	100%	53	53	0.4%	159	156	2.2%
Irkutsk aluminium smelter	100%	104	103	1.2%	310	307	1.2%
Khakas aluminium smelter	100%	73	73	-0.1%	219	215	1.6%
Russia — Other							
Nadvoitsy aluminium smelter	100%	3	3	0.8%	9	9	3.7%
Kandalaksha aluminium smelter	100%	17	17	1.6%	51	50	2.7%
Sweden							
Kubikenborg Aluminium (KUBAL)[9]	100%	31	31	-0.1%	93	86	8.2%
Total production		**920**	**919**	**0.1%**	**2,756**	**2,724**	**1.2%**
Remelting of third-party primary aluminium at Volgograd smelter		8	8	8.1%	30	18	65.9%
Total aluminium products output including remelting[10]		**929**	**927**	**0.2%**	**2,785**	**2,738**	**1.7%**

[9] Does not include remelting of the metal from other UC RUSAL's smelters

[10] 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	3Q16	2Q16	Change, % (QoQ)	9M16	9M15	Change, % (YoY)
Russia							
Sayanal	100%	9.1	9.2	-1.6%	25.2	29.1	-13.5%
Ural Foil	100%	4.3	4.3	-0.1%	12.5	13.1	-4.8%
Sayana Foil	100%	0.9	0.7	38.5%	2.4	2.3	6.7%
Armenia							
Armenal	100%	7.1	7.8	-8.4%	22.1	22.2	-0.4%
Total production		21.4	22.0	-2.5%	62.2	66.7	-6.7%

Other aluminium products output and silicon output

('000 tons)	3Q16	2Q16	Change, % (QoQ)	9M16	9M15	Change, % (YoY)
Secondary alloys	6.8	6.4	6.9%	18.7	17.1	9.6%
Silicon	14.4	14.2	1.2%	43.8	45.0	-2.6%
Powder	5.1	5.3	-3.4%	14.4	13.4	7.6%

ALUMINA PRODUCTION

('000 tons)	Interest	3Q16	2Q16	Change, % (QoQ)	9M16	9M15	Change, % (YoY)
Ireland							
Aughinish Alumina	100%	493	477	3.3%	1,458	1,468	-0.7%
Jamaica							
Alpart[11]	100%	—	—	—	—	—	—
Windalco	100%	152	147	3.4%	453	439	3.2%
Ukraine							
Nikolaev Alumina Refinery	100%	363	370	-1.9%	1,103	1,093	0.9%
Italy							
Eurallumina	100%	—	—	—	—	—	—
Russia							
Bogoslovsk Alumina Refinery	100%	238	238	0.1%	712	696	2.3%
Achinsk Alumina Refinery	100%	227	231	-1.8%	702	663	5.8%
Urals Alumina Refinery	100%	200	201	-0.8%	598	577	3.7%
Boxitogorsk Alumina Refinery	100%	—	—	—	—	—	—
Guinea							
Friguia Alumina Refinery	100%	—	—	—	—	—	—
Australia (JV)							
Queensland Alumina Ltd (20%)	20%	192	186	3.2%	562	559	0.6%
Total alumina production		**1,865**	**1,851**	**0.8%**	**5,588**	**5,496**	**1.7%**

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

BAUXITE MINING

('000 tons wet)	**Interest**	**3Q16**	**2Q16**	**Change, % (QoQ)**	**9M16**	**9M15**	**Change, % (YoY)**
Jamaica							
Alpart	100%	—	25	-100.0%	69	61	12.9%
Windalco	100%	526	530	-0.9%	1,544	1,492	3.5%
Russia							
North Urals	100%	612	597	2.6%	1,760	1,975	-10.9%
Timan	100%	911	802	13.6%	2,396	2,284	4.9%
Guinea							
Friguia	100%	—	—	—	—	—	—
Kindia	100%	881	928	-5.0%	2,733	2,565	6.6%
Guyana							
Bauxite Company of Guyana Inc	90%	281	244	15.1%	844	883	-4.5%
Total bauxite production		**3,211**	**3,126**	**2.7%**	**9,346**	**9,261**	**0.9%**

Nepheline ore production[12]

('000 tons wet)	**Interest**	**3Q16**	**2Q16**	**Change, % (QoQ)**	**9M16**	**9M15**	**Change, % (YoY)**
Kiya Shaltyr Nepheline Syenite	100%	1,135	1,208	-6.1%	3,454	3,159	9.3%

[12] Nepheline ore used as a feedstock for alumina production at the Achinsk alumina refinery.

JOINT VENTURE OPERATING RESULTS

	Interest	3Q16	2Q16	Change, % (QoQ)	9M16	9M15	Change, % (YoY)
Boguchanskaya HPP[13]							
Electricity generation, mwh	50%	4,026	3,365	19.7%	10,517	10,195	3.2%
Boguchansky aluminium smelter[14]							
Aluminium production ('000 tons)	50%	37	37	-0.3%	112	4	—
Bogatyr Komir and Bogatyr Trans							
Coal production (50%) (Kt)	50%	3,822	3,215	18.9%	11,502	11,803	-2.6%
Transportation volumes (50%) (Kt of transportation)	50%	1,560	1,497	4.2%	4,573	4,526	1.0%

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

31 October 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.

[13] Boguchanskaya HPP data is represented by 100%of energy generated (not on the ownership pro rata basis).

[14] Boguchansky aluminium smelter data is represented by 100% of volumes produced (not on the ownership pro rata basis). The plant is currently operating in test mode.