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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CLARIFICATION ANNOUNCEMENT IN RELATION TO THE 2016 ANNUAL REPORT

Reference is made to the annual report of the Company dated 28 April 2017 (“**2016 Annual Report**”). Unless otherwise stated, capitalized terms used in this clarification announcement shall have the same meanings as those defined in the 2016 Annual Report.

The Company wishes to clarify that, due to inadvertent technical error in the system of counterparty identification previously used by the Company, the actual consideration paid under two purchase of vehicles contracts for the year ended 31 December 2016 with the connected person “RUSAL Trans LLC” was not identified and included into the Connected Transactions section of the Directors’ Report in the 2016 Annual Report. The error was isolated to this particular connected person as the Company has not had any transactions with it prior to 2016.

The actual consideration paid under the following purchase of vehicles contracts for the year ended 31 December 2016 on p. 136 of the 2016 Annual Report should be as follows:

Buyer (member of the Group)	Seller (associate of Mr. Deripaska/En+)	Date of contract	Subject matter of the purchase	Actual consideration for the year ended 31 December 2016 USD million (excluding VAT)
RUSAL Trans LLC	JSC Ruzhimmash	02.09.2015	Develop, construct and deliver railcars	15.6
RUSAL Trans LLC	JSC Ruzhimmash	02.09.2015	Railcars	1.0
Total:				16.6

Consequently, the aggregate consideration for the vehicles supplied under the contracts as disclosed on p. 138 of the 2016 Annual Report should amount to USD16.7 million (instead of USD0.1 million), which was within the maximum aggregate consideration of USD21.123 million for 2016 as disclosed in the announcement of the Company dated 30 December 2016. Save as disclosed above, the information regarding other purchase of vehicles contracts remains unchanged and was correctly disclosed in the 2016 Annual Report.

A new consolidation system effective from 2017 was implemented by the Company which the Company believes has enhanced its controls on connected transactions and address and prevent technical errors of similar nature in the future through the following additional control mechanisms:

- checking corporate reference data module for any inconsistencies in respect of connected/related party attributes of existing counterparties;
- automatically synchronizing connected/related party attributes between the counterparty list and corporate reference data module; and

- upgrading and enhancing counterparty identification and verification systems with a number of embedded controls to highlight the change of status of connected/related parties.

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

23 August 2017

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. Ivan Glasenberg, Mr. Maksim Goldman, Ms. Gulzhan Moldazhanova, Mr. Daniel Lesin Wolfe, Ms. Olga Mashkovskaya, Ms. Ekaterina Nikitina and Mr. Marco Musetti, 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.