RUSAL

UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2017

The Board of Directors (the "**Board**") of United Company RUSAL Plc (the "**Company**") is pleased to announce the unaudited interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2017.

This announcement, containing the full text of the 2017 Interim Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcements of interim results.

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-releasesa.spx, respectively.

NaturAL inspiration

2017 interim report

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2017 Interim Review

Key highlights

- During the first half of the year, the market environment was favorable for the aluminium industry. Recovery in the London Metal Exchange ("**LME**") aluminium price in the first half of 2017 by 21.8% to an average of USD1,880 per tonne as compared to USD1,543 per tonne in the first half of 2016 as well as an increase in volumes of primary aluminium and alloys sales by 3.8% between the same periods resulted in the growth of United Company RUSAL Plc ("**UC RUSAL**" or the "**Company**", together with its subsidiaries, the "**Group**") revenue in the first half of 2017 by 22.3% to USD4,764 million as compared to USD3,896 million for the same period of 2016.

- Revenue in the second quarter of 2017 increased by 7.4% to USD2,467 million, as compared to USD2,297 million for the first quarter of 2017, following the slight improvement in the LME aluminium price and increase in the share of value added products ("**VAP**") in total aluminium sales to 49.2% in the second quarter of 2017 in comparison with 44.3% in the previous quarter.

- Despite an increase in cost per tonne, the Company's focus on efficiency and cost reduction initiatives resulted in Adjusted EBITDA of USD510 million in the second quarter of 2017 as compared with USD475 million for the preceding quarter. Aluminium segment cost per tonne increased by 5.9% to USD1,497 in the second quarter of 2017 in comparison with USD1,414 in the first quarter of 2017 as a result of the increase in key raw material costs and transportation tariffs as well as continuous appreciation of Russian Ruble by 2.9% as compared to the previous quarter.

- UC RUSAL achieved Adjusted Net Profit and Recurring Net Profit of USD465 million and USD686 million, respectively, for the first half of 2017, as compared to USD67 million and USD425 million for the first half of 2016.

- During the first 6 months of the year, the Company successfully tapped global capital markets through a number of refinancing transactions including the following: (1) the debut global offering of Eurobonds with principal amount of USD600 million, tenor of 5 years and coupon rate of 5.125% per annum, (2) Panda Bonds debut tranche for the amount of RMB1 billion with tenor of 2+1 years and coupon rate of 5.5% per annum offered to investors in the Mainland China, (3) the second offering of Eurobonds with principal amount of USD500 million, with tenor of 6 years, coupon rate of 5.3% per annum.

  Furthermore, the Company entered into a new syndicated Pre-Export Finance Term Facility Agreement ("New PXF") for the amount of USD1.7 billion, with interest rate of 3M LIBOR +3% per annum and maturity of 5 years (repayment to start in 2 years).

- The Company has agreed with Sberbank to extend final maturity under loans secured by Norilsk Nickel shares to 2024 and decrease interest margin from 4.75% to 3.75% and adjusting covenants broadly in line with the New PXF.

- On the back of solid financial performance through H1 2017 and constructive outlook for aluminium for the rest of the year, the Board of directors approved an interim dividend of USD0.0197/share payable in October 2017 subject to compliance with applicable restrictions in debt agreements and relevant legal requirements.

Financial and Operating Highlights

USD million (unless otherwise specified)	For the six months ended 30 June 2017	30 June 2016
Revenue	4,764	3,896
Adjusted EBITDA	985	656
Adjusted EBITDA margin	20.7%	16.8%
Share of Profits of Associates and joint ventures	297	439
Pre-tax Profit	498	295
Net Profit	470	261
Net Profit margin	9.9%	6.7%
Adjusted Net Profit	465	67
Adjusted Net Profit margin	9.8%	1.7%
Recurring Net Profit	686	425
Recurring Net Profit margin	14.4%	10.9%
Profit per Share (USD)	**0.0309**	**0.0172**
	As at 30 June 2017	**As at 31 December 2016**
Total assets	14,946	14,452
Equity attributable to shareholders of the Company	3,852	3,299
Net Debt	8,335	8,421

Chairman's Letter

I am pleased to report that RUSAL continued to progress its strategy during the period. Our focus on efficiency has resulted in the Group achieving positive results, which saw the Company's EBITDA margin improve to 20.7%. RUSAL's H1 2017 results, which saw the Group announcing USD686 million recurring net profit, were supported by favorable market conditions during the period, as the aluminium price increased to an average of USD1,880 per tonne and consumption continued to expand as the demand for products that benefit from aluminium's unique properties grew.

The Company made important moves towards strengthening and diversification of its capital structure and I would like to note the progress made to date:

- In February, RUSAL completed a debut offering of Eurobonds for the principal amount of USD600 million. The sale represented the lowest U.S. dollar coupon achieved by a Russian BB-/B+ rated debut issuer, and the lowest dollar coupon by a metals and mining company globally for a benchmark B-rated issuance since 2008.

- In March, RUSAL became the first overseas company with global operations outside of China to enter the Chinese bond market through a RMB1.0 billion placement on the Shanghai Stock Exchange.

- In April, RUSAL priced a second Eurobond transaction for the principal amount of USD500 million with a maturity of six years. Owing to the strong level of demand, the placement was more than twice oversubscribed.

- In May, RUSAL entered into a new syndicated USD1.7 billion Pre-Export Finance Term Facility Agreement.

Successful completion of these financial transactions is the testament to RUSAL's financial soundness and its robust operating model and shows the trust the global financial community has in the Company.

As part of its effort to concentrate trading liquidity of its equity instruments into ordinary shares traded in Hong Kong and Moscow, the Company agreed with Sberbank to close the Russian Depository Receipts (RDR) program. As a result, the holders of RDRs shall receive, not later than 31 August 2017, respective number of ordinary shares of the Company, which are eligible for trading on the Moscow Exchange.

At RUSAL, we are proud of the leading role we have taken in the fight to reduce greenhouse gas emissions in the aluminium industry. To this end, during the period we revised our list of climate goals:

1. to ensure that our aluminium smelters purchase at least 95% of their electricity from hydroelectric power plants and other carbon free power sources;

2. to reduce direct specific greenhouse gas emissions by 15% compared to 2014 through reduction processes at the existing aluminium smelters;

3. to reduce direct specific greenhouse gas emissions by 10% compared to 2014 at our existing aluminium refineries;

4. to reduce specific aluminium smelters' power consumption by 7% as compared to 2011;

5. to achieve an average level of specific direct and indirect energy related greenhouse gas emissions from reduction processes not exceeding 2.7 tonnes of CO_2e per tonne of aluminium at our aluminium smelters;

6. to use an internal carbon price when making strategic and investment decisions starting in 2017;

7. to support Russian and international initiatives and associations advocating active actions to mitigate the effects of climate change and supporting carbon prices as long as they are aligned with the strategic goals of the Company.

As a global Company, RUSAL has responsibilities that go far beyond the borders of Russia. During the period, we have continued to play a leading role in helping to tackle the spread of Ebola in the Guinean republic. In February, RUSAL and its team proudly announced the opening of a brand new laboratory which is designed to ensure a high degree of security when undertaking vital research. The laboratory has become part of the Centre for epidemic and microbiological research and treatment built by RUSAL. The Company has also supported the delivery of a new Russian vaccine against Ebola which will be available at the laboratory later this year.

In Russia, 2017 was declared the Year of Ecology and RUSAL continues to contribute to its regular environmental and nature preserving actions in the framework of the nationwide initiative. As part of the Green Wave of RUSAL, thousands of trees were planted by RUSAL employees in Krasnoyarsk and Shelekhov, Achinsk and Volgograd, and many other cities, both in our enterprises' industrial areas and in the cities' streets, parks, and squares alike.

Over 70 thousand volunteers in the Krasnoyarsk region and Khakasia took part in the Yenisei Day ecological marathon marking its 6 years history. Now the initiative has become a federal program, and we expect more than 10 thousand enthusiasts to come together with RUSAL this September to clean up the banks of the great Russian river, helping to preserve its natural beauty.

Finally, I would like to express my sincere thanks to all RUSAL employees across the globe. It is through their continued hard work, professionalism and dedication that we have achieved such significant results during the period. Last but by far not least, I would like to thank our shareholders for their ongoing support.

Matthias Warnig
Chairman of the Board
25 August 2017

CEO's Letter

During the first half of the year, the market environment was favorable for the aluminium industry. On the back of global economy growth, demand for aluminium since the beginning of the year was robust reaching 5.7% in H1 2017 year-on-year. On the supply side, the market outside of China remained in deficit, supporting the LME price which averaged USD1,880 per tonne in H1 2017 vs. USD1,543 per tonne in the same period of last year. Such trends positively impacted RUSAL's H1 2017 financial results.

RUSAL's revenue in Q2 2017 was up by 24% year-on-year reaching USD2,467 million, while revenue for the first two quarters of 2017 was USD4,764 million compared to USD3,896 million in H1 2016. Apart from a favorable LME price environment, revenues strongly benefitted from stronger VAP sales in the reporting period. During Q2 2017, RUSAL reached a record of 49.2% share of VAP sales, thanks to the expansion of our product mix achieved as a result of continuous upgrades in relevant capacities. RUSAL is on target to further increase its VAP capacity in order to meet growing customer demand in various sectors from the automotive and electrical to construction and consumer sectors.

During the reporting period, RUSAL's management team continued to focus on keeping costs under control; however stronger Ruble and increasing power costs had a negative impact on our cash cost per tonne which rose to USD1,481 in H1 2017 year-on-year.

Despite a 13.9% increase in cost of sales, RUSAL's Adjusted EBITDA in H1 2017 grew by a half to USD985 million compared to last year with a remarkable Adjusted EBITDA margin of 20.7%. The Company reported Net Profit and Recurring Net Profit of USD470 million and USD686 million respectively in H1 2017.

During the first half of the year RUSAL achieved impressive results in part by diversification of its liquidity sources and rerating its credit portfolio through refinancing of some of the existing debt on more attractive terms. Specifically the Company successfully debuted on international bond markets having placed two tranches of Eurobonds as well as debut offering of Panda bonds in the Mainland China. Further, the Company entered into a new syndicated Pre-Export Finance Term Facility Agreement and agreed with Sberbank to amend bilateral facilities. In addition to a longer maturity and lower interest rates, the Company and its lenders agreed a new approach to the calculation of financial covenants under PXF and some other credit facilities. Importantly, a Total Net Debt/EBITDA covenant under certain facilities is now calculated with the exclusion of debt secured by MMC Norilsk Nickel shares and dividends from MMC Norilsk Nickel shares. Conditions for the dividend payment have also been further aligned to RUSAL's Dividend Policy adopted in August 2015, with the amount of dividends to reach up to 15% of Covenant EBITDA (the latter includes the dividends from MMC Norilsk Nickel). All of these activities are in line with the Company's strategy to continue deleveraging.

In addition to already producing a wide range of primary aluminium and alloys, RUSAL is constantly seeking new markets to penetrate and new technologies to innovatively develop. In April this year, RUSAL announced the acquisition of a share in the foundry and mechanical production facility SKAD, which is a producer of aluminium alloy car wheels, located in Krasnoyarsk. Integrating SKAD into RUSAL's structure fits perfectly with the Company's goals and will also contribute to a further increase in the sale of value added products of an international quality level both in Russian and export markets.

In addition, as part of our campaign to increase domestic consumption of aluminium, we are pleased to report that the first ever pedestrian bridges using aluminium alloys were built in Nizhny Novgorod region in Russia. Load-carrying structures of the bridges made of aluminium alloys have a service life of 50 years minimum, with major advantages over steel such as being lighter whilst having the strength characteristics exceeding those of steel and concrete. We believe that the niche market has a significant potential and look forward to participating in similar infrastructure projects in the future.

Looking ahead to the second half of the year, our outlook for the aluminium industry is positive. Consumption of aluminium is set to remain healthy until the end of the year, increasing by 5.9% for the whole 2017. On the supply side, the spotlight is now on China following the recent announcements from Chinese regulators regarding capacity cuts in winter and the closure of so-called "illegally built capacities", which may result in global market deficit widening to around 1 million tonnes in 2017.

With one of the lowest carbon footprints for aluminium production thanks to the use of clean renewable hydro power, our sophisticated product mix and focus on quality, responsible approach to CAPEX and our in-house R&D supporting innovation, RUSAL is well placed to seize aluminium market opportunities in the mid to long term.

Vladislav Soloviev
Chief Executive Officer
25 August 2017

Management Discussion and Analysis

Overview of Trends in the Aluminium Industry and Business Environment

Highlights for the first half of 2017

- UC RUSAL estimates that global aluminium demand grew by 5.7% year-on-year in the first half of 2017 to 31.7 million tonnes, as a result of strong demand in China, Europe, Asia ex-China, North America and India.

- UC RUSAL forecasts that global aluminium demand will increase by 5.9% year-on-year to 63.3 million tonnes in 2017, driven by ex-China growth of 4.3% to 29.5 million tonnes and China growth of 7.4% to 33.8 million tonnes.

- Based on CRU estimates, global aluminium demand ex-China rose by a strong 3.5% in H1 2017 year-on-year to 14.7 million tonnes while production (including eight non-reporting countries) increased by 2.3% year-on-year to 13.5 million tonnes. This left the ROW (rest of the world) aluminium market with approximately 1.2 million tonnes in deficit in H1 2017.

- The reported inventories of aluminium have declined further to 3.1 million tonnes as at the end of June 2017 (7.5% down from inventories level at the end of April 2017). The days of consumption decreased to 37 days from 110 days in 2015 and continued to decline at a steady rate.

- Key for the remainder of 2017 is the announcement made by the Chinese regulators regarding capacity cut in winter that is expected to result in an annualized production loss of 1.2 million tonnes, according to UC RUSAL's estimates. As a consequence of the above factors, the global market deficit is expected to grow to c. 1 million tonnes in 2017 vs. 0.7 million tonnes in 2016.

Aluminium demand

UC RUSAL forecasts that global aluminium demand grew by 5.7% in the first half of 2017 year-on-year to 31.7 million tonnes and will increase by 5.9% year-on-year to 63.3 million tonnes, as global demand will rise (excluding China) by 4.3% to 29.5 million tonnes, while in China the aluminium demand will grow by 7.4% to 33.8 million tonnes.

According to UC RUSAL's estimates, demand in China grew by 7.5% in H1 2017 year-on-year to 17.0 million tonnes implying that the Chinese market was oversupplied by 1.2 million tonnes during this period. The Chinese economy continued to show strong growth through H1 2017. The official Purchasing Managers Index (PMI) reached 51.7 in June 2017 and Caixin showed 50.4 level. At the same time, industrial production grew 7.6% in June year-on-year and GDP in Q2 2017 increased 6.9% year-on-year.

The world economy witnessed broad based growth in H1 2017, with an increase in business activity, particularly in the developed economies. The main drivers for demand for aluminium were from the increases in consumer spending, particularly for cars, durable goods and also fixed asset investments. Global PMI remains strongly above the 52.6 level with EU and Japan leading the way with 57.4 and 52.4 respectively, and the US Institute of Supply Managers (ISM) index reached 52, a healthy level for H1.

US housing starts are at levels not seen since before the Global Financial Crisis. This has underpinned the firm demand for extrusions and building sheet across the sector, in addition to the supporting demand for consumer durables. Although automotive sales and production have posted small declines in the US in the first half of the year, these have been offset by sharp increases in Mexico, resulting in North American vehicle production slightly up overall in the first half. Interestingly, the intensity of use gains has resulted in double-digit growth in demand for automotive body sheet, leading to a net overall sectoral demand for aluminium that is well ahead of vehicle production growth. Overall, North America aluminium demand is estimated at 3.4 million tonnes in H1, up 2.0% year-on-year.

In Europe, Germany led strong increases in manufacturing and industrial production across the EU. A spike in production of capital goods was partially behind the rise in industrial output, supporting metals demand from the machinery and equipment sector. This investment in plant and equipment has also benefited non-residential construction, and this is reflected in elevated Euro area construction output and associated demand for aluminium architectural sections of all sizes. This supported an accelerated extrusions production growth of 2.4% in Q2, according to CRU. Vehicle production has softened in Europe this year but increased aluminium content per vehicle, driven by need to lightweight, is offsetting this, resulting in an increased demand from the sector. This helped to drive aluminium rolled products shipments, resulting in a 3.3% increase in Q2 in Europe, according to CRU. The net effect of these increases in demand across Europe (including Turkey ex Russia) is 2.8% year-on-year to 4.8 million tonnes in H1.

Looking at ex-China Asian markets, Japan enjoyed a strong recovery in the first half of 2017. Industrial production rose by 6.8% in May, while manufacturing PMI at 52.4 in June remains comfortably in expansionary territory. This is underpinning continued growth in semis production, with domestic rolled products and extrusions shipments climbing an estimated 0.6% and 3.6% respectively, in the first half of the year.

Elsewhere in the region, South Korea is recovering from the weakness in the final quarter of 2016, with PMI back above the key 50 threshold. The combined strength in Asia-ex India and China, which resulted in demand accelerating from the run rate of last year, reached 3.2 million tonnes, representing a year-on-year expansion of 4.1%. Another major engine of growth in Asia, i.e. India, is also comfortably in expansion mode to enable demand growth of 7.3% to 1.1 million tonnes in the first half.

Aluminium supply

UC RUSAL estimates that global supply in H1 2017 was up by 11.5% to 31.8 million tonnes, leaving the aluminium market roughly balanced.

Global aluminium supply will grow by 5.3% to 62.4 million tonnes and will be affected by a tight supply in China due to the new antipollution plan and the closure of illegal capacities. Chinese supply will grow by 8.3% to 35 million tonnes. Ex-China supply will grow by 1.8% to 27.4 million tonnes.

When considering the expected curtailments of the so-called "illegal capacities", UC RUSAL expects that the Chinese aluminium market balance will improve in H2 2017 leading to a much tighter market situation in 2018. As of 30 June 2017, according to SMM, around 1.8 million tonnes of illegal operating capacities and 2 million tonnes of projects under construction have been closed and UC RUSAL expects another 2-3 million tonnes of operating capacity will be closed by the end of this year.

In addition, the continued aluminium cost push in China, mainly driven by a surge in carbon materials prices, provides further support for growth of domestic aluminium prices amid the backdrop of the above mentioned expected winter cuts. Thus, even historically low cost producing regions such as Xinjiang and Inner-Mongolia experienced growth of all-inclusive production costs, including transportation, of RMB13,000 per tonne as at the end of June 2017 as compared to their level of RMB12,400 per tonne on average through 2016.

Aluminium prices, premiums and stocks

Aluminium has demonstrated strong performance in the first half of 2017. The LME cash official aluminium price rose by 11.4% year-to-date and by 16.7% year-on-year to USD1,909 per tonne at the end of June 2017. The average LME cash aluminium price in H1 2017 gained 21.8% to USD1,880 per tonne from USD1,543 per tonne in H1 2016, while the all-in aluminium average price increased by 20.8% year-on-year to USD2,015 per tonne in H1 2017.

The main driving factors for the price growth were the "supply-side" reform in China's aluminium industry (real and potential Chinese smelter cuts), Chinese environmental protection policies, recovering of global economy, a weakening dollar and falling of aluminium stocks at the LME warehouses.

The aluminium price on the SHFE (Cash or 1M) also rose strongly in H1 2017. It grew by 8.5% year-to-date and 9.6% year-on-year to RMB 13,845 per tonne during H1 2017, the average SHFE price surged 17.5% to RMB 13,730 per tonne in H1 2017 from RMB 11,690 per tonne in H1 2016. Higher production costs for Chinese aluminium smelters due to raw materials prices increase provided additional support for aluminium prices, though the growth in China's primary aluminium production and buildup of domestic inventories trimmed the price growth.

Aluminium premiums changes were mixed in different geographical regions during the first half of 2017. Premiums in all main regions grew in Q1 2017 and afterwards declined or were flat in Q2 2017. However, the current premiums levels kept providing relevant support for marginal aluminium smelters in the world excluding China.

Meantime, average cash – 3M spread did not change in H1 2017 as compared to the level in H1 2016 (~ USD5 per tonne).

The 3M Libor interbank rate kept steadily rising during H1 2017. More expensive borrowing, low spread figures and existence of a number of backwardation sectors along the LME forward curve made the cash-carry trade deals practically unprofitable in H1 2017.

The aluminium stocks at the LME warehouses continued to decline during 1H2017. Stocks fell by 792,000 tonnes to 1.41 million tonnes in H1 2017, its lowest since October 2008, strongly supported by market's sentiment.

Our Business

The principal activities of the Group are alumina refining, aluminium smelting and refining, bauxite and nepheline ore mining and processing, as well as sales of bauxite, alumina and various primary aluminium and secondary products. There were no significant changes in the Group's principal activities for the six months ended 30 June 2017.

Financial and operating performance

The tables below provide key selected financial, production and other information for the Group.

	Three months ended		Three months ended	Six months ended	
	30 June 2017	30 June 2016	31 March 2017	30 June 2017	30 June 2016
Key operating data[1]					
('000 tonnes)					
Primary aluminium	921	919	910	1,831	1,835
Alumina	1,928	1,851	1,889	3,817	3,724
Bauxite (wet)	3,090	3,126	2,869	5,959	6,135
Key pricing and performance data					
('000 tonnes)					
Sales of primary aluminium and alloys	1,002	958	985	1,987	1,915
(USD per tonne)					
Production cost per tonne in Aluminium segment[2]	1,497	1,334	1,414	1,456	1,330
Aluminium price per tonne quoted on the LME[3]	1,911	1,571	1,850	1,880	1,543
Average premiums over LME price[4]	174	162	153	163	167
Alumina price per tonne[5]	296	253	340	318	236

[1] Figures based on total respective attributable output.

[2] For any period, "Production cost per tonne in Aluminium segment" is calculated as aluminium segment revenue (excluding sales of third parties' metal and other products sales) less aluminium segment results less amortization and depreciation (excluding margin on sales of third parties' metal and intersegment margin) divided by sales volume of the aluminium segment (excluding volumes of third parties' aluminium sold).

[3] Aluminium price per tonne quoted on the LME represents the average of the daily closing official London Metals Exchange ("LME") prices for each period.

[4] Average premiums over LME realized by the company based on management accounts.

[5] 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 the consolidated interim condensed statement of income

	Three months ended		Three months ended	Six months ended	
	30 June 2017	30 June 2016	31 March 2017	30 June 2017	30 June 2016
(USD million)					
Revenue	2,467	1,982	2,297	4,764	3,896
Cost of sales	(1,790)	(1,507)	(1,688)	(3,478)	(3,053)
Gross profit	677	475	609	1,286	843
Adjusted EBITDA	510	344	475	985	656
margin (% of revenue)	*20.7%*	*17.4%*	*20.7%*	*20.7%*	*16.8%*
Profit for the period	283	135	187	470	261
margin (% of revenue)	*11.5%*	*6.8%*	*8.1%*	*9.9%*	*6.7%*
Adjusted Net Profit for the period	202	40	263	465	67
margin (% of revenue)	*8.2%*	*2.0%*	*11.4%*	*9.8%*	*1.7%*
Recurring Net Profit	252	276	434	686	425
margin (% of revenue)	*10.2%*	*13.9%*	*18.9%*	*14.4%*	*10.9%*

Aluminium production

UC RUSAL produced 1.831 million tonnes of aluminium for the six months ended 30 June 2017, compared to 1.835 million tonnes for the same period of 2016. The production decreased by 4 thousand tonnes, -0.2%. The decrease is explained by an extra day of production in 2016 resulted from the leap year.

The value-added products volumes for the six months ended 30 June 2017 totaled 941 thousand tonnes compared to 828 thousand tonnes in the same period of 2016 in line with Company's strategy of increasing the share of respective product mix and it was achieved due to continuous upgrades in relevant capacities and productivity gains.

Alumina production

Alumina production was stable, amounting to 3.817 million tonnes in the six months ended 30 June 2017, up 2.5% from 3.724 million tonnes for the six months ended 30 June 2016.

Major projects include:

- Capacity expansion project at Urals Alumina Refinery was completed (continuous digester module #2 was completed with new two digester lines commissioned in early 2017, two new precipitator tanks were built in 2016 and commissioned in early 2017 and two new KraussMaffei hydrate seed filters were installed and commissioned in 2016, thus increasing capacity to 900 kt);

- Capacity upgrade and expansion program at Nikolayev Alumina Refinery was completed which resulted in capacity growth to 1,700 kt from 1,630 kt before.

Bauxite and nepheline ore production

Bauxite production decreased marginally by 2.9% to 5.959 million tonnes for the six months ended 30 June 2017 from 6.135 million tonnes [6] for the six months ended 30 June 2016 as CBK (Compagnie des Bauxites de Kindia) decreased production volumes by 247 thousand tonnes to match the available rail link transportation capacity that was impacted by accidents in January and April 2017, while no more volumes were coming from the Alpart plant, which was sold in 2016. Despite those factors, the uplift of bauxite production at other mines of UC RUSAL year-on-year through H1 2017 mostly offset the falling out volumes of Alpart and Kindia, and therefore, the production decrease for the Company overall was insignificant, only 2.9% year-on-year.

Nepheline production decreased by 6.6 % to 2.166 million tonnes for the six months ended 30 June 2017 from 2.319 million tonnes for the six months ended 30 June 2016. The decrease was due to the increase in overburden volumes as per plan for this period.

Foil and packaging production

Aluminium foil and packaging material production by the Group's plants totaled 49.2 thousand tonnes for the six months ended 30 June 2017, a 21% increase from 40.78 thousand tonnes in the six months ended 30 June 2016. Sayanal demonstrated an increase of around 3 thousand tonnes due to new orders in domestic and export markets. Armenal demonstrated an increase of 1.2 thousand tonnes as a result of production facilities modernization and new annealing furnace commissioning.

Foil Mills	Interest	Year ended			Year-on-year change
(tonnes)		30 June 2017	30 June 2016	dev	(%)
Domestic market (RF и CIS)		**22.61**	**16.55**	**6.06**	**37%**
Sayanal	100%	11.82	9.98	1.84	18%
Ural Foil	100%	9.14	5.07	4.07	80%
Sayana Foil	100%	1.65	1.50	0.15	10%
Export		**26.57**	**24.23**	**2.34**	**10%**
Sayanal	100%	7.33	6.12	1.21	20%
Ural Foil	100%	3.01	3.11	-0.10	-3%
Armenal	100%	16.23	15.00	1.23	8%
Total production		**49.18**	**40.78**	**8.40**	**21%**

[6] Not including low modulus bauxite.

Other business

UC RUSAL's output from its non-core business recorded the following results for the six months ended 30 June 2017 compared to the respective period in the previous year.

Units *(thousand tonnes)*	Six month ended			
Product	**30 June 2017**	**30 June 2016**	**Change**	**Comments**
Silicon	26.6	29.4	-2.8	scheduled repairs of production equipment
Aluminium Powders	9.7	9.3	+0.4	
Secondary alloys	13.8	12.0	+1.8	additional orders

Coal production results

Coal production attributable to the Group's 50% share in LLP Bogatyr Komir increased by 19.5% to 9.182 million tonnes in the first half of 2017 from 7.681 million tonnes in the first half of 2016, largely due to an increased demand in Kazakhstan.

Transportation results

The products transported by LLP Bogatyr Trans, in which the Company has a 50% share, increased by 0.4% to 3.025 million tonnes in the first half of 2017 from 3.013 million tonnes in the first half of 2016 due to an increase in demand in Russian Federation and changes in transportation structure.

Revenue

Revenue	**Six months ended 30 June 2017**			**Six months ended 30 June 2016**		
	USD million	**'000 t**	**Average sales price (USD/t)**	**USD million**	**'000 t**	**Average sales price (USD/t)**
Sales of primary aluminium and alloys	4,005	1,987	2,016	3,234	1,915	1,689
Sales of alumina	364	1,024	355	301	1,131	266
Sales of foil and other aluminium products	141			113		
Other revenue[7]	254			248		
Total revenue	**4,764**			**3,896**		

[7] Including energy and bauxite.

Revenue	**Three months ended 30 June 2017**			**Three months ended 31 March 2017**		
	USD million	**'000 t**	**Average sales price (USD/t)**	**USD million**	**'000 t**	**Average sales price (USD/t)**
Sales of primary aluminium and alloys	2,085	1,002	2,081	1,920	985	1,949
Sales of alumina	175	515	340	189	509	371
Sales of foil and other aluminium products	82			59		
Other revenue	125			129		
Total revenue	**2,467**			**2,297**		

Total revenue increased by USD868 million, or 22.3% to USD4,764 million in the first six months of 2017 from USD3,896 million in the corresponding period of 2016. The increase in total revenue was mainly due to the growth of sales of primary aluminium and alloys, which accounted for 84.2% and 83.0% of UC RUSAL's revenue for the first six months of 2017 and 2016, respectively.

Revenue from sales of primary aluminium and alloys increased by USD771 million, or 23.80% to USD4,005 million in the first six months of 2017, from USD3,234 million for the corresponding period in 2016, primarily due to a 19.4% increase in the weighted-average realized aluminium price per tonne driven by an increase in the LME aluminium price (to an average of USD1,880 per tonne in the first six months of 2017 from USD1,543 per tonne in the same period of 2016), as well as an increase in the sales volumes by 3.8%, which was partially offset by a decrease in premiums above the LME prices in the different geographical segments (to an average of USD163 per tonne from USD167 per tonne in the first six months of 2017 and 2016, respectively).

The Company's revenue from sales of primary aluminium and alloys increased by 8.6% to USD2,085 million in the second quarter of 2017 from USD1,920 million in the first quarter of 2017. This growth resulted primarily due to a 6.8% increase in the weighted average realized aluminium price per tonne, which was driven by an increase in the LME aluminium price (to an average of USD1,911 per tonne in the second quarter of 2017 from USD1,850 per tonne in the first quarter of 2017) and an increase in the share of VAP in total aluminium sales to 49.2% in the second quarter of 2017 in comparison with 44.3% in the previous quarter.

Revenue from sales of alumina increased by 20.9% to USD364 million in the first six months of 2017 from USD301 million in the corresponding period of 2016 primarily due to an increase in the average sales price by 33.5%, which was partially offset by a decrease in the sales volumes by 9.5%.

Revenue from sales of foil and other aluminium products increased by USD28 million, or by 24.8%, to USD141 million in the first six months of 2017, as compared to USD113 million for the corresponding period in 2016, primarily due to a 19.4% increase in sales volumes of foil.

Revenue from other sales, including sales of bauxite and energy services increased by 2.4% to USD254 million for the first six months of 2017 from USD248 million in the same period of 2016 due to an increase in sales of other materials.

The table below shows the breakdown of the Group's revenues by geographic segment for the six months ended 30 June 2017 and 30 June 2016, showing the percentage of revenue attributable to each region:

	Six months ended			
	30 June 2017		30 June 2016	
	USD million	% of Revenue	USD million	% of Revenue
Europe	1,989	42%	1,783	46%
CIS	1,128	24%	925	24%
Asia	797	17%	610	16%
America	833	17%	559	14%
Other	17	—	19	—
Total	**4,764**	**100%**	**3,896**	**100%**

Note: Data based on location of customers, which may differ from the location of final consumers.

Cost of sales

The following table shows the breakdown of UC RUSAL's cost of sales for the six months ended 30 June 2017 and 30 June 2016 and for the three months ended 30 June 2017 and 31 March 2017:

	Six months ended		Change, year-on-year	Share of costs,% (Six months ended 30 June 2017)	Three months ended		Change, quarter-on-quarter	Share of costs,% (Three months ended 30 June 2017)
	30 June 2017	30 June 2016			30 June 2017	31 March 2017		
(USD million)								
Cost of alumina	475	458	3.7%	13.7%	245	230	6.5%	13.7%
Cost of bauxite	180	136	32.4%	5.2%	94	86	9.3%	5.3%
Cost of other raw materials and other costs	1,136	925	22.8%	32.7%	556	580	(4.1%)	31.1%
Purchases of primary aluminium from JV	132	112	17.9%	3.8%	69	63	9.5%	3.9%
Energy costs	1,049	795	31.9%	30.2%	514	535	(3.9%)	28.7%
Depreciation and amortization	234	221	5.9%	6.7%	125	109	14.7%	7.0%
Personnel expenses	286	257	11.3%	8.1%	146	140	4.3%	8.2%
Repairs and maintenance	29	27	7.4%	0.8%	18	11	63.6%	1.0%
Net change in provisions for inventories	(3)	(3)	0.0%	0.0%	(3)	—	100.0%	(0.2%)
Change in finished goods	(40)	125	NA	(1.2%)	26	(66)	NA	1.3%
Total cost of sales	**3,478**	**3,053**	**13.9%**	**100.0%**	**1,790**	**1,688**	**6.0%**	**100.0%**

Total cost of sales increased by USD425 million, or 13.9%, to USD3,478 million for the first six months of 2017, as compared to USD3,053 million for the corresponding period of 2016. The increase was primarily driven by the increase in volumes of primary aluminium and alloys sold as well as significant increase in electricity prices, railway transportation tariffs and other raw material costs in Russian Ruble in the first six months of 2017.

Cost of alumina increased to USD475 million in the first six months of 2017 by USD17 million from USD458 million as compared to the same period of 2016 as a result of a 14.3% increase in alumina purchase price as well as an increase in the aggregate volumes of primary aluminium and alloys sales by 3.8% (or 72 thousand tonnes).

Cost of bauxite increased by 32.4% in the first six months of 2017 compared to the same period of the previous year, primarily as a result of an increase in purchase volume and a slight increase in purchase prices.

Cost of raw materials (other than alumina and bauxite) and other costs increased by 22.8% in the first six months of 2017 compared to the same period of previous year due to a rising raw materials purchase price (prices for raw pitch coke increased by 88.2%, raw petroleum coke by 15.0%, pitch by 50.0%, soda by 50.1%).

Energy costs increased by 31.9% in the first half of 2017 compared to the same period of 2016, primarily due to 21.2% appreciation of Russian Ruble against US dollar between the comparable periods. Increase was also a result of change in terms of long-term electricity contracts and overall market price growth.

The finished goods mainly consist of primary aluminium and alloys (approximately 92%). The dynamic of change between the reporting periods was primarily driven by the fluctuations of primary aluminium and alloys physical inventory between the reporting dates: 7.0% increase for the first half of 2017 as compared to 12.0% decrease for the same period of 2016.

Distribution, administrative and other expenses

Distribution expenses increased by 29.6% to USD210 million in the six months of 2017 from USD162 million for the same period of 2016, primarily due to the increase in transportation tariffs as well as appreciation of the Russian Ruble against the US dollar.

Administrative expenses, which include personnel costs, increased by 13.6% to USD292 million in the first six months of 2017 from USD257 million for the corresponding period in 2016 following the appreciation of the Russian Ruble against the US dollar.

Gross profit

As a result of the foregoing factors, UC RUSAL reported a gross profit of USD1,286 million for the six months ended 30 June 2017 compared to USD843 million for the same period of 2016, representing an increase in gross profit margin up to 27.0% from 21.6% between the periods.

Results from operations and Adjusted EBITDA

(USD million)	Six months ended 30 June 2017	Six months ended 30 June 2016	Change, year-on-year
Reconciliation of Adjusted EBITDA			
Results from operating activities	660	368	79.3%
Add:			
Amortization and depreciation	243	231	5.2%
Impairment of non-current assets	81	55	47.3%
Loss on disposal of property, plant and equipment	1	2	(50.0%)
Adjusted EBITDA	**985**	**656**	**50.2%**

Adjusted EBITDA, defined as results from operating activities adjusted for amortization and depreciation, impairment charges and loss on disposal of property, plant and equipment, increased to USD985 million during the first six months of 2017, as compared to USD656 million for the corresponding period of 2016. 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 six months of 2017 by 79.3% to USD660 million, as compared to USD368 million for the corresponding period of 2016, representing operating margins of 13.9% and 9.4%, respectively.

Finance income and expenses

(USD million)	Six months ended 30 June 2017	30 June 2016	Change, year-on-year
Finance income			
Interest income on third party loans and deposits	8	13	(38.5%)
Interest income on loans to related party *— companies under common control*	*1*	*1*	*0.0%*
Foreign exchange gain	23	—	100.0%
	32	**14**	**128.6%**
Finance expenses			
Interest expense on bank and Company loans, bonds and other bank charges, including:	(351)	(295)	19.0%
Interest expense	*(257)*	*(266)*	*(3.4%)*
Bank charges	*(94)*	*(29)*	*224.1%*
Interest expense on provisions	(2)	(4)	(50.0%)
Net foreign exchange loss	—	(108)	(100.0%)
Change in fair value of derivative financial instruments, including:	(138)	(119)	16.0%
Change in fair value of embedded derivatives	*(15)*	*(52)*	*(71.2%)*
Change in other derivatives instruments	*(123)*	*(67)*	*83.6%*
	(491)	**(526)**	**(6.7%)**

Finance income increased by USD18 million, or 128.6% to USD32 million for the first six months of 2017 compared to USD14 million for the same period of 2016 due to the net foreign exchange gain for the first six months of 2017 as compared to the net foreign exchange loss for the same period of 2016, as a result of the revaluation of working capital items of several Group companies denominated in foreign currencies.

Finance expenses decreased by USD35 million or 6.7% to USD491 million for the first six months of 2017 from USD526 million for the same period of 2016 due to a net foreign exchange result dynamics referred to above that was partially offset by an increase in the bank charges and Company loans and the net loss from the change in fair value of derivative financial instruments.

Interest expenses on bank and Company loans for the first half of 2017 increased by USD56 million to USD351 million from USD295 million for the first half of 2016 due to an increase in bank charges as a result of amortization of previously capitalized arrangement fees following the restructuring of the Company's debt.

The net loss from the change in fair value of derivative financial instruments increased to USD138 million for the first six months of 2017 from USD119 million for the same period of 2016 following significant LME and other commodities price improvement between the comparable period that negatively affected the fair value of respective hedging instruments.

Share of profits of associates and joint ventures

(USD million)	Six months ended 30 June 2017	30 June 2016	Change, year-on-year
Share of profits of Norilsk Nickel, with	244	370	(34.1%)
Effective shareholding of	27.82%	28.05%	
Share of profits of other associates	—	1	(100.0%)
Share of profits of associates	**244**	**371**	**(34.2%)**
Share of profits/(losses) of joint ventures	**53**	**68**	**(22.1%)**

Share of profits of associates dropped to USD244 million in the first six months of 2017 from USD371 million in the corresponding period of 2016. Share of profits of associates in both periods resulted primarily from the Company's investment in Norilsk Nickel.

The market value of UC RUSAL's stake in Norilsk Nickel was USD6,012 million as at 30 June 2017, as compared to USD7,348 million as at 31 December 2016.

The share of profits of joint ventures was USD53 million in the first six months of 2017 as compared to USD68 million for the same period of 2016. The Company's joint ventures include investments in BEMO, LLP Bogatyr Komir, Mega Business and Alliance (transportation business in Kazakhstan).

Profit before taxation

As a result of the foregoing factors, the Company's profit before taxation was USD498 million for the first six months of 2017, compared to USD295 million for the corresponding period of 2016.

Income tax

Income tax expense decreased by USD6 million to USD28 million in the first six months of 2017 from USD34 million for the corresponding period in 2016.

Current tax expenses increased by USD20 million to USD71 million for the six months ended 30 June 2017 from USD51 million for the six months ended 30 June 2016, primarily due to an increase in the taxable profit period-on-period.

Deferred tax increased by USD26 million to USD43 million for the six months ended 30 June 2017 from USD17 million for the six months ended 30 June 2016, primarily due to usage of accumulated tax losses in 2016 by several entities of the Group.

Profit for the period

As a result of the above, the Company recorded a profit of USD470 million for the first half of 2017, compared to USD261 million for the same period of 2016.

Adjusted and Recurring Net Profit

(USD million)	Six months ended 30 June 2017	Six months ended 30 June 2016	Change, year-on-year
Reconciliation of Adjusted Net Profit			
Profit for the period	470	261	80.1%
Adjusted for:			
Share of profits and other gains and losses attributable to Norilsk Nickel, net of tax effect, with	(221)	(358)	(38.3%)
Change in the fair value of derivative financial liabilities,net of tax (20%)	135	109	23.9%
Impairment of non-current assets, net of tax	81	55	47.3%
Adjusted Net Profit	465	67	594.0%
Add back:			
Share of profits of Norilsk Nickel, net of tax	221	358	(38.3%)
Recurring Net Profit	686	425	61.4%

Adjusted Net Profit for any period is defined as the Net Profit 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 for any period is defined as Adjusted Net Profit 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, which are the Group's strategic business units: Aluminium, Alumina, Energy and 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.

	Six months ended			
	30 June 2017		30 June 2016	
(USD million)	Aluminium	Alumina	Aluminium	Alumina
Segment revenue				
kt	*1,879*	*3,795*	*1,948*	*3,987*
USD million	*3,783*	*1,102*	*3,286*	*954*
Segment result	870	42	509	(27)
Segment EBITDA[8]	1,048	90	697	12
Segment EBITDA margin	27.7%	8.2%	21.2%	1.3%
Capital expenditure	139	102	126	55

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

Starting 2017 the Company presents two metrics for Aluminium segment; (1) total segment information and (2) information on own aluminium production. The difference between two metrics relates to the intersegment margins, sales of third parties metal and related costs and other non-production costs and expenses. Segment in formation for the six months ended 30 June 2017 presented above relates to the own aluminium production, that is different from relevant segment information presented in the Company's consolidated interim condensed financial information for the six months ended 30 June 2017.

In the first half of 2017 and 2016, respectively, segment result margins (calculated as the percentage of segment result to total segment revenue) from continuing operations were positive 23.0% and 15.5% for the aluminium segment, and positive 3.8% and negative 2.8% for the alumina segment. Key drivers for the increase in margin in the aluminium segment are disclosed in "Cost of sales" and "Results from operations and Adjusted EBITDA" above. Detailed segment reporting can be found in the consolidated interim condensed financial information included in this Interim Report.

Working capital

The following table sets forth the Group's current assets, current liabilities and working capital as at the dates indicated:

(USD million)	As at 30 June 2017	As at 31 December 2016
Current Assets		
Inventories	2,127	1,926
Trade and other receivables	907	819
Dividends receivable	316	311
Derivative financial assets	29	16
Cash and cash equivalents	619	544
Total current assets	**3,998**	**3,616**
Current Liabilities		
Loans and borrowings	971	1,433
Trade and other payables	998	1,054
Derivative financial liabilities	38	32
Provisions	41	40
Total current liabilities	**2,048**	**2,559**
Net current assets	**1,950**	**1,057**
Working Capital	**2,036**	**1,691**

The Group had a working capital of USD2,036 million as at 30 June 2017, up by 20.4% from USD1,691 million as at 31 December 2016. Inventories increased by USD201 million, or 10.4%, to USD2,127 million as at 30 June 2017 from USD1,926 million as at 31 December 2016. This increase was primarily due to continuous appreciations of Russian Ruble and significant increase in electricity prices, railway transportation tariffs and other raw material costs in Russian Ruble terms. Trade and other receivables increased by USD88 million, or 10.7%, to USD907 million at 30 June 2017 from USD819 million at 31 December 2016, due to an increase in trade receivables from third parties as a result of favourable financing conditions for end customers. Trade and other payables decreased by USD56 million, or 5.3%, to USD998 million at 30 June 2017 from USD1,054 million at 31 December 2016. The drop was primarily attributable to a decrease in advances received from the Group's main customers.

Capital expenditure

UC RUSAL recorded capital expenditures (which constitute payments for the acquisition of property, plant and equipment and intangible assets) of USD321 million in the first half of 2017 (including pot rebuilds for USD55 million). UC RUSAL's capital expenditure for the six months ended 30 June 2017 was primarily aimed at maintaining existing production facilities.

The table below shows the breakdown of UC RUSAL's capital expenditure for the six months ended 30 June 2017 and 2016:

	Six months ended	
(USD million)	**30 June 2017**	**30 June 2016**
Development capital expenditure	**101**	**58**
Maintenance, including:		
Pot rebuilds costs	55	42
Re-equipment	165	94
Total capital expenditure	**321**	**194**

Loans and borrowings 2017

The nominal value of the Group's loans and borrowings was USD7,635 million as at 30 June 2017, not including bonds, which amounted to an additional USD1,388 million.

Set out below is an overview of certain key terms of the select facilities in the Group's loan portfolio as at 30 June 2017:

Facility/Lender	Principal amount outstanding as at 30 June 2017	Tenor/Repayment Schedule	Pricing
		Syndicated Facilities	
PXF Facility	USD1.7 billion	up to USD1.7 billion syndicated aluminium pre-export finance term facility – until 31 May 2022 equal quarterly repayments starting from July 2019	3 month LIBOR plus 3.0% p.a.
		Bilateral loans	
Sberbank loans*	USD4.54 billion	August 2021, equal quarterly repayments starting from November 2019	3 month LIBOR plus 4.75% p.a.
VTB Capital plc loans	USD143 million	December 2018, equal quarterly repayments starting from December 2015	3 month LIBOR plus 4.8% p.a.
Gazprombank loans	USD38 million	December 2017, equal quarterly repayments starting from March 2016	3 month LIBOR plus 4.5%** p.a.
Gazprombank loans	USD189 million EUR58 million	March 2019, equal quarterly repayments starting from March 2017	3 month LIBOR plus 4.5%** p.a.
Gazprombank loans	USD177 million	July 2020, equal quarterly repayments starting from May 2018	3 month LIBOR plus 4.5%** p.a.
Gazprombank(project finance)	RUB2.5 billion	December 2021, equal quarterly repayments starting from December 2018	11% p.a.
MCB (Credit Bank of Moscow)	USD100 million	September 2019, bullet repayment at final maturity date	3 month LIBOR plus 3.0% p.a.
SIB (Cyprus) Limited (REPO transaction)	USD162*** million	August 2017, bullet repayment at final maturity date, with rolling option	2.9% p.a.
MCC (REPO transactions)	EUR 100 million	June 2018, bullet repayment at final maturity date	2.6% p.a. (after cross-currency swap)

Facility/Lender	Principal amount outstanding as at 30 June 2017	Tenor/Repayment Schedule	Pricing
		Bonds	
Ruble bonds series 07	RUB1.82 billion	February 2018	12.0% p.a.
Ruble bonds series 08	RUB52 million	April 2021, bullet repayment at final redemption date, subject to a bondholders' put option exercisable in April 2019	9.0% p.a.
Ruble bonds series BO-01	RUB6.46 billion	April 2026, bullet repayment at final redemption date, subject to a bondholders' put option exercisable in April 2019	12.85% p.a.
Eurobond	USD600 million	February 2022, repayment at final redemption date	5.125% p.a.
Eurobond	USD500 million	May 2023, repayment at final redemption date	5.3% p.a.
Panda bond	CNY1.0 billion	March 2020, repayment at final redemption date, subject to a bondholders' put option exercisable in March 2019	5.5% p.a.

* As of the date of this Interim report the Company has agreed with Sberbank to extend final maturity under loans secured by MMC Norilsk Nickel shares to 2024 and decrease interest margin from 4.75% to 3.75% as well as to adjust covenants package generally in line with New PXF, pending execution of loan documentation

** In August the Company executed amendments to Gazprombank facilities, reducing interest margin from 4.5% to 3.5%, extending final maturity and adjusting covenants in line with New PXF

*** As of the date of this Interim Report repaid in full

The average maturity of the Group's debt as at 30 June 2017 was 3.2 years.

Security

As of the Date of this Interim Report, the Group's debt (save for unsecured loans from MCB and Gazprombank (project finance), and Bonds) is secured, among others, by assignment of receivables under specified contracts, pledges of shares in certain operating and non-operating companies, goods, designated accounts, shares in MMC Norilsk Nickel (representing in aggregate a 26.9% share of MMC Norilsk Nickel's total nominal issued share capital).

Key Events

- On 24 May 2017, the Company entered into a new syndicated Pre-Export Finance Term Facility Agreement ("New PXF") with the following key terms and conditions: amount of USD1.7 billion, interest rate 3M LIBOR+3% per annum and maturity of 5 years (repayment starting in 2 years). The proceeds of the facility were used for the purpose of refinancing the Company's debt. The Company agreed with the lenders a new approach to the calculation of certain covenants. Specifically, a Total Net Debt/EBITDA covenant is calculated with the exclusion of debt secured by MMC Norilsk Nickel shares and dividends from MMC Norilsk Nickel shares.

- In June 2017 the Company executed amendments to existing facilities with VTB Capital plc reducing interest margin from 5.05% to 4.8%, releasing pledges of fixed assets and adjusting covenant package in line with New PXF.
- In August 2017 the Company executed amendments to Gazprombank facilities, reducing interest margin from 4.5% to 3.5%, extending final maturity and adjusting covenants in line with New PXF.
- In August the Company and Sberbank agreed to amend existing facilities secured by Norilsk Nickel shares, extending final maturity to 2024, reducing interest margin from 4.75% to 3.75% and bring covenant package generally in line with New PXF, pending execution of loan documentation.

Debt capital markets

- In February 2017, the Company registered Panda Bond Offering Circular for the total amount of RMB10 billion (c. USD1.5 billion) with the Shanghai Stock Exchange with the right to make placement in tranches with different maturities but not higher than 7 years. In March the first tranche for the amount of RMB1 billion was placed with a tenor of 2+1 years and coupon rate of 5.5% per annum. The funds were used for working capital needs and refinancing of existing debt.
- In February 2017 the Company completed the debut offering of Eurobonds with the following key terms: principal amount of USD600 million, a tenor of five years and coupon rate of 5.125% per annum. The bonds proceeds, excluding related expenses, in the amount of USD597 million were applied for partial refinancing of RUSAL's pre-export finance facility.
- On 3 April 2017 RUSAL Bratsk announced a new coupon rate in respect to the series 08 bonds at the level of 9% per annum. On 12 April 2017 the Company exercised a put option on the outstanding RUB-denominated bonds series 08.
- In May 2017 the Company completed the second offering of Eurobonds with the principal amount of USD500 million, a tenor of 6 years and coupon rate of 5.3% per annum. The bonds proceeds were applied for partial refinancing of RUSAL's pre-export finance facility and other debt.

Dividend Policy

On 26 August 2015, the Board of the Company approved and adopted a dividend policy (the "Dividend Policy") to provide annual dividends the annual aggregate amount of which cannot exceed an amount equal to the level of 15% of the Company's Covenant EBITDA (as defined in the Company's relevant credit facility agreements) for the relevant financial year, subject to the Company's financial results, compliance with requirements of the Group's credit facilities, including financial covenants, and relevant Jersey legislation. The Board has on 24 August 2017 approved an update to (which is additional and does not replace) the Dividends Policy pursuant to which the Company intends to provide Shareholders with dividends on a quarterly basis, subject to the Company's financial results, compliance with requirements of the Group's credit facilities, including financial covenants, and relevant Jersey legislation (the "Updated Dividends Policy") Pursuant to the Updated Dividends Policy, the amount of quarterly dividends to be recommended by the Board for payment shall be determined subject to the considerations as described above and other applicable requirements and restrictions and that the aggregate amount of dividend payments in a year cannot exceed an amount equal to 15% of the Covenant EBITDA (as defined in the Company's relevant credit facility agreements) for the relevant financial year.

Dividends

On 24 August 2017 the Board has also recommended and approved an interim dividend of USD299.3 million (USD 0.0197 per ordinary share (before tax)) (the "Interim Dividend"). Payment of the Interim Dividend is subject to the Company obtaining prior consents from certain lenders of the Company (if required).

Liquidity and Capital Resources

Cash flows

In the first half of 2017, the Company used net cash generated from operating activities of USD569 million to service its outstanding debt and capital expenditure requirements.

The following table summarizes the Company's cash flows for the six months ended 30 June 2017 and 2016:

(USD million)	Six months ended	
	30 June 2017	30 June 2016
Net cash generated from operating activities	569	597
Net cash generated from investing activities	8	1
Net cash used in financing activities	(506)	(397)
Net increase in cash and cash equivalents	71	201
Cash and cash equivalents at beginning of period	531	494
Effect of exchange rate fluctuations on cash and cash equivalents	—	5
Cash and cash equivalents at end of period	602	700

Net cash generated from operating activities decreased to USD569 million in the first six months of 2017 from USD597 million for the corresponding period in 2016.

Net cash generated from investing activities for the first six months of 2017 totalled USD8 million as compared to net cash generated from investing activities USD1 million for the first six months of 2016 and was primarily represented by acquisition of property, plant and equipment in the amount of USD313 million and USD190 million and dividends received from associates and joint ventures in the amount of USD325 million and USD180 million for the first six months of 2017 and 2016, respectively.

At the same time, net cash used in financing activities increased by USD109 million to USD506 million in the first half of 2017 from USD397 million in the corresponding period in 2016 due to the net debt repayments made by the Company in the first half of 2017.

Cash and cash equivalents

As at 30 June 2017 and 31 December 2016, cash and cash equivalents excluding restricted cash were USD602 million and USD531 million, respectively. Restricted cash amounted to USD17 million and USD13 million at 30 June 2017 and 31 December 2016, respectively. Restricted cash primarily consists of the short-term bank deposits pledged under the current bank loans.

Financial ratios

Gearing

The Group's gearing ratio, which is the ratio of Total Debt (including both long-term and short-term borrowings and bonds outstanding) to total assets was 59.9% and 62.0% as at 30 June 2017 and 31 December 2016, respectively.

Return on Equity

The Group's return on equity, which is the amount of Net Profit as a percentage of total equity, was 12.2% and 11.2% as at 30 June 2017 and 30 June 2016, respectively.

Interest Coverage Ratio

The Group's interest coverage ratio, which is the ratio of earnings before interest and taxes to net interest, was 3.0 and 2.2 for the six months ended 30 June 2017 and 30 June 2016, respectively.

Quantitative and Qualitative Disclosures about Market Risk

The Group is exposed in the ordinary course of its business to risks related to changes in interest rates and foreign exchange rates. The Group's policy is to monitor and measure interest rate and foreign currency risks and to undertake steps to limit their influence on the Group's performance.

Interest Rate and Foreign Currency Risk

A description of the Group's interest rate and foreign exchange risks is set out on page 293, 295 of the 2016 Annual Report. The information on interest rate and foreign currency rate risk disclosed in the consolidated financial statements for the year ended 31 December 2016 remains relevant as at 30 June 2017.

Safety

The Lost Time Accident Frequency Rate (LTAFR) was 0.17 for the first half of 2017, the same as the figure for the corresponding period of 2016. The LTAFR target is 0.20. As a part of commitment to continual improvement of working conditions of its employees, UC RUSAL launched a campaign on prevention of neurosensory deafness and reduction of occupational deceases and occupational injuries.

Environment

Russian environmental levies for atmospheric emissions and the discharge of liquids and other substances amounted to USD3.3 million in the first half of 2017, compared to USD5.4 million for the corresponding period of 2016. There were no claims for damage to the environment in the first half of 2017.

- Internal carbon pricing system for investment projects has been run up.
- Climate strategy goals has been updated and approved.
- Carbon footprint of RUSAL primary aluminium has been calculated and verified.
- Climate personal KPI has been implemented on RUSAL Russian plants.

Employees

The following table sets forth the aggregate average number of people (full time equivalents) employed by each division of the Group during the first half of 2016 and the first half of 2017, respectively.

Division	First half of 2016 ended 30 June 2016	First half of 2017 ended 30 June 2017
Aluminium	18,315	18,400
Alumina	20,262	20,573
Engineering and Construction	14,721	14,038
Energy	30	28
Packaging	2,108	2,147
Managing Company	708	794
Technology and Process Directorate	907	1,130
Others	4,085	4,028
Total	**61,136**	**61,138**

Remuneration and benefit policies

The remuneration paid by the Group to an employee is based on his/her qualification, experience and performance, as well as the complexity of his or her job. Wages for employees are generally reviewed annually and are revised in accordance with a performance assessment and local labour market conditions. Under the current collective agreement, remuneration of employees of the Company's smelters is subject to an annual increase offsetting inflation on a basis of the official data on the minimal living wage of working population and the consumer price index published by the State Statistics Committee of the Russian Federation.

UC RUSAL's Personnel Policy and the Corporate Code of Conduct govern the relationship between the Group and its staff. The Group's Corporate Code of Conduct strictly prohibits discrimination based on gender, race and/or religion and forbids any form of child, forced or indentured labour.

Aiming to set up the link between annual goals of the Company's employees and the Company's strategic vectors of development and to enhance the link between performance and monetary motivation, the new Goal-setting System was developed.

In order to hierarchically structure the Managing Company's positions within the Group, to define principles and to systemize approaches to the basic part of employee's salary, the Grading System was implemented.

Labour relations

About 60% of the Group's employees are unionized and 95% of employees are covered by collective agreements.

More than ten smelters of the Company took part in the Industrial Competition "The Most Socially Effective Smelter of the Russian Mining and Metallurgical Complex" and seven of them won. RUSAL Bratsk and RUSAL Sayanogorsk became the winners in the nomination of "The Most Socially and Economically Effective Collective Agreement", Boguchansky Aluminium Smelter JV with RusHydro – in the nomination of "Personnel Development", RUSAL Novokuznetsk and RUSAL Achinsk – in the nomination of "Health Protection and Safe Working Conditions" and UAS-SUAL – in the nomination of "Nature Protection Activity and Resource-Saving".

Changes to the organizational structure of the Company

Aiming to extend the Company's expertise in development of new products, casting technologies and aluminium processing, the Institute of Lightweight Materials and Technologies was established.

Training Programs

In the first half of 2017, the corporate University held training and staff development programs in the following areas:

- functional academies;
- obligatory and professional trainings;
- succession planning;
- BS-250 Program;
- E-learning.

Functional academies included programs for employees of major industries: technology, quality management, laboratory and metrology, energy, repair, health, environment; information technology and project management.

Succession planning was conducted in the framework of the modular programs development of management skills: internal and external communications, building strategic teams, corporate entrepreneurship, public appearances in the face of pressure and influence, focus on business results, persuasive communication, inspirational leadership, striving for improvement, ensuring results.

Obligatory and professional trainings included:

- standard 09.8.3.1 Manage internal inconsistencies;
- ISO/TS 16949;
- organization of collection and reporting of consumer set RAR;
- production technology for billets;
- technology of production of small ingots of cast alloy on the BROCHOT line;
- technical minimum for employees of primary production;
- standard 09.8.3.1 'Manage internal inconsistencies. Requirements for process organization';
- casting technology.

Simulators were widely used for personnel training:

- interactive simulation of the technological process of production of small ingots at RUSAL Sayanogorsk;

- interactive simulation of the electrolysis production at RUSAL Bratsk;
- interactive simulator control Panel ore-smelting furnaces at SUAL-Silicon-Ural.

Work with universities included the implementation of the training program of corporate students. Planning procedures and employment of graduates were widely improved.

In the framework of international programs, in respect of 2017, 16 people from Guinea graduated from Russian universities with specialist qualification (all of them are employed at the enterprises of RUSAL in Guinea). Five graduates received honors degree and were awarded on behalf of RUSAL special monetary prizes. 66 students continued training in magistracy.

Audit Committee

The primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of UC RUSAL's financial reporting process, internal control and risk management systems, to oversee the audit process and to perform other duties and responsibilities as are assigned to the Audit Committee by the Board.

The Audit Committee consists of a majority of independent non-executive Directors. The members are as follows: four independent non-executive Directors, Mr. Bernard Zonneveld (chairman), Mr. Philip Lader, Dr. Elsie Leung Oi-sie and Mr. Dmitry Vasiliev, and two non-executive Directors, Ms. Olga Mashkovskaya and Mr. Daniel Lesin Wolfe.

The Audit Committee held four meetings in the first half of 2017 and another meeting as at the date of this Interim Report. At the meeting on 16 March 2017 the Audit Committee reviewed the financial statements for the year ended 31 December 2016. At the meeting on 10 May 2017 the Audit Committee reviewed the financial results of the Company for the three months ended 31 March 2017.

On 24 August 2017 the Audit Committee held its fifth meeting of the year. The Audit Committee considered matters regarding auditing and financial reporting, including the consolidated interim condensed financial information for the three- and six-month periods ended 30 June 2017. The Audit Committee is of the opinion that the consolidated interim condensed financial information for the three- and six-month periods ended 30 June 2017 complies with the applicable accounting standards, the Listing Rules and other applicable legal requirements and that adequate disclosures have been made.

Contingencies

The Board has reviewed and considered contingent liabilities of the Company and disclosed information concerning such contingent liabilities in note 16 to the consolidated interim condensed financial information. For detailed information about contingent liabilities, please refer to note 16 of the consolidated interim condensed financial information. Details of the amounts of provisions are also disclosed in note 14 to the consolidated interim condensed financial information.

Business risks

In the 2016 Annual Report, the Company identified a number of business risks that affect its business. The Company has not identified any additional risks or uncertainties for the first six months or the remaining six months of the year 2017.

Investments in subsidiaries

There were no other material acquisitions and disposals of subsidiaries for the six months ended 30 June 2017.

Details of the principal subsidiaries are set out in the financial statements for the year ended 31 December 2016 included in the Annual Report and save for the foregoing, there were no significant changes in the course of the half year ended 30 June 2017.

Interests in associates and joint ventures

The market value of UC RUSAL's stake in Norilsk Nickel was USD6,012 million as at 30 June 2017 compared to USD5,852 million as at 30 June 2016 and USD7,348 million as at 31 December 2016, due to volatility in market conditions.

For further information on interests in associates and joint ventures, please refer to note 10 to the consolidated interim condensed financial information.

Material events in the first half of 2017 and since the end of that period

The following is a summary of the key events that have taken place in the first half of 2017 and since the end of that period. All information regarding key events that have been made public by the Company in the first half of 2017 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*).

26 January 2017	RUSAL published inside information about potential offering of U.S. dollar-denominated fixed rate notes.
02 February 2017	RUSAL announced that the Company had completed the debut offering of Eurobonds with the following key terms: principal amount of USD600 million, tenor five years and coupon rate 5.125% per annum.
16 February 2017	RUSAL announced its operating results for the fourth quarter 2016 and full year 2016.
16 March 2017	RUSAL announced that the first tranche of the Panda Bonds have been priced as follows: principal amount of RMB 1.0 billion, tenor 2+1 years and coupon rate 5.5% per annum.
17 March 2017	RUSAL announced its full results for the year ended 31 December 2016.
05 April 2017	RUSAL announced signing of an agreement with Runaya Metsource LLP, a company promoted by principal shareholders of Vedanta, to create a joint venture on an equal basis in India to produce aluminium pastes and powders.
13 April 2017	RUSAL announced acquisition of share of the foundry and mechanical production facility SKAD (SKAD), which is a producer of aluminium alloy car wheels, located in Krasnoyarsk.
24 April 2017	RUSAL announced its operating results for the first quarter 2017.
25 April 2017	RUSAL announced the pricing of a second Eurobond transaction with the following key parameters: size USD500 million, maturity 6 years and coupon rate 5.3% per annum.
28 April 2017	RUSAL published its Annual Report 2016.
03 May 2017	RUSAL announced the completion of its second USD500 million coupon rate 5.3% per annum offering of Eurobonds due 2023.
12 May 2017	RUSAL announced its results for the three months ended 31 March 2017.
25 May 2017	RUSAL announced that it had entered into a new syndicated Pre-Export Finance Term Facility Agreement.
20 June 2017	RUSAL held Annual General Meeting in Hong Kong.
18 July 2017	RUSAL announced that the Company and Sberbank had agreed to cancel the agreement on the Russian Depository Receipts ("RDR") program.
27 July 2017	RUSAL announced its operating results for the second quarter 2017.
28 July 2017	RUSAL published its Sustainability Report 2016.
11 August 2017	RUSAL announced that it was notified by Zonoville Investments Limited that it (as purchaser) has entered into a sale and purchase agreement with Dimosenco Holdings Co. Limited (as seller), Mr. Mikhail Dmitrievich Prokhorov (as the Seller's guarantor) and Mr. Viktor Vekselberg (as the Purchaser's guarantor) for the sale and the purchase of approximately 7% of the issued share capital of the Company.
14 August 2017	RUSAL announced it has commissioned for pilot production a complex of furnaces for the hardening of wire rods at KAZ, total project investment made USD5.6 million.
15 August 2017	RUSAL announced the launch of a new calciner at IrkAZ, total project investment made USD23.7 million.

Independent Auditors' Report on review of Consolidated Interim Condensed Financial Information

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To the Board of Directors
United Company RUSAL Plc (Incorporated in Jersey with limited liability)

Introduction

We have reviewed the accompanying consolidated interim condensed statement of financial position of United Company RUSAL Plc (the "Company") and its subsidiaries (the "Group") as at 30 June 2017, and the related consolidated interim condensed statements of income and comprehensive income for the three- and six-month periods ended 30 June 2017, changes in equity and cash flows for the six-month period ended 30 June 2017, and notes to the interim financial information (the "consolidated interim condensed financial information"). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of consolidated interim condensed financial information to be in compliance with the relevant provisions thereof and International Financial Reporting Standard IAS 34, Interim Financial Reporting. The directors are responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this consolidated interim condensed financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of consolidated interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim condensed financial information as at 30 June 2017 and for the three- and six-month periods then ended is not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

Yerkozha Akylbek
For and on behalf of JSC "KPMG"
Recognised Auditors
24 August 2017

Consolidated Interim Condensed Statement of Income

	Note	Three months ended 30 June 2017 (unaudited) USD million	Three months ended 30 June 2016 (unaudited) USD million	Six months ended 30 June 2017 (unaudited) USD million	Six months ended 30 June 2016 (unaudited) USD million
Revenue	**5**	**2,467**	**1,982**	**4,764**	**3,896**
Cost of sales	6(a)	(1,790)	(1,507)	(3,478)	(3,053)
Gross profit		**677**	**475**	**1,286**	**843**
Distribution expenses	6(b)	(114)	(85)	(210)	(162)
Administrative expenses	6(b)	(147)	(143)	(292)	(257)
Impairment of non-current assets	6(b)	(64)	(36)	(81)	(55)
Net other operating expenses	6(b)	(35)	(13)	(43)	(1)
Results from operating activities		**317**	**198**	**660**	**368**
Finance income	7	110	7	32	14
Finance expenses	7	(180)	(323)	(491)	(526)
Share of profits of associates and joint ventures	10	79	257	297	439
Profit before taxation		**326**	**139**	**498**	**295**
Income tax	8	(43)	(4)	(28)	(34)
Profit for the period		**283**	**135**	**470**	**261**
Attributable to Shareholders of the Company		283	135	470	261
Profit for the period		**283**	**135**	**470**	**261**
Earnings per share					
Basic and diluted earnings per share (USD)	9	0.0186	0.0089	0.0309	0.0172
Adjusted EBITDA	6(c)	510	344	985	656

Consolidated Interim Condensed Statement of Comprehensive Income

	Note	Three months ended 30 June		Six months ended 30 June	
		2017 (unaudited)	2016 (unaudited)	2017 (unaudited)	2016 (unaudited)
	Note	USD million	USD million	USD million	USD million
Profit for the period		**283**	**135**	**470**	**261**
Other comprehensive income					
Items that will never be reclassified subsequently to profit or loss:					
Actuarial loss on post retirement benefit plans	14	—	(2)	—	(2)
		—	(2)	—	(2)
Items that are or may be reclassified subsequently to profit or loss:					
Change in fair value of cash flow hedges		—	20	—	23
Share of other comprehensive income of associate		(28)	—	(28)	—
Foreign currency translation differences on foreign operations		(72)	128	(11)	177
Foreign currency translation differences for equity-accounted investees	10	(170)	199	122	473
		(270)	347	83	673
Other comprehensive income for the period, net of tax		**(270)**	**345**	**83**	**671**
Total comprehensive income for the period		**13**	**480**	**553**	**932**
Attributable to:					
Shareholders of the Company		**13**	**480**	**553**	**932**

There was no significant tax effect relating to each component of other comprehensive income.

Consolidated Interim Condensed Statement of Financial Position

	Note	30 June 2017 (unaudited) USD million	31 December 2016 USD million
ASSETS			
Non-current assets			
Property, plant and equipment		4,057	4,065
Intangible assets		2,521	2,470
Interests in associates and joint ventures	10	4,183	4,147
Deferred tax assets		62	51
Derivative financial assets	15	67	51
Other non-current assets		58	52
Total non-current assets		**10,948**	**10,836**
Current assets			
Inventories		2,127	1,926
Trade and other receivables	11(a)	907	819
Dividends receivable		316	311
Derivative financial assets	15	29	16
Cash and cash equivalents		619	544
Total current assets		**3,998**	**3,616**
Total assets		**14,946**	**14,452**

	Note	30 June 2017 (unaudited) USD million	31 December 2016 USD million
EQUITY AND LIABILITIES			
Equity	12		
Share capital		152	152
Share premium		15,786	15,786
Other reserves		2,854	2,882
Currency translation reserve		(8,947)	(9,058)
Accumulated losses		(5,993)	(6,463)
Total equity		**3,852**	**3,299**
Non-current liabilities			
Loans and borrowings	13	7,983	7,532
Provisions	14	418	423
Deferred tax liabilities		552	585
Derivative financial liabilities	15	31	3
Other non-current liabilities		62	51
Total non-current liabilities		**9,046**	**8,594**
Current liabilities			
Loans and borrowings	13	971	1,433
Trade and other payables	11(b)	998	1,054
Derivative financial liabilities	15	38	32
Provisions	14	41	40
Total current liabilities		**2,048**	**2,559**
Total liabilities		**11,094**	**11,153**
Total equity and liabilities		**14,946**	**14,452**
Net current assets		**1,950**	**1,057**
Total assets less current liabilities		**12,898**	**11,893**

Approved and authorised for issue by the board of directors on 24 August 2017.

Vladislav A. Soloviev
Chief Executive Officer

Alexandra Y. Bouriko
Chief Financial Officer

Consolidated Interim Condensed Statement of Changes in Equity

	Share capital USD million	Share premium USD million	Other reserves USD million	Currency translation reserve USD million	Accumulated losses USD million	Total equity USD million
Balance at 1 January 2017	**152**	**15,786**	**2,882**	**(9,058)**	**(6,463)**	**3,299**
Profit for the period (unaudited)	—	—	—	—	470	470
Other comprehensive income for the period (unaudited)	—	—	(28)	111	—	83
Total comprehensive income for the period (unaudited)	**—**	**—**	**(28)**	**111**	**470**	**553**
Balance at 30 June 2017 (unaudited)	**152**	**15,786**	**2,854**	**(8,947)**	**(5,993)**	**3,852**
Balance at 1 January 2016	**152**	**15,786**	**2,823**	**(9,978)**	**(7,392)**	**1,391**
Profit for the period (unaudited)	—	—	—	—	261	261
Other comprehensive income for the period (unaudited)	—	—	21	650	—	671
Total comprehensive income for the period (unaudited)	**—**	**—**	**21**	**650**	**261**	**932**
Balance at 30 June 2016 (unaudited)	**152**	**15,786**	**2,844**	**(9,328)**	**(7,131)**	**2,323**

Consolidated Interim Condensed Statement of Cash Flows

	Note	Six months ended 30 June 2017 (unaudited) USD million	 2016 (unaudited) USD million
OPERATING ACTIVITIES			
Profit for the period		470	261
Adjustments for:			
Depreciation	6	239	224
Amortization	6	4	7
Impairment of non-current assets	6(b)	81	55
Impairment/(reversal of impairment) of trade and other receivables	6(b)	1	(6)
(Reversal of impairment)/impairment of inventories		(3)	1
Provision/(reversal of provision) for legal claims	6(b)	3	(1)
Pension provision		2	1
Change in fair value of derivative financial instruments	7	138	119
Net foreign exchange (gain)/loss	7	(23)	108
Loss on disposal of property, plant and equipment	6(b)	1	2
Interest expense	7	353	299
Interest income	7	(9)	(14)
Income tax expense	8	28	34
Share of profits of associates and joint ventures	10	(297)	(439)
Cash from operating activities before changes in working capital and provisions		**988**	**651**
(Increase)/decrease in inventories		(179)	102
Increase in trade and other receivables		(47)	(1)
Increase in prepaid expenses and other assets		—	(6)
Decrease in trade and other payables		(139)	(103)
Decrease in provisions		(10)	(13)
Cash generated from operations before income tax paid		**613**	**630**
Income taxes paid		(44)	(33)
Net cash generated from operating activities		569	597

	Note	Six months ended 30 June 2017 (unaudited) USD million	Six months ended 30 June 2016 (unaudited) USD million
INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		14	2
Interest received		4	14
Loans granted		(9)	(3)
Acquisition of property, plant and equipment		(313)	(190)
Acquisition of intangible assets		(8)	(4)
Acquisition of a subsidiary		(1)	—
Dividends from associates and joint ventures		325	180
Changes in restricted cash		(4)	2
Net cash generated from investing activities		**8**	**1**
FINANCING ACTIVITIES			
Proceeds from borrowings		4,310	1,311
Repayment of borrowings		(4,418)	(1,286)
Refinancing fees and other expenses		(36)	(14)
Interest paid		(261)	(211)
Settlement of derivative financial instruments		(101)	(197)
Net cash used in financing activities		**(506)**	**(397)**
Net increase in cash and cash equivalents		**71**	**201**
Cash and cash equivalents at the beginning of the period		531	494
Effect of exchange rate fluctuations on cash and cash equivalents		—	5
Cash and cash equivalents at the end of the period		**602**	**700**

Restricted cash amounted to USD17 million and USD13 million at 30 June 2017 and 31 December 2016, respectively.

Consolidated Interim Condensed Financial Information

1 Background

(a) Organisation

United Company RUSAL Plc (the "Company" or "UC RUSAL") was established by the controlling shareholder of RUSAL Limited ("RUSAL") as a limited liability company under the laws of Jersey on 26 October 2006. On 27 January 2010, the Company successfully completed a dual placing on the Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange") and the Professional Segment of NYSE Euronext Paris ("Euronext Paris") (the "Global Offering") and changed its legal form from a limited liability company to a public limited company.

On 23 March 2015, the shares of the Company were admitted to listing on PJSC Moscow Exchange MICEX-RTS ("Moscow Exchange") in the First Level quotation list. The trading of shares on Moscow Exchange commenced on 30 March 2015. There was no issue of new shares.

The Company's registered office is 44 Esplanade, St Helier, Jersey, JE4 9WG, Channel Islands.

The Company directly or through its wholly owned subsidiaries controls a number of production and trading entities engaged in the aluminium business and other entities, which together with the Company are referred to as "the Group".

The shareholding structure of the Company as at 30 June 2017 and 31 December 2016 was as follows:

	30 June 2017	31 December 2016
En+ Group Limited ("En+")	48.13%	48.13%
SUAL Partners Limited ("SUAL Partners")	15.80%	15.80%
Onexim Holdings Limited ("Onexim")	13.70%	17.02%
Amokenga Holdings Limited ("Amokenga Holdings")	8.75%	8.75%
Held by Directors	0.25%	0.25%
Publicly held	13.37%	10.05%
Total	**100%**	**100%**

Ultimate beneficiary of En+ is Mr. Oleg Deripaska. Ultimate beneficiary of Onexim is Mr. Mikhail Prokhorov. Major ultimate beneficiaries of SUAL Partners are Mr. Victor Vekselberg and Mr. Len Blavatnik. Amokenga Holdings is a wholly owned subsidiary of Glencore International Plc ("Glencore").

In February 2017 Onexim has disposed of 3.32% of its shares in the Company which resulted in decrease of its shareholding to 13.70% and increase of publicly held shareholding to 13.37%.

In August 2017 Onexim sold 7.0% of its shares in the Company to SUAL Partners. As a result, shareholding of Onexim decreased to 6.7% while shareholding of SUAL Partners increased to 22.8%.

At 30 June 2017 and 31 December 2016, the directors consider the immediate parent of the Group to be En+, which is incorporated in Jersey with its registered office at 44 Esplanade, St Helier, Jersey, JE4 9WG, Channel Islands. En+ is controlled by Fidelitas International Investments Corp. (a company incorporated in Panama) through its wholly-owned subsidiary. Mr. Oleg V. Deripaska is the founder, the trustee and a principal beneficiary of a discretionary trust, which controls Fidelitas International Investments Corp. None of these entities produce financial statements available for public use.

Related party transactions are disclosed in note 17.

The consolidated financial statements of the Group as at and for the year ended 31 December 2016 are available at the Company's website www.rusal.com.

(b) Seasonality

There are no material seasonal events in business activity of the Group.

2 Basis of preparation

(a) Statement of compliance

This consolidated interim condensed financial information has been prepared in accordance with International Accounting Standard No. 34 - Interim Financial Reporting and applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

This consolidated interim condensed financial information does not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards and therefore should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2016.

The IASB has issued a number of new and revised IFRSs. For the purpose of preparing this consolidated interim condensed financial information, the Group has adopted these new and revised IFRSs where applicable:

Amendments to IAS 7: *Disclosure Initiative*

Amendments to IFRS 12: *Recognition of Deferred Tax Assets for Unrealised Losses*

Annual Improvements to IFRSs, 2014-2016 cycle: Amendments to IFRS 12 *Disclosure of Interests in Other Entities*

None of these developments have had a material effect on how the Group's results and financial position for the current and the prior periods have been prepared and presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 Significant accounting policies

The accounting policies and judgments applied by the Group in this consolidated interim condensed financial information are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2016. The adoption of other new standards and amendments did not have a significant impact on the Group.

4 Segment reporting

(a) Reportable segments

The Group has four reportable segments, as described below, which are the Group's strategic business units. These business units are managed separately and the results of their operations are reviewed by the CEO on a regular basis.

Aluminium. The Aluminium segment is involved in the production and sale of primary aluminium and related products.

Alumina. The Alumina segment is involved in the mining and refining of bauxite into alumina and the sale of alumina.

Energy. The Energy segment includes the Group companies and projects engaged in the mining and sale of coal and the generation and transmission of electricity produced from various sources. Where the generating facility is solely a part of an alumina or aluminium production facility it is included in the respective reportable segment.

Mining and Metals. The Mining and Metals segment includes the equity investment in PJSC MMC Norilsk Nickel ("Norilsk Nickel").

Other operations include manufacturing of semi-finished products from primary aluminium for the transportation, packaging, building and construction, consumer goods and technology industries; and the activities of the Group's administrative centres. None of these segments meet any of the quantitative thresholds for determining reportable segments.

The Aluminium and Alumina segments are vertically integrated whereby the Alumina segment supplies alumina to the Aluminium segment for further refining and smelting with limited sales of alumina outside the Group. Integration between the Aluminium, Alumina and Energy segments also includes shared servicing and distribution.

(b) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of income tax assets and corporate assets. Segment liabilities include trade and other payables attributable to the production and sales activities of the individual segments. Loans and borrowings are not allocated to individual segments as they are centrally managed by the head office.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments excluding impairment.

The measure used for reporting segment results is the statement of income before income tax adjusted for items not specifically attributed to individual segments, such as finance income, costs of loans and borrowings and other head office or corporate administration costs. The segment profit or loss is included in the internal management reports that are reviewed by the Group's CEO. Segment profit or loss is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

In addition to receiving segment information concerning segment results, management is provided with segment information concerning revenue (including inter-segment revenue), the carrying value of investments and share of profits/(losses) of associates and joint ventures, depreciation, amortisation, impairment and additions of non-current segment assets used by the segments in their operations. Inter-segment pricing is determined on a consistent basis using market benchmarks.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets other than goodwill.

During six months ended 30 June 2017 the Group has revised its approach to segment allocation for management review and financial reporting purposes. The comparative information in respect of segment assets and liabilities as at 31 December 2016 has been revised accordingly.

(i) Reportable segments

Three months ended 30 June 2017

	Aluminium USD million	Alumina USD million	Energy USD million	Mining and Metals USD million	Total USD million
Revenue from external customers	2,099	250	—	—	2,349
Inter-segment revenue	51	592	—	—	643
Total segment revenue	**2,150**	**842**	**—**	**—**	**2,992**
Segment profit	**351**	**109**	**—**	**—**	**460**
Impairment of non-current assets	(19)	(38)	—	—	(57)
Share of profits of associates and joint ventures	—	—	12	67	79
Depreciation/amortisation	(92)	(30)	—	—	(122)
Non-cash income/expense	2	(1)	—	—	1
Additions to non-current segment assets during the period	82	57	—	—	139
Non-cash additions to non-current segment assets related to site restoration	(1)	(1)	—	—	(2)

Three months ended 30 June 2016

	Aluminium USD million	Alumina USD million	Energy USD million	Mining and Metals USD million	Total USD million
Revenue from external customers	1,640	159	—	—	1,799
Inter-segment revenue	33	344	96	—	473
Total segment revenue	**1,673**	**503**	**96**	**—**	**2,272**
Segment profit/(loss)	**279**	**(15)**	**—**	**—**	**264**
Impairment of non-current assets	(14)	(22)	—	—	(36)
Share of profits of associates and joint ventures	—	—	9	248	257
Depreciation/amortisation	(90)	(18)	—	—	(108)
Non-cash expense	(3)	—	—	—	(3)
Additions to non-current segment assets during the period	51	52	—	—	103
Non-cash additions to non-current segment assets related to site restoration	6	12	—	—	18

Six months ended 30 June 2017

	Aluminium USD million	Alumina USD million	Energy USD million	Mining and Metals USD million	Total USD million
Revenue from external customers	4,030	519	—	—	4,549
Inter-segment revenue	101	1,164	—	—	1,265
Total segment revenue	**4,131**	**1,683**	**—**	**—**	**5,814**
Segment profit	**667**	**237**	**—**	**—**	**904**
Impairment of non-current assets	(38)	(31)	—	—	(69)
Share of profits of associates and joint ventures	—	—	53	244	297
Depreciation/amortisation	(172)	(56)	—	—	(228)
Non-cash income	2	—	—	—	2
Additions to non-current segment assets during the period	139	102	—	—	241
Non-cash movements in non-current segment assets related to site restoration	1	(1)	—	—	—

Six months ended 30 June 2016

	Aluminium USD million	Alumina USD million	Energy USD million	Mining and Metals USD million	Total USD million
Revenue from external customers	3,234	312	—	—	3,546
Inter-segment revenue	52	642	96	—	790
Total segment revenue	**3,286**	**954**	**96**	**—**	**4,336**
Segment profit/(loss)	**509**	**(27)**	**—**	**—**	**482**
Impairment of non-current assets	(25)	(30)	—	—	(55)
Share of profits of associates and joint ventures	—	—	69	370	439
Depreciation/amortisation	(188)	(39)	—	—	(227)
Non-cash income	4	3	—	—	7
Additions to non-current segment assets during the period	126	55	—	—	181
Non-cash movements in non-current segment assets related to site restoration	20	12	—	—	32

At 30 June 2017

	Aluminium USD million	Alumina USD million	Energy USD million	Mining and Metals USD million	Total USD million
Segment assets	6,528	2,064	—	316	8,908
Interests in associates and joint ventures	—	—	609	3,570	4,179
Total segment assets					**13,087**
Segment liabilities	(575)	(640)	(9)	—	(1,224)
Total segment liabilities					**(1,224)**

31 December 2016

	Aluminium USD million	Alumina USD million	Energy USD million	Mining and Metals USD million	Total USD million
Segment assets	6,321	2,002	13	306	8,642
Interests in associates and joint ventures	—	—	552	3,592	4,144
Total segment assets					**12,786**
Segment liabilities	(566)	(601)	(10)	—	(1,177)
Total segment liabilities					**(1,177)**

(ii) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

	Three months ended		Six months ended	
	30 June 2017 USD million	30 June 2016 USD million	30 June 2017 USD million	30 June 2016 USD million
Revenue				
Reportable segment revenue	2,992	2,272	5,814	4,336
Elimination of inter-segment revenue	(637)	(473)	(1,259)	(790)
Unallocated revenue	112	183	209	350
Consolidated revenue	**2,467**	**1,982**	**4,764**	**3,896**

	Three months ended 30 June		Six months ended 30 June	
	2017	2016	2017	2016
	USD million	USD million	USD million	USD million
Profit				
Reportable segment profit	460	264	904	482
Impairment of non-current assets	(64)	(36)	(81)	(55)
Share of profits of associates and joint ventures	79	257	297	439
Finance income	110	7	32	14
Finance expenses	(180)	(323)	(491)	(526)
Unallocated expense	(79)	(30)	(163)	(59)
Consolidated profit before taxation	**326**	**139**	**498**	**295**

	30 June	31 December
	2017	2016
	USD million	USD million
Assets		
Reportable segment assets	13,087	12,786
Unallocated assets	1,859	1,666
Consolidated total assets	**14,946**	**14,452**

	30 June	31 December
	2017	2016
	USD million	USD million
Liabilities		
Reportable segment liabilities	(1,224)	(1,177)
Unallocated liabilities	(9,870)	(9,976)
Consolidated total liabilities	**(11,094)**	**(11,153)**

5 Revenue

	Three months ended 30 June		Six months ended 30 June	
	2017	2016	2017	2016
	USD million	USD million	USD million	USD million
Sales of primary aluminium and alloys	**2,085**	**1,640**	**4,005**	**3,234**
Third parties	*1,414*	*1,069*	*2,665*	*1,952*
Related parties – companies capable of exerting significant influence	*624*	*536*	*1,258*	*1,218*
Related parties – companies under common control	*47*	*35*	*82*	*64*
Sales of alumina and bauxite	**179**	**160**	**371**	**313**
Third parties	*105*	*84*	*216*	*182*
Related parties – companies capable of exerting significant influence	*47*	*52*	*103*	*88*
Related parties – associates and joint ventures	*27*	*24*	*52*	*43*
Sales of foil and other products	**82**	**62**	**141**	**113**
Third parties	*82*	*62*	*141*	*112*
Related parties – companies under common control	—	—	—	*1*
Other revenue including energy and transportation services	**121**	**120**	**247**	**236**
Third parties	*98*	*95*	*205*	*187*
Related parties – companies capable of exerting significant influence	*2*	*2*	*5*	*8*
Related parties – companies under common control	*8*	*6*	*13*	*10*
Related parties – associates and joint ventures	*13*	*17*	*24*	*31*
	2,467	**1,982**	**4,764**	**3,896**

6 Cost of sales and operating expenses

(a) Cost of sales

	Three months ended 30 June		Six months ended 30 June	
	2017	2016	2017	2016
	USD million	USD million	USD million	USD million
Cost of alumina, bauxite and other materials	**(763)**	**(728)**	**(1,518)**	**(1,404)**
Third parties	*(687)*	*(646)*	*(1,348)*	*(1,261)*
Related parties – companies capable of exerting significant influence	*(33)*	*(41)*	*(82)*	*(64)*
Related parties – companies under common control	*(15)*	*(10)*	*(30)*	*(19)*
Related parties – associates and joint ventures	*(28)*	*(31)*	*(58)*	*(60)*
Purchases of primary aluminium	**(167)**	**(66)**	**(329)**	**(148)**
Third parties	*(91)*	*(6)*	*(186)*	*(31)*
Related parties – companies capable of exerting significant influence	*(3)*	—	*(5)*	—
Related parties – companies under common control	*(4)*	*(3)*	*(6)*	*(5)*
Related parties – associates and joint ventures	*(69)*	*(57)*	*(132)*	*(112)*
Energy costs	**(514)**	**(400)**	**(1,049)**	**(795)**
Third parties	*(276)*	*(281)*	*(621)*	*(480)*
Related parties – companies capable of exerting significant influence	*(3)*	*(1)*	*(6)*	*(2)*
Related parties – companies under common control	*(230)*	*(115)*	*(414)*	*(208)*
Related parties – associates and joint ventures	*(5)*	*(3)*	*(8)*	*(105)*
Personnel costs	**(146)**	**(134)**	**(286)**	**(257)**
Depreciation and amortisation	**(125)**	**(106)**	**(234)**	**(221)**
Change in finished goods	**(26)**	**(23)**	**40**	**(125)**
Other costs	**(49)**	**(50)**	**(102)**	**(103)**
Third parties	*(40)*	*(42)*	*(85)*	*(90)*
Related parties – companies under common control	*(9)*	*(8)*	*(17)*	*(13)*
	(1,790)	**(1,507)**	**(3,478)**	**(3,053)**

(b) Distribution, administrative and other operating expenses, and impairment of non-current assets

	Three months ended 30 June		Six months ended 30 June	
	2017	2016	2017	2016
	USD million	USD million	USD million	USD million
Personnel costs	(68)	(79)	(154)	(133)
Transportation expenses	(96)	(80)	(172)	(146)
Impairment of non-current assets	(64)	(36)	(81)	(55)
Lease and security	(14)	(12)	(27)	(20)
Taxes other than on income	(10)	(12)	(21)	(23)
Consulting and legal expenses	(20)	(10)	(30)	(24)
Packaging materials	(8)	(7)	(16)	(13)
Repair and other services	(10)	(7)	(14)	(14)
Depreciation and amortisation	(4)	(5)	(9)	(10)
Charitable donations	(7)	(4)	(9)	(6)
Auditors' remuneration	(1)	(1)	(3)	(3)
Gain/(loss) on disposal of property, plant and equipment	—	1	(1)	(2)
(Impairment) /reversal of impairment of trade and other receivables	(1)	(1)	(1)	6
(Provision) /reversal of provision for legal claims	(3)	—	(3)	1
Other expenses	(54)	(24)	(85)	(33)
	(360)	**(277)**	**(626)**	**(475)**

Other expenses in amount USD54 million during three- and six-month periods ended 30 June 2017 include penalties of USD22 million that relate to the amount paid by the Group in relation to the legal claim from Swedish electricity supplier.

(c) EBITDA and operating effectiveness measures

Adjusted EBITDA is the key non-IFRS financial measure used by the Group as reference for assessing operating effectiveness.

	Three months ended 30 June		Six months ended 30 June	
	2017	**2016**	**2017**	**2016**
	USD million	**USD million**	**USD million**	**USD million**
Results from operating activities	317	198	660	368
Add:				
Amortisation and depreciation	129	111	243	231
Impairment of non-current assets	64	36	81	55
(Gain)/loss on disposal of property, plant and equipment	—	(1)	1	2
Adjusted EBITDA	**510**	**344**	**985**	**656**

7 Finance income and expenses

	Three months ended 30 June		Six months ended 30 June	
	2017	**2016**	**2017**	**2016**
	USD million	**USD million**	**USD million**	**USD million**
Finance income				
Interest income on third party loans and deposits	6	7	8	13
Interest income on loans to related parties – *companies under common control*	—	—	1	1
Net foreign exchange gain	—	—	23	—
Change in fair value of derivative financial instruments (refer to note 15)	104	—	—	—
	110	**7**	**32**	**14**
Finance expenses				
Interest expense on bank loans and bonds wholly repayable within 5 years and other bank charges	(170)	(74)	(346)	(144)
Interest expense on bank loans and bonds wholly repayable after 5 years	(4)	(75)	(4)	(146)
Interest expense on company loans from related parties – *companies exerting significant influence*	—	—	(1)	(5)
Interest expense on provisions	(2)	(3)	(2)	(4)
Net foreign exchange loss	(4)	(58)	—	(108)
Change in fair value of derivative financial instruments (refer to note 15)	—	(113)	(138)	(119)
	(180)	**(323)**	**(491)**	**(526)**

8 Income tax

	Three months ended 30 June		Six months ended 30 June	
	2017	2016	2017	2016
	USD million	USD million	USD million	USD million
Current tax				
Current tax for the period	30	26	71	51
Deferred tax				
Origination and reversal of temporary differences	13	(22)	(43)	(17)
Actual tax expense	**43**	**4**	**28**	**34**

The Company is a tax resident of Cyprus with an applicable corporate tax rate of 12.5%. Subsidiaries pay income taxes in accordance with the legislative requirements of their respective tax jurisdictions. For subsidiaries domiciled in Russia, the applicable tax rate is 20%; in Ukraine of 18%; Guinea of 0%; China of 25%; Kazakhstan of 20%; Australia of 30%; Jamaica of 25%; Ireland of 12.5%; Sweden of 22% and Italy of 27.9%. For the Group's subsidiaries domiciled in Switzerland the applicable tax rate for the period is the corporate income tax rate in the Canton of Zug, Switzerland, which may vary depending on the subsidiary's tax status. The rate consists of a federal income tax and cantonal/communal income and capital taxes. The latter includes a base rate and a multiplier, which may change from year to year. Applicable income tax rates for 2017 are 9.27% and 14.60% for different subsidiaries. For the Group's significant trading companies, the applicable tax rate is 0%. The applicable tax rates for the period ended 30 June 2017 were the same as for the period ended 30 June 2016 and the year ended 31 December 2016, except for Italy where the tax rate was 30.4%.

9 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders for the three- and six-months periods ended 30 June 2017 and 30 June 2016.

Weighted average number of shares:

	Three months ended 30 June	
	2017	**2016**
Issued ordinary shares at beginning of the period	15,193,014,862	15,193,014,862
Effect of treasury shares	—	(4,773)
Weighted average number of shares at end of the period	15,193,014,862	15,193,010,089
Profit for the period, USD million	**283**	**135**
Basic and diluted earnings per share, USD	**0.0186**	**0.0089**

	Six months ended 30 June	
	2017	**2016**
Issued ordinary shares at beginning of the period	15,193,014,862	15,193,014,862
Effect of treasury shares	—	(4,773)
Weighted average number of shares at end of the period	15,193,014,862	15,193,010,089
Profit for the period, USD million	**470**	**261**
Basic and diluted earnings per share, USD	**0.0309**	**0.0172**

There were no outstanding dilutive instruments during the periods ended 30 June 2017 and 30 June 2016.

No dividends were declared and paid during the periods presented.

10 Interests in associates and joint ventures

	Three months ended 30 June	
	2017	2016
	USD million	USD million
Balance at the beginning of the period	**4,657**	**3,613**
Group's share of profits	79	257
Dividends	(355)	(156)
Group's share of other comprehensive income of associate	(28)	—
Foreign currency translation	(170)	199
Balance at the end of the period	**4,183**	**3,913**
Goodwill included in interests in associates	2,543	2,339

	Six months ended 30 June	
	2017	2016
	USD million	USD million
Balance at the beginning of the period	**4,147**	**3,214**
Group's share of profits	297	439
Dividends	(355)	(163)
Reversal of provision for guarantee included in share of profits	—	(50)
Group's share of other comprehensive income of associate	(28)	—
Foreign currency translation	122	473
Balance at the end of the period	**4,183**	**3,913**
Goodwill included in interests in associates	2,543	2,339

Investment in Norilsk Nickel

The market value of the investment in Norilsk Nickel at 30 June 2017 is USD6,012 million (31 December 2016: USD7,348 million). The market value is determined by multiplying the quoted bid price per share on the Moscow Exchange on reporting date by the number of shares held by the Group.

11 Non-derivative financial instruments

(a) Trade and other receivables

	30 June 2017 USD million	31 December 2016 USD million
Trade receivables from third parties	320	252
Impairment loss on trade receivables	(14)	(14)
Net trade receivables from third parties	**306**	**238**
Trade receivables from related parties, including:	**48**	**73**
Related parties – companies capable of exerting significant influence	*28*	*56*
Related parties – companies under common control	*15*	*8*
Related parties – associates and joint ventures	*5*	*9*
VAT recoverable	287	243
Impairment loss on VAT recoverable	(26)	(26)
Net VAT recoverable	**261**	**217**
Advances paid to third parties	93	85
Impairment loss on advances paid	(3)	(3)
Net advances paid to third parties	**90**	**82**
Advances paid to related parties, including:	**60**	**51**
Related parties – companies under common control	*8*	*7*
Related parties – associates and joint ventures	*52*	*44*
Prepaid expenses	**4**	**4**
Prepaid income tax	**27**	**32**
Prepaid other taxes	**17**	**16**
Other receivables from third parties	98	107
Impairment loss on other receivables	(8)	(7)
Net other receivables from third parties	**90**	**100**
Other receivables from related parties, including:	**4**	**6**
Related parties – companies under common control	*3*	*4*
Related parties – associates and joint ventures	*1*	*2*
	907	**819**

All of the trade and other receivables are expected to be settled or recognised as an expense within one year or are repayable on demand.

(i) Ageing analysis

Included in trade and other receivables are trade receivables (net of allowance for doubtful debts) with the following ageing analysis as of the reporting dates:

	30 June 2017 USD million	31 December 2016 USD million
Current	290	273
Past due 0-90 days	57	32
Past due 91-365 days	5	4
Past due over 365 days	2	2
Amounts past due	64	38
	354	**311**

Aging analysis is performed based on number of days receivable is overdue. Trade receivables are on average due within 60 days from the date of billing. The receivables that are neither past due nor impaired (i.e. current) relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

(ii) Impairment of trade receivables

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

	Three months ended 30 June	
	2017	2016
	USD million	USD million
Balance at the beginning of the period	**(14)**	**(18)**
Reversal of impairment	—	—
Balance at the end of the period	**(14)**	**(18)**

	Six months ended 30 June	
	2017	2016
	USD million	USD million
Balance at the beginning of the period	**(14)**	**(25)**
Reversal of impairment	—	7
Balance at the end of the period	**(14)**	**(18)**

As at 30 June 2017 and 31 December 2016, the Group's trade receivables of USD14 million and USD14 million, respectively, were individually determined to be impaired. Management assessed that the receivables were not expected to be recovered. Consequently, specific allowances for doubtful debts were recognised.

The Group does not hold any collateral over these balances.

(b) Trade and other payables

	30 June 2017 USD million	31 December 2016 USD million
Accounts payable to third parties	**434**	**423**
Accounts payable to related parties, including:	**87**	**69**
Related parties – companies capable of exerting significant influence	*18*	*18*
Related parties – companies under common control	*43*	*26*
Related parties – associates and joint ventures	*26*	*25*
Advances received	**164**	**141**
Advances received from related parties, including:	**100**	**165**
Related parties – companies capable of exerting significant influence	*100*	*165*
Other payables and accrued liabilities	**117**	**139**
Other payable and accrued liabilities related parties, including:	**9**	**8**
Related parties – associates and joint ventures	*9*	*8*
Current tax liabilities	**10**	**13**
Other taxes payable	**77**	**96**
	998	**1,054**

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

12 Equity

(a) Share capital

	Six months ended 30 June 2017		Six months ended 30 June 2016	
	USD	Number of shares	USD	Number of shares
Ordinary shares at the end of the period, authorised	200 million	20 billion	200 million	20 billion
Ordinary shares at 1 January	151,930,148	15,193,014,862	151,930,148	15,193,014,862
Ordinary shares at the end of the period of USD0.01 each, issued and paid	**151,930,148**	**15,193,014,862**	**151,930,148**	**15,193,014,862**

(b) Other reserves

Other reserves include the cumulative unrealised actuarial gains and losses on the Group's defined post retirement benefit plans, the effective portion of the accumulative net change in fair value of cash flow hedges and the Group's share of other comprehensive income of associates.

(c) Distributions

In accordance with the Companies (Jersey) Law 1991 (the "Law"), the Company may make distributions at any time in such amounts as are determined by the Company out of the assets of the Company other than the capital redemption reserves and nominal capital accounts, provided that the directors of the Company make a solvency statement in accordance with the laws of Jersey at the time the distributions are authorised. Dividend pay-outs are restricted in accordance with the credit facilities.

(d) Currency translation reserve

The currency translation reserve comprises all foreign exchange differences arising from the translation of the consolidated financial statements of foreign operations and equity accounted investees.

13 Loans and borrowings

This note provides information about the contractual terms of the Group's loans and borrowings.

	30 June 2017 USD million	31 December 2016 USD million
Non-current liabilities		
Secured bank loans	6,479	6,991
Unsecured bank loans	147	346
Bonds	1,357	195
	7,983	**7,532**
Current liabilities		
Secured bank	895	1,365
Bonds	31	1
Accrued interest	45	67
	971	**1,433**

(a) Loans and borrowings

Certain bank loans of the Group are secured by pledges of shares of the Group's subsidiaries and by pledges of the shares of an associate, the details of which are disclosed in the Group's consolidated financial statements as of and for the year ended 31 December 2016.

During the six month period ended 30 June 2017 the Group released 25% less two shares of each of RUSAL Bratsk, RUSAL Sayanogorsk, 25% plus one share of SUAL, 50% less one share of RUSAL Krasnoyarsk and 40% plus one share of RUSAL Novokuznetsk from the pledge due to refinancing the Combined PXF Facility.

The secured bank loans are also secured by the following:

- inventory with a carrying value of USD372 million (31 December 2016: USD392 million);
- property, plant and equipment, receivables with a carrying amount of USD246 million (31 December 2016: USD248 million).

As at 30 June 2017 and 31 December 2016 rights, including all monies and claims, arising out of certain sales contracts between the Group's trading subsidiaries and its ultimate customers, were assigned to secure the new syndicated Pre-Export Finance Term Facility Agreement (PXF) dated 24 May 2017.

The nominal value of the Group's loans and borrowings was USD7,635 million at 30 June 2017 (31 December 2016: USD8,852 million).

On 17 March 2017 the Group executed amendments to the existing credit facilities with Sberbank. Under USD credit agreements the interest rate was decreased from 3M Libor + 5.75% p.a. (incl. 1.05% PIK) to 3M Libor + 4.75% p.a. (subject to min 3M Libor at the level of 1%), effective from 29 December 2016. Under RUB credit facility outstanding exposure was converted into USD (at the rate of Central Bank of Russia as of the date of conversion). The interest rate of 3M Libor + 4.75% p.a. (subject to min 3M Libor at the level of 1%), is effective from 18 March 2017.

In March 2017 the Group through its subsidiaries entered into the REPO transaction backed by bonds issued by RUSAL Bratsk – in number of 7,527,646 series 08 bonds. As a result of the transactions the Group raised funding in the amount of EUR100 million (USD107 million) with fifteen months maturity at an effective rate of 2.6% p.a.

On 24 May 2017 the Group entered into a new syndicated Pre-Export Finance Term Facility Agreement (PXF) in the amount of USD1.7 billion, interest rate 3M LIBOR+3% per annum, maturity 5 years (repayment starting in 2 years). The proceeds of the facility were used for the purpose of refinancing the Company's current debt.

During the six month period ended 30 June 2017 the Group made a principal repayment in total amounts of USD2,821 million and EUR76 million (USD102 million) under the Combined PXF Facility, credit facilities with Gazprombank, VTB Capital, Sovcombank and Credit Bank of Moscow.

(b) Bonds

As at 30 June 2017 1,821,565 series 07 bonds, 51,509 series 08 bonds and 6,461,320 series BO-01 bonds were outstanding (traded in the market).

The closing market price at 30 June 2017 was RUB1,021, RUB995, RUB1,062 per bond for the first, second and the third tranches, respectively.

In February 2017 the Company completed the debut offering of Eurobonds with the following key terms: principal amount of USD600 million, tenor of 5 years, coupon rate of 5.125% per annum. The bonds proceeds, excluding related expenses, in the amount of USD597 million were applied for partial prepayment of RUSAL's existing pre-export finance facility. The closing market price at 30 June 2017 was USD1,000 per bond.

In February 2017 the Company registered Panda Bond Offering Circular for the total amount of RMB10 billion (c. USD1.5 billion) with the Shanghai Stock Exchange with the right to make placement in tranches with different maturities but not higher than 7 years. In March 2017 the first tranche of RMB1 billion was placed for 3 years and 5.5% per annum. The tranche is subject to put option after 2 years. The funds were used for working capital needs and refinancing of existing debt.

On 3 April 2017 RUSAL Bratsk announced a coupon rate in respect to the series 08 bonds at the level of 9% per annum for the 13-16 semi-annual coupon periods after which the series 08 bonds will be subject to a put option and coupon rate revision. On 12 April 2017 the Company exercised a put option on the outstanding RUB-denominated bonds series 08.

In May 2017 the Company completed the offering of Eurobonds with the following key terms: principal amount of USD500 million, tenor of 6 years, coupon rate of 5.3% per annum. The bonds proceeds were applied for partial prepayment of RUSAL's debt. The closing market price at 30 June 2017 was USD1,011.

14 Provisions

USD million	Pension liabilities	Site restoration	Provisions for legal claims	Tax provisions	Provision for guarantee	Total
Balance at 1 April 2016	**56**	**394**	**12**	**37**	**50**	**549**
Provisions made during the period	1	20	—	—	—	21
Actuarial loss	2	—	—	—	—	2
Provisions utilised during the period	(1)	(1)	(1)	(3)	—	(6)
Foreign currency translation	3	1	—	—	—	4
Balance at 30 June 2016	**61**	**414**	**11**	**34**	**50**	**570**
Non-current	***56***	***400***	***—***	***28***	***50***	***534***
Current	***5***	***14***	***11***	***6***	***—***	***36***
Balance at 1 April 2017	**62**	**369**	**—**	**23**	**—**	**454**
Provisions made during the period	2	1	3	—	—	6
Provisions utilised during the period	(1)	—	—	(6)	—	(7)
Foreign currency translation	(2)	8	—	—	—	6
Balance at 30 June 2017	**61**	**378**	**3**	**17**	**—**	**459**
Non-current	***56***	***359***	***—***	***3***	***—***	***418***
Current	***5***	***19***	***3***	***14***	***—***	***41***

USD million	Pension liabilities	Site restoration	Provisions for legal claims	Tax provisions	Provision for guarantee	Total
Balance at 1 January 2016	**52**	**365**	**13**	**42**	**100**	**572**
Provisions made during the period	3	34	—	—	—	37
Provisions reversed during the period	—	—	(1)	—	(50)	(51)
Actuarial loss	2	—	—	—	—	2
Provisions utilised during the period	(2)	(1)	(1)	(8)	—	(12)
Foreign currency translation	6	16	—	—	—	22
Balance at 30 June 2016	**61**	**414**	**11**	**34**	**50**	**570**
Non-current	***56***	***400***	***—***	***28***	***50***	***534***
Current	***5***	***14***	***11***	***6***	***—***	***36***
Balance at 1 January 2017	**57**	**381**	**—**	**25**	**—**	**463**
Provisions made during the period	4	4	3	—	—	11
Provisions reversed during the period	—	(28)	—	—	—	(28)
Provisions utilised during the period	(2)	—	—	(8)	—	(10)
Foreign currency translation	2	21	—	—	23	
Balance at 30 June 2017	**61**	**378**	**3**	**17**	**—**	**459**
Non-current	***56***	***359***	***—***	***3***	***—***	***418***
Current	***5***	***19***	***3***	***14***	***—***	***41***

15 Derivative financial assets/liabilities

	30 June 2017 USD million		31 December 2016 USD million	
	Derivative assets	Derivative liabilities	Derivative assets	Derivative liabilities
Petroleum coke supply contracts and other raw materials	81	38	62	5
Forward contracts for aluminium and other instruments	15	31	5	30
Total	**96**	**69**	**67**	**35**

Derivative financial instruments are recorded at their fair value at each reporting date. Fair value is estimated in accordance with Level 3 of the fair value hierarchy based on management estimates and consensus economic forecasts of relevant future prices, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the date of the event or change in circumstances that caused the transfer. There were no changes in valuation techniques during three- and six-month periods ended 30 June 2017. The following significant assumptions were used in estimating derivative instruments:

	2017	2018	2019	2020	2021	2022	2023	2024	2025
LME Al Cash, USD per tonne	1,920	1,944	1,972	1,996	2,024	2,064	2,112	2,160	2,208
Platt's FOB Brent, USD per barrel	49	51	52	54	55	56	—	—	—

The movement in the balance of Level 3 fair value measurements of derivatives is as follows:

	Three months ended 30 June	
	2017	2016
	USD million	USD million
Balance at the beginning of the period	**(74)**	**(277)**
Unrealised changes in fair value recognised in other comprehensive income during the period	—	20
Unrealised changes in fair value recognised in statement of income (finance income/(expense)) during the period	104	(113)
Realised portion of electricity, coke and raw material contracts	(3)	190
Balance at the end of the period	**27**	**(180)**

	Six months ended 30 June	
	2017	2016
	USD million	USD million
Balance at the beginning of the period	**32**	**(300)**
Unrealised changes in fair value recognised in other comprehensive income during the period	—	23
Unrealised changes in fair value recognised in statement of income (finance expense) during the period	(138)	(119)
Realised portion of electricity, coke and raw material contracts	133	216
Balance at the end of the period	**27**	**(180)**

Sensitivity analysis showed that derivative financial instruments are not particularly sensitive to changes in main inputs.

16 Commitments and contingencies

(a) Capital commitments

The Group has entered into contracts that result in contractual obligations primarily relating to various construction and capital repair works. The commitments at 30 June 2017 and 31 December 2016 approximated USD180 million and USD157 million, respectively. These commitments are due over a number of years.

(b) Taxation

Russian tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activities of the Group may be challenged by the relevant local, regional and federal authorities. Notably recent developments in the Russian environment suggest that the authorities in this country are becoming more active in seeking to enforce, through the Russian court system, interpretations of the tax legislation, in particular in relation to the use of certain commercial trading structures, which may be selective for particular tax payers and different to the authorities' previous interpretations or practices. Different and selective interpretations of tax regulations by various government authorities and inconsistent enforcement create further uncertainties in the taxation environment in the Russian Federation.

In addition to the amounts of income tax the Group has provided, there are certain tax positions taken by the Group where it is reasonably possible (though less than 50% likely) that additional tax may be payable upon examination by the tax authorities or in connection with ongoing disputes with tax authorities. The Group's best estimate of the aggregate maximum of additional amounts that it is reasonably possible may become payable if these tax positions were not sustained at 30 June 2017 is USD244 million (31 December 2016: USD225 million).

(c) Environmental contingencies

The Group and its predecessor entities have operated in the Russian Federation, Ukraine, Jamaica, Guyana, the Republic of Guinea and the European Union for many years and certain environmental problems have developed. Governmental authorities are continually considering environmental regulations and their enforcement and the Group periodically evaluates its obligations related thereto. As obligations are determined, they are recognised immediately. The outcome of environmental liabilities under proposed or any future legislation, or as a result of stricter enforcement of existing legislation, cannot reasonably be estimated. Under current levels of enforcement of existing legislation, management believes there are no possible liabilities, which will have a material adverse effect on the financial position or the operating results of the Group. However, the Group anticipates undertaking significant capital projects to improve its future environmental performance and to bring it into full compliance with current legislation.

(d) Legal contingencies

The Group's business activities expose it to a variety of lawsuits and claims which are monitored, assessed and contested on the ongoing basis. Where management believes that a lawsuit or another claim would result in the outflow of the economic benefits for the Group, a best estimate of such outflow is included in provisions in the consolidated interim condensed financial information (refer to note 14). As at 30 June 2017 the amount of claims, where management assesses outflow as possible approximates USD37 million (31 December 2016: USD60 million).

In January 2013, the Company received a writ of summons and statement of claim filed in the High Court of Justice of the Federal Capital Territory of Nigeria (Abuja) by plaintiff BFIG Group Divino Corporation ("BFIG") against certain subsidiaries of the Company. It is a claim for damages arising out of the defendants' alleged tortious interference in the bid process for the sale of the Nigerian government's majority stake in the Aluminium Smelter Company of Nigeria ("ALSCON") and alleged loss of BFIG's earnings resulting from its failed bid for the said stake in ALSCON. BFIG seeks compensatory damages in the amount of USD2.8 billion. In January 2014 the court granted the Company's motion to join the Federal Republic of Nigeria and Attorney General of Nigeria to the case as co-defendants. The next hearing is currently scheduled for 26 September 2017. Based on a preliminary assessment of the claim, the Company does not expect the case to have any material adverse effect on the Group's financial position or its operation as a whole.

17 Related party transactions

(a) Transactions with management and close family members

Management remuneration

Key management received the following remuneration, which is included in personnel costs:

	Three months ended 30 June		Six months ended 30 June	
	2017	2016	2017	2016
	USD million	USD million	USD million	USD million
Salaries and bonuses	29	23	42	38
	29	**23**	**42**	**38**

(b) Transactions with associates and joint ventures

Sales to associates and joint ventures are disclosed in note 5, purchases from associates and joint ventures are disclosed in note 6, accounts receivable from associates and joint ventures as well as accounts payable to associates and joint ventures are disclosed in note 11.

(c) Transactions with other related parties

The Group transacts with other related parties, the majority of which are entities under common control with the Group or under the control of SUAL Partners Limited or its controlling shareholders or Glencore International Plc or entities under its control or Onexim Holdings Limited or its controlling shareholders.

Sales to related parties for the period are disclosed in note 5, purchases from related parties are disclosed in note 6, finance income and expenses with related parties are disclosed in note 7, accounts receivable from related parties as well as accounts payable to related parties are disclosed in note 11.

(d) Related parties balances

At 30 June 2017, included in non-current assets are balances of related parties – companies under common control of USD42 million and balances of related parties – associates and joint ventures of USD 9 million (31 December 2016: USD41 million and USD nil million, respectively).

(e) Pricing policies

Prices for transactions with related parties are determined on a case by case basis but are not necessarily at arm's length.

The Group has entered into three categories of related-party transactions: (i) those entered into on an arm's length basis, (ii) those entered into on non-arm's length terms but as part of a wider deal resulting from arms' length negotiations with unrelated third parties, and (iii) transactions unique to the Group and the counterparty.

18 Events subsequent to the reporting date

(a) Dividends

On 24 August 2017 the board of directors approved an interim dividend of USD299.3 million (USD 0.0197 per ordinary share) for 2017.

(b) Loans and borrowings

The Company has agreed with Sberbank to extend final maturity under loans secured by Norilsk Nickel shares to 2024 and decrease interest margin from 4.75% to 3.75%.

In August the Company executed amendments to Gazprombank facilities, reducing interest margin from 4.5% to 3.5%, extending final maturity and adjusting covenants in line with New PXF.

Information Provided in Accordance with the Listing Rules and Euronext Paris Requirements

Repurchase, sale and redemption by the Group of its securities during the period

Neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of its listed securities during the six months ended 30 June 2017.

Directors' Particulars

Retirement, Re-appointment and Appointment of Directors

In accordance with Article 24.2 of the Articles of Association, each of Mr. Mark Garber and Mr. Matthias Warnig (being independent non-executive directors), Mr. Dmitry Afanasiev, Mr. Ivan Glasenberg, Mr. Maksim Goldman and Ms. Olga Mashkovskaya (being non-executive Directors) retired from directorship by rotation at the annual general meeting held on 20 June 2017 ("**Annual General Meeting**"). Each of Mr. Mark Garber, Mr. Matthias Warnig, Mr. Dmitry Afanasiev, Mr. Ivan Glasenberg, Mr. Maksim Goldman and Ms. Olga Mashkovskaya being eligible for re-election, offered themselves for re-election at the Annual General Meeting, and were each re-appointed. Moreover, Mr. Siegfried Wolf (being an executive Director) and Mr. Marco Musetti (being a non-executive Director) who had been appointed by the Board to hold office until the Annual General Meeting, offered themselves for re-appointment at the Annual General Meeting, were each re-appointed.

Change of particulars of Directors

Ms. Ekaterina Nikitina was appointed as a Director of Oleg Deripaska Social Innovations Fund "Volnoe Delo" from 30 June 2017.

Dr. Elsie Leung Oi-sie ceased to be an independent non-executive director of Beijing Tong Ren Tong Chinese Medicine Co. Ltd. and was appointed as an independent non-executive director of PetroChina Co. Ltd. from July 2017.

Mr. Daniel Lesin Wolfe ceased to be the deputy chief executive officer of Onexim Group Limited after 31 July 2017. Mr. Wolfe ceased to serve on the board of directors of Renaissance Capital after June 2017. Mr. Wolfe also ceased to serve on the board of directors of Onexim Sports and Entertainment Holdings USA, Inc., Brooklyn Basketball Holdings LLC and Brooklyn Arena, LLC, after June 2017.

Mr. Philip Lader ceased to serve on the board of AES Corporation after May 2017.

Save as disclosed above, there was no change of particulars of the Directors which are required to be disclosed under Rule 13.51 B (1) of the Listing Rules.

Directors' and Chief Executive Officer's and Substantial Shareholders' interests in Shares

Directors' and Chief Executive Officer's interests

As at 30 June 2017, the interests and short positions of the Directors and Chief Executive Officer in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which have been notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and Chief Executive Officer are taken or deemed to have under such provisions of the SFO, or which are required to be and are recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified by the Directors to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix 10 to the Listing Rules (as incorporated by the Company in its "Codes for Securities Transactions"– for further information, please refer to the section on "Codes for Securities Transactions" below) were as set out below:

Interests in Shares

Name of Director/Chief Executive Officer	Capacity	Number of Shares as at 30 June 2017	Percentage of issued share capital as at 30 June 2017
Oleg Deripaska	Beneficiary of a trust (Note 1)	7,312,299,974(L)	48.13%
	Beneficial owner (Note 2)	35,374,065 (L)	0.23%
	Total	**7,347,674,039 (L)**	**48.36%**
Vladislav Soloviev	Beneficial owner	1,311,629 (L)	0.008%
Maxim Sokov	Beneficial owner (Note 2)	413,751 (L)	0.003%

(L) Long position

Notes – see notes on page 73.

Interests in the shares of associated corporations of UC RUSAL

As at 30 June 2017, Mr. Oleg Deripaska, the President and an executive Director of UC RUSAL, had disclosed interests in the shares of a number of associated corporations (within the meaning of Part XV of the SFO) of UC RUSAL, the details of which are set out in the "Disclosure of Interests" section on the website of the Hong Kong Stock Exchange at www.hkexnews.hk. The inclusion of the particulars of all of the associated corporations would add excessive length to the Interim Report. To the extent that such particulars are available on the website of the Hong Kong Stock Exchange, setting out such particulars in the Interim Report would not provide additional information to the readers. Therefore the Company has applied for and the Hong Kong Stock Exchange has granted a waiver from compliance with paragraph 13(1) and 41(2) of Appendix 16 of the Listing Rules regarding Mr. Oleg Deripaska's deemed interests in the associated corporations.

Interests and short positions in underlying Shares and in the underlying shares of the associated corporations of UC RUSAL

Name of Director/Chief Executive Officer	Capacity	Number of underlying Shares as at 30 June 2017	Percentage of issued share capital as at 30 June 2017
Oleg Deripaska	Beneficiary of a trust (Note 1)	1,539,481,200(L) (Note 7)	10.133%

(L) Long position

Notes – see notes on page 73.

Other than as disclosed, as at 30 June 2017, none of the Directors or the Chief Executive Officer had any interest or short position, whether beneficial or non-beneficial, in the Shares, underlying Shares (including options) and debentures of the Company or in any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company or the Hong Kong Stock Exchange and entered into the register required to be kept under section 352 of the SFO, or which were notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

Substantial shareholders' interest and short positions in the Shares, underlying Shares and debentures of the Company

As at 30 June 2017, so far as the Directors are aware, the following persons had interests or short positions in the Shares or underlying Shares which were disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and were recorded in the register required to be kept under Section 336 of the SFO and article L.233-7 of the French commercial code:

Interests and short positions in Shares

Name of Shareholder	Capacity	Number of Shares held as at 30 June 2017	Percentage of issued share capital as at 30 June 2017
Oleg Deripaska	Beneficiary of a trust (Note 1)	7,312,299,974 (L)	48.13%
	Beneficial owner (Note 2)	35,374,065 (L)	0.23%
	Total	**7,347,674,039 (L)**	**48.36%**
Fidelitas Investments Ltd. (Note 1)	Interest of controlled corporation	7,312,299,974 (L)	48.13%
B-Finance Ltd. (Note 1)	Interest of controlled corporation	7,312,299,974 (L)	48.13%
En+ (Note 1)	Beneficial owner	7,312,299,974 (L)	48.13%
Victor Vekselberg (Note 3)	Beneficiary of a trust	3,710,590,137(L)	24.42%
TCO Holdings Inc. (Note 3)	Interest of controlled corporation	3,710,590,137(L)	24.42%
SUAL Partners (Note 3)	Beneficial owner	2,400,970,089(L)	15.80%
	Other	1,309,620,048(L)	8.62%
	Total	**3,710,590,137(L)**	**24.42%**
Mikhail Prokhorov (Note 4)	Beneficiary of a trust	2,081,499,596 (L)	13.70%
Onexim Group Limited (Note 4)	Interest of controlled corporation	2,081,499,596 (L)	13.70%
Onexim (Note 4)	Beneficial owner	2,081,499,596 (L)	13.70%
Glencore International plc (Note 5)	Beneficial owner	1,328,988,048(L)	8.75%

(L) Long position

(S) Short position

Interests and short positions in underlying Shares

Name of Shareholder	Capacity	Number of underlying Shares as at 30 June 2017	Percentage of issued share capital as at 30 June 2017
Oleg Deripaska (Note 1)	Beneficiary of a trust	1,539,481,200 (L) (Note 7)	10.133%
Fidelitas Investments Ltd. (Note 1)	Interest of controlled corporation	1,539,481,200 (L) (Note 6)	10.133%
B-Finance Ltd. (Note 1)	Interest of controlled corporation	1,539,481,200 (L) (Note 6)	10.133%
En+ (Note 1)	Beneficial owner	1,539,481,200 (L) (Note 6)	10.133%
Glencore International plc (Note 5)	Beneficial owner	41,807,668(L) (Note 6)	0.28%
		1,309,620,048(S) (Note 6)	8.62%

(L) Long position

(S) Short position

Other than the interests disclosed above, so far as the Directors are aware, as at 30 June 2017, the Company has not been notified of any other notifiable interests or short positions in Shares or underlying Shares.

(Note 1) These interests were directly or beneficially held by En+. Based on the information provided by Mr. Deripaska and the records on the electronic filing systems operated by the Hong Kong Stock Exchange, Mr. Deripaska is the founder, trustee and a beneficiary of a discretionary trust which, as at 30 June 2017, held a majority stake of the share capital of Fidelitas International Investments Corp. (formerly known as Fidelitas Investments Ltd.), which, as at 30 June 2017, held a majority stake of the share capital of B-Finance Ltd. As at 30 June 2017, B-Finance Ltd. held 61.55% of the share capital of En+. Each of B-Finance Ltd., Fidelitas International Investments Corp., and Mr. Deripaska were deemed to be interested in the Shares and underlying Shares held by En+ by virtue of the SFO as at 30 June 2017.

(Note 2) All or some of these Shares represent the share awards which were granted under the long-term share incentive plan of the Company and were vested on 21 November 2011, 21 November 2012, 21 November 2013 and 21 November 2014.

(Note 3) These interests and short positions were directly held by SUAL Partners. SUAL Partners is controlled as to 35.84% by Renova Metals and Mining Limited, which is in turn wholly-owned by Renova Holding Limited. Renova Holding Limited is controlled by TZ Columbus Services Limited as to 100% under a trust and TZ Columbus Services Limited acts as trustee of the trust and is, in turn wholly-owned by TCO Holdings Inc. Mr. Vekselberg is the sole beneficiary of the relevant trust. Each of Renova Metals and Mining Limited, Renova Holding Limited, TZ Columbus Services Limited, TCO Holdings Inc. and Mr. Vekselberg is deemed to be interested in the Shares held by SUAL Partners by virtue of the SFO. Pursuant to the disclosure of interests notices filed on 15 August 2017, on 10 August 2017, Zonoville Investments Limited, an associate of SUAL Partners under the Codes on Takeovers and Mergers and Share Buy-backs, has acquired interests in 1,063,511,040 shares in the Company (representing approximately 7% of the total issued share capital of the Company) and the long position held by each of TCO Holdings Inc. and SUAL Partners has been changed to 4,774,101,177 shares representing approximately 31.42% of the total issued share capital of the Company.

(Note 4) These interests were directly held by Onexim. Onexim is wholly-owned by Onexim Group Limited, which is owned by a trust of which Mikhail Prokhorov is the beneficial owner. Each of Onexim Group Limited and Mikhail Prokhorov is deemed to be interested in the Shares held by Onexim. Pursuant to the disclosure of interests notices filed on 15 August 2017, the long position held by each of Mikhail Prokhorov, Onexim Group Limited and Onexim has been changed to 1,017,988,556 shares, representing approximately 6.7% of the total issued share capital of the Company.

(Note 5) Amokenga Holdings directly holds the relevant interests in the Company, and is wholly-owned by Glencore Finance (Bermuda) Ltd. which is, in turn, wholly-owned by Glencore Group Funding Limited. Glencore Group Funding Limited is wholly-owned by Glencore International AG, which is wholly-owned by Glencore International plc. In light of the fact that Glencore International plc, Glencore International AG, Glencore Group Funding Limited and Glencore Finance (Bermuda) Ltd. (together, the "**Glencore Entities**") directly or indirectly control one-third or more of the voting rights at the shareholders' meetings of Amokenga Holdings, in accordance with the SFO, the interests of Amokenga Holdings are deemed to be, and have therefore been included in the interests of the Glencore Entities.

(Note 6) These underlying Shares represent physically settled unlisted derivatives.

(Note 7) These underlying Shares represent unlisted physically settled options.

As at 30 June 2017, no Shareholders notified the Company of their change in ownership of its issued share capital or voting rights in application of article L.233-7 of the French commercial code. None of the above-mentioned Shareholders have or will have different voting rights attached to the Shares they hold in the Company.

Agreements subject to change of control provisions

The following agreements with the Company contain change of control provisions allowing the other parties under such agreements to cancel their commitments in full and declare (or which action would result in) all outstanding loans immediately due and payable should the relevant event occur:

(a) Up to USD2 billion Aluminium Pre-export Finance Term Facility Agreement dated 24 May 2017 entered into between, among others, ING N.V as the Facility Agent and Security Agent and the Company as the Borrower, in the event that any person other than the core shareholder (as defined in the credit facility agreement) has or gains control of the Company. As at 30 June 2017, the outstanding nominal value of debt was USD1.7 billion and the final maturity of the debt was 31 May 2022.

(b) Up to RUB15 billion multicurrency facility agreement dated 16 December 2013, entered into between, among others, VTB Capital Plc as the Facility Agent and Security Agent, and the Borrowers (United Company RUSAL Plc, PJSC "RUSAL Bratsk", JSC "Siberian-Urals Aluminium Company") - in the event that any person (or persons acting in concert) other than the core shareholder (as defined in the credit facility agreement) has or gains control of the Company. As at 30 June 2017, the outstanding nominal value of debt was USD142.6 million and the final maturity of the debt was 17 December 2018.

Corporate Governance Practices

The Company adopts international standards of corporate governance. The Directors believe that high quality corporate governance leads to successful business development and increased the investment potential of the Company, and thereby providing more security for Shareholders, partners and customers, as well as reinforcing the Company's internal control systems.

By working with international institutions such as the European Bank for Reconstruction and Development and the International Finance Corporation, the Company developed and implemented its corporate governance standards based on the principles of transparent and responsible business operations.

The Company adopted a corporate code of ethics on 7 February 2005. Based on the recommendations of the European Bank for Reconstruction and Development and the International Finance Corporation, the Company further amended the corporate code of ethics in July 2007. The corporate code of ethics sets out the Company's values and principles for many of its areas of operations.

The Directors adopted a corporate governance code which is based on the CG Code in force at the time of a Board meeting held on 11 November 2010. The Directors believe that the Company has complied with the code provisions in the CG Code for the first six months of 2017, other than as described below.

The Directors are committed to upholding the corporate governance of the Company to ensure that formal and transparent procedures are in place to protect and maximize the interests of Shareholders.

Term of appointment of Directors

Paragraph A.4.1 of the CG Code provides that non-executive Directors should be appointed for a specific term, subject to re-election. Paragraph A.4.2 of the CG Code provides that every Director, including those appointed for a specific term, should be subject to retirement by rotation at least every three years. Each of the non-executive Directors signed an appointment letter with the Company providing for the same three years term. Article 24.2 of the Articles of Association provides that if any Director has at the start of the annual general meeting been in office for three years or more since his last appointment or re-appointment, he shall retire at the annual general meeting. As such, it is possible that a director may be in office for more than three years depending upon the timing for calling the annual general meeting.

Board meetings at which Directors have material interests

A.1.7 of the CG Code states that "*If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at that board meeting.*"

Throughout the six month period ended 30 June 2017, there were two occasions when business was dealt with by the Board by way of written resolution where an independent non-executive Director had a material conflict of interest in such business or where a material interest of a Director was stated to have been disclosed. On such occurrences, the independent non-executive Director abstained from signing the written resolutions and the resolutions approving entry into such transactions were signed by the requisite majority excluding the materially interested independent non-executive Director. Six Board meetings were held in the six month period ended 30 June 2017. With the exception of three of the Board meetings held, where certain independent non-executive Directors were not present, all the independent non-executive Directors were present at the Board meetings held in the six month period ended 30 June 2017 where one or more Director(s) had disclosed a material interest.

Of the six board meetings held, there were three occasions where an independent non-executive Director had a material interest in the transaction. On such occurrences, the independent non-executive Director abstained from voting and the resolutions approving entry into such transactions were passed by the requisite majority excluding the materially interested independent non-executive Director.

Attendance of Directors at the AGM

A.6.7 of the CG Code provides that independent non-executive directors and other non-executive directors should attend general meetings. The annual general meeting of the Company was held on 20 June 2017 (the "**AGM**"). Certain independent non-executive directors and non-executive directors were unable to attend the AGM due to conflicting business schedules.

E.1.2 of the CG Code provides that the chairman of the board should attend the annual general meeting. The Chairman of the Board did not attend the AGM as he had conflicting business schedule. The chairpersons of the Audit, Remuneration, Corporate Governance and Nominations Committee and the Chief Executive Officer attended the AGM. The Company considers that their presence was sufficient for answering questions from and effective communication with shareholders present at the AGM.

Codes for Securities Transactions

The Company has adopted a Code for Securities Transactions by Directors of the Company. The Code for Securities Transactions was based on the Model Code as set out in Appendix 10 to the Listing Rules but it was made more exacting than the required standard set out in Appendix 10. It was also based on the provisions of the French Monetary and Financial Code, the General Regulation of the AMF and the EU Market Abuse Regulation, where applicable.

Having made specific enquiry of all Directors, Directors confirmed that they had fully complied with the required standard set out in the Model Code and Code for Securities Transactions throughout the accounting period covered by the Interim Report.

The Company has not been notified of any other transaction by the Directors in application of the aforementioned provisions.

Related party transactions

For further information on related party transactions, please refer to note 17 "Related party transactions" of the consolidated interim condensed financial information.

Statement of Responsibility for this Interim Report

I, **Vladislav Soloviev**, declare, to the best of my knowledge, that the consolidated interim condensed financial information contained in this Interim Report has been prepared in accordance with applicable accounting principles and gives a true and fair view of the assets, financial condition and results of operations of UC RUSAL and the other entities included in the consolidation perimeter, and that the "2017 Interim Review", "Management Discussions and Analysis" and "Information Provided in accordance with the Listing Rules and Euronext Paris Requirements" sections of this Interim Report include a fair review of the material events that occurred in the first six months of this financial year, their impact on the consolidated interim condensed financial information, the principal related party transactions as well as a description of the principal risks and uncertainties for the remaining six months of this year.

Vladislav Soloviev
Chief Executive Officer
25 August 2017

Forward-looking Statements

This Interim Report contains statements about future events, projections, forecasts and expectations that are forward-looking statements. Any statement in this Interim Report 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 risks and uncertainties include those discussed or identified herein and in the Annual Report. 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.

Glossary

"Adjusted EBITDA" for any period means the results from operating activities adjusted for amortization and depreciation, impairment charges and loss on disposal of property, plant and equipment.

"Adjusted Net Profit" for any period is defined as the net profit adjusted for the net effect from share in the results of Norilsk Nickel, the net effect of embedded derivative financial instruments, the difference between effective and nominal interest rate charge on restructured debt and net effect of non-current assets impairment.

"Aggregate attributable bauxite production" is calculated based on pro rata share of the Group's ownership in corresponding bauxite mines and mining complexes.

"Alumina price per tonne" represents the average alumina price per tonne which is based on the daily closing spot prices of alumina according to Non-ferrous Metal Alumina Index FOB Australia USD per tonne.

"Aluminium price per tonne quoted on the LME" or "LME aluminium price" represents the average daily closing official LME spot prices for each period.

"Aluminium segment cost per tonne" means aluminium segment revenue, less aluminium segment results, less amortization and depreciation, divided by sales volume of aluminium segment.

"AMF" means the Autorité des marchés financiers, the stock market regulator in France. English: "Financial Markets Regulator".

"Amokenga Holdings" means Amokenga Holdings Limited, a company incorporated in Bermuda and which is a wholly owned subsidiary of Glencore and a shareholder of the Company.

"Announcement" means an announcement made on either the Hong Kong Stock Exchange or Euronext Paris.

"Annual Report" means the report dated 28 April 2017 for the year ended 31 December 2016 published by the Company.

"Articles of Association" means the articles of association of the Company, conditionally adopted on 24 November 2009, and effective on the Listing Date.

"Audit Committee" means the audit committee established by the Board in accordance with the requirements of the CG Code.

"BEMO" means the companies comprising the Boguchanskoye Energy and Metals Complex.

"BEMO HPP" or **"BOGES"** means the Boguchanskaya hydro power plant.

"Board" means the board of Directors of the Company.

"Boguchansky aluminium smelter" or **"BEMO aluminium smelter"** or **"BoAZ"** means the aluminium smelter project involving the construction of a 588 thousand tpa greenfield aluminium smelter on a 230 hectare site, located approximately 8 km to the south-east of the settlement of Tayozhny in the Krasnoyarsk region, and approximately 160 km (212 km by road) from the BEMO BHPP, as described at pages 21 and 26 of the Annual Report.

"Bratsk aluminium smelter" or **"RUSAL Bratsk"** or **"BrAZ"** means PJSC **"RUSAL Bratsk"**, a company incorporated under the laws of the Russian Federation, which is a wholly owned subsidiary of the Company.

"CG Code" means the Code setting out, amongst others, the principles of good corporate governance practices as set out in Appendix 14 to the Listing Rules (as amended from time to time).

"CEO" or **"Chief Executive Officer"** means the chief executive officer of the Company.

"Chairman" or **"Chairman of the Board"** means the chairman of the Board.

"Chief Financial Officer" means the chief financial officer of the Company.

"CIS" means Commonwealth of Independent States.

"Combined PXF Facility" means up to USD4,750,000,000 Aluminium Pre-Export Finance Term Facility Agreement (originally dated 29 September 2011) and up to USD400,000,000 Multicurrency Aluminium Pre-Export Finance Term Facility Agreement (originally dated 30 January 2013), each as amended and restated on 20 August 2014, inter alios, UC RUSAL as Borrower and ING Bank N.V. as Facility Agent, BNP Paribas (Suisse) SA and ING Bank N.V. as Security Agents and Natixis as Offtake Agent (as amended from time to time).

"Company" or **"UC RUSAL"** or **"RUSAL"** means United Company RUSAL Plc., a company incorporated under the laws of Jersey with limited liability.

"Corporate Governance and Nomination Committee" means the corporate governance and nomination committee established by the Board in accordance with the requirements of the CG Code.

"Covenant EBITDA" has the meaning given to it in the Combined PXF Facility.

"Director(s)" means the director(s) of the Company.

"En+" means En+ Group Limited, a company incorporated in Jersey and which is a shareholder of the Company.

"Euronext Paris" means the Professional Segment of Euronext Paris.

"Glencore" means Glencore Plc, a public company incorporated in Jersey and listed on the London Stock Exchange, with a secondary listing on the Hong Kong Stock Exchange, which is an indirect shareholder of the Company.

"Global Depositary Shares" or **"GDS"** means global depositary shares evidenced by global depositary receipts, each of which represents 20 Shares.

"Group" or **"UC RUSAL Group"** means UC RUSAL and its subsidiaries from time to time, including a number of production, trading and other entities controlled by the Company directly or through its wholly owned subsidiaries.

"Hong Kong" means the Hong Kong Special Administrative Region of the PRC.

"Hong Kong Stock Exchange" means the Main Board of The Stock Exchange of Hong Kong Limited.

"Interim Report" means this interim report dated 25 August 2017.

JSC "RUSAL SAYANAL" or **"SAYANAL"** or **"Sayanal"** means Joint Stock Company "RUSAL SAYANAL", an indirect wholly-owned subsidiary of the Company.

JSC "Ural Foil" or **"Ural Foil"** means Joint-Stock Company "Ural Foil", an indirect non wholly-owned subsidiary of the Company.

"Latest Practicable Date" means 15 August 2017, being the latest practicable date prior to the printing of this Interim Report for ascertaining certain information in this Interim Report.

"LIBOR" means in relation to any loan:

(a) the applicable screen rate (being the British Bankers' Association Interest Settlement Rate for dollars for the relevant period, displayed on the appropriate page of the Reuters screen); or

(b) (if no screen rate is available for dollars for the interest period of a particular loan) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the agent at its request quoted by the reference banks to leading banks in the London interbank market, as of the specified time (11:00 a.m. in most cases) on the quotation day (generally two business days before the first day of that period unless market practice differs in the Relevant Interbank Market, in which case the quotation day will be determined by the agent in accordance with market practice in the Relevant Interbank Market) for the offering of deposits in dollars and for a period comparable to the interest period for that loan.

"Listing" means the listing of the Shares on the Hong Kong Stock Exchange.

"Listing Date" means the date on which the Shares were listed on the Hong Kong Stock Exchange, being 27 January 2010.

"**Listing Rules**" means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (as amended from time to time).

"LLP Bogatyr Komir" or **"Bogatyr Coal"** means Limited Liability Partnership means the joint venture described at page 26 of the Annual Report.

"LME" means the London Metal Exchange.

"MICEX" means the MICEX Stock Exchange.

"Model Code" means the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules.

"Moscow Exchange" means Public Joint-Stock Company "Moscow Exchange MICEX-RTS" (short name "Moscow Exchange").

"Net Debt" is calculated as Total Debt less cash and cash equivalents as at the end of the period.

"New PXF" means a new syndicated Pre-Export Finance Term Facility Agreement dated 24 May 2017.

"Norilsk Nickel" means PJSC «MMC «NORILSK NICKEL», a company incorporated under the laws of the Russian Federation.

"Novokuznetsk aluminium smelter" or **"NkAZ"** or **"RUSAL Novokuznetsk"** means JSC **"RUSAL Novokuznetsk"**, a company incorporated under the laws of the Russian Federation, which is a wholly owned subsidiary of the Company.

"Onexim" means Onexim Holdings Limited, a company incorporated in Cyprus and which is a shareholder of the Company.

"PRC" means The People's Republic of China.

"Recurring Net Profit/(Loss)" for any period means Adjusted Net Profit plus the Company's effective share of Norilsk Nickel's profits, net of tax.

"Related party" of an entity means a party who is:

(a) directly, or indirectly through one or more intermediates, a party which:

  (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);

  (ii) has an interest in the entity that gives it significant influence over the entity; or

  (iii) has joint control over the entity;

(b) an associate of the entity;

(c) a joint venture in which the entity is a venturer;

(d) a member of the key management personnel of the entity or its parent;

(e) a close member of the family of any individual referred to in (a) or (b) above;

(f) an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e) above; or

(g) under a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

"Related party transaction" means a transfer of resources, services or obligations between related parties, regardless of whether the price is charged.

"Relevant Officer(s)" means any employee of the Company or a director or employee of a subsidiary of the Company.

"RUB" or **"Ruble"** means Rubles, the lawful currency of the Russian Federation.

"RUSAL ARMENAL" CJSC or **"RUSAL ARMENAL"** or **"ARMENAL"** or **"Armenal"** means Closed Joint Stock Company "RUSAL ARMENAL", an indirect wholly-owned subsidiary of the Company.

"Sayanogorsk aluminium smelter" or **"RUSAL Sayanogorsk"** or **"SAZ"** means JSC "RUSAL Sayanogorsk", a company incorporated under the laws of the Russian Federation, which is a wholly owned subsidiary of the Company.

"Sberbank" means Sberbank of Russia.

"SFO" means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

"Share(s)" means ordinary share(s) with nominal value of USD0.01 each in the share capital of the Company.

"Shareholder(s)" means holder(s) of Shares.

"SHFE" means Shanghai Futures Exchange.

"SUAL Partners" means SUAL Partners Limited, a company incorporated under the laws of the Bahamas, which is a shareholder of the Company.

"Substantial shareholder(s)" has the meaning ascribed to such expression under the Listing Rules.

"Total Debt" means the Company's loans and borrowing at the end of the period.

"Total Net Debt" has the meaning given to it in the Combined PXF Facility.

"US" means the United States of America.

"USD", **"US$"** or **"US dollar"** means United States dollars, the lawful currency of the United States of America.

"VAT" means value added tax.

"Working Capital" means trade and other receivables and inventories less trade and other payables.

"%" means per cent.

* * * *

Certain amounts and percentage figures included in this Interim Report have been subject to rounding adjustments or have been rounded to one decimal place. Accordingly, figures shown as totals in certain tables in this Interim Report may not be an arithmetic aggregation of the figures that preceded them.

Corporate Information

UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

HKEx stock code: 486
Moscow Exchange symbol for shares: RUAL
Moscow Exchange symbols for RDRs: RUALR/RUALRS
Euronext Paris symbols: Rusal/Rual

BOARD OF DIRECTORS

Executive Directors

Mr. Oleg Deripaska *(President)*
Mr. Vladislav Soloviev *(Chief Executive Officer)*
Mr. Siegfried Wolf

Non-executive Directors

Mr. Dmitry Afanasiev
Mr. Ivan Glasenberg
Mr. Maksim Goldman
Ms. Olga Mashkovskaya
Ms. Gulzhan Moldazhanova
Ms. Ekaterina Nikitina
Mr. Maxim Sokov
Mr. Daniel Lesin Wolfe
Mr. Marco Musetti

Independent non-executive Directors

Dr. Elsie Leung Oi-sie
Mr. Mark Garber
Mr. Matthias Warnig *(Chairman of the Board)*
Mr. Philip Lader
Mr. Dmitry Vasiliev
Mr. Bernard Zonneveld

REGISTERED OFFICE IN JERSEY

44 Esplanade,
St Helier,
Jersey,
JE4 9WG

PRINCIPAL PLACE OF BUSINESS

28th Oktovriou, 249
LOPHITIS BUSINESS CENTRE, 7th floor
3035 Limassol
Cyprus

PLACE OF BUSINESS IN HONG KONG

3806 Central Plaza
18 Harbour Road
Wanchai Hong Kong

JERSEY COMPANY SECRETARY

Intertrust Corporate Services (Jersey) Limited
44 Esplanade,
St Helier,
Jersey,
JE4 9WG

HONG KONG COMPANY SECRETARY

Ms. Aby Wong Po Ying
Intertrust Resources Management Limited
3806 Central Plaza
18 Harbour Road
Wanchai Hong Kong

AUDITORS

JSC KPMG
Naberezhnaya Tower Complex, Block C
10 Presnenskaya Naberezhnaya
Moscow, 123112
Russia

AUTHORIZED REPRESENTATIVES

Mr. Vladislav Soloviev
Ms. Aby Wong Po Ying
Mr. Eugene Choi

PRINCIPAL SHARE REGISTRAR

Computershare Investor Services (Jersey) Limited
Queensway House
Hilgrove Street, St Helier
Jersey, JE1 1ES

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

DEPOSITORY FOR THE GLOBAL DEPOSITARY SHARES LISTED ON EURONEXT PARIS

The Bank of New York Mellon
One Wall Street,
New York, NY 10286

AUDIT COMMITTEE MEMBERS

Mr. Bernard Zonneveld *(chairman)*
Mr. Philip Lader
Dr. Elsie Leung Oi-sie
Ms. Olga Mashkovskaya
Mr. Daniel Lesin Wolfe
Mr. Dmitry Vasiliev

CORPORATE GOVERNANCE AND NOMINATION COMMITTEE MEMBERS

Mr. Philip Lader *(chairman)*
Mr. Bernard Zonneveld
Mr. Ivan Glasenberg
Mr. Mark Garber
Ms. Ekaterina Nikitina
Mr. Dmitry Vasiliev

REMUNERATION COMMITTEE MEMBERS

Dr. Elsie Leung Oi-sie *(chairman)*
Mr. Philip Lader
Mr. Bernard Zonneveld
Mr. Mark Garber
Mr. Maksim Goldman
Ms. Ekaterina Nikitina

PRINCIPAL BANKERS

Sberbank
VTB Bank
ING N.V.
Gazprombank

INVESTOR RELATIONS CONTACT

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Oleg Mukhamedshin
Vasilisy Kozhinoy str., 1,
Moscow 121096
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Karen.Li@rusal.com

COMPANY WEBSITE

www.rusal.com

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

25 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.