RUSAL

United Company RUSAL Plc
Consolidated Interim Condensed Financial Information
for the three- and nine-month periods ended
30 September 2015

JSC "KPMG"
10 Presnenskaya Naberezhnaya
Moscow, Russia 123317

Telephone +7 (495) 937 4477
Fax +7 (495) 937 4400/99
Internet www.kpmg.ru

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

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 September 2015, and the related consolidated interim condensed statements of income and comprehensive income for the three- and nine-month periods ended 30 September 2015, changes in equity and cash flows for the nine-month period ended 30 September 2015, 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.

Basis for Qualified Conclusion

We were unable to obtain and review consolidated interim financial information of the Group's equity investee, PJSC MMC Norilsk Nickel ("Norilsk Nickel"), supporting the Group's estimate of the share of profit of USD117 million and USD561 million for the three- and nine-month periods ended 30 September 2015 and USD225 million and USD596 million for the three- and nine-month periods ended 30 September 2014, respectively, other comprehensive income of USD20 million and USD21 million for the three- and nine-month periods ended 30 September 2015 and USD nil million and USD1 million for the three- and nine-month periods ended 30 September 2014, respectively, the foreign currency translation loss in relation to that investee of USD1,412 million and USD1,192 million for the three- and nine-month periods ended 30 September 2015 and USD1,172 million and USD1,391 million for the three- and nine-month periods ended 30 September 2014, respectively, and the carrying value of the Group's investment in the investee stated at USD2,729 million as at 30 September 2015 and USD6,694 million as at 30 September 2014. Had we been able to complete our review procedures in respect of interests in associates, matters might have come to our attention indicating that adjustments might be necessary to this consolidated interim condensed financial information.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the consolidated interim condensed financial information as at 30 September 2015 and for the three- and nine-month periods then ended is not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

Shvetsov A.V.

For and on behalf of JSC "KPMG"

Recognized Auditor

12 November 2015

Moscow, Russian Federation

	Note	Three months ended 30 September		Nine months ended 30 September	
		2015 (unaudited)	**2014 (unaudited)**	**2015 (unaudited)**	**2014 (unaudited)**
		USD million	**USD million**	**USD million**	**USD million**
Revenue	6	2,073	2,477	6,823	6,861
Cost of sales		(1,567)	(1,858)	(4,788)	(5,514)
Gross profit		**506**	**619**	**2,035**	**1,347**
Distribution expenses		(87)	(103)	(249)	(309)
Administrative expenses		(114)	(143)	(394)	(436)
Loss on disposal of property, plant and equipment		(5)	-	(7)	(6)
Impairment of non-current assets		(45)	(11)	(77)	(67)
Other operating income/(expenses)		9	(17)	(23)	(85)
Results from operating activities		**264**	**345**	**1,285**	**444**
Finance income	7	21	10	26	22
Finance expenses	7	(379)	(292)	(968)	(929)
Share of profits of associates	10	113	217	553	578
Share of profits of joint ventures	11	13	18	7	33
Foreign currency translation (loss)/gain recycled from other comprehensive income on deconsolidation of subsidiaries	1(b)	(60)	-	95	-
(Loss)/profit before taxation		**(28)**	**298**	**998**	**148**
Income tax	8	(26)	(78)	(173)	(137)
(Loss)/profit for the period		**(54)**	**220**	**825**	**11**
Attributable to:					
Shareholders of the Company		(54)	220	825	11
(Loss)/earnings per share					
Basic and diluted (loss)/earnings per share (USD)	9	(0.004)	0.015	0.054	0.001

The consolidated interim condensed statement of income is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial information set out on pages 11 to 36.

		Three months ended 30 September		Nine months ended 30 September	
		2015 (unaudited)	**2014 (unaudited)**	**2015 (unaudited)**	**2014 (unaudited)**
	Note	**USD million**	**USD million**	**USD million**	**USD million**
(Loss)/profit for the period		**(54)**	**220**	**825**	**11**
Other comprehensive income					
Items that will never be reclassified subsequently to profit or loss:					
Actuarial (loss)/gain on post retirement benefit plans	16	-	-	(2)	5
		-	**-**	**(2)**	**5**
Items that are or may be reclassified subsequently to profit or loss:					
Share of other comprehensive income of associate	10	20	-	21	1
Change in fair value of cash flow hedges		15	29	158	1
Foreign currency translation loss/(gain) recycled from other comprehensive income on deconsolidation of subsidiaries	1(b)	60	-	(95)	-
Foreign currency translation differences on foreign operations		(229)	(228)	(141)	(171)
Foreign currency translation differences for equity-accounted investees		(1,517)	(1,205)	(1,329)	(1,440)
		(1,651)	**(1,404)**	**(1,386)**	**(1,609)**
Other comprehensive income for the period		**(1,651)**	**(1,404)**	**(1,388)**	**(1,604)**
Total comprehensive income for the period		**(1,705)**	**(1,184)**	**(563)**	**(1,593)**
Attributable to:					
Shareholders of the Company		**(1,705)**	**(1,184)**	**(563)**	**(1,593)**

The consolidated interim condensed statement of comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial information set out on pages 11 to 36.

	Note	30 September 2015 (unaudited) USD million	31 December 2014 USD million
ASSETS			
Non-current assets			
Property, plant and equipment		3,886	3,953
Intangible assets		2,374	2,572
Interests in associates	10	3,003	4,470
Interests in joint ventures	11	299	409
Derivative financial assets	17	29	30
Deferred tax assets		38	57
Other non-current assets		60	80
Total non-current assets		**9,689**	**11,571**
Current assets			
Inventories		1,799	1,998
Trade and other receivables	12	633	672
Dividends receivable	20(b)	200	14
Derivative financial assets	17	33	32
Cash and cash equivalents		716	570
Total current assets		**3,381**	**3,286**
Total assets		**13,070**	**14,857**

The consolidated interim condensed statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial information set out on pages 11 to 36.

	Note	30 September 2015 (unaudited) USD million	31 December 2014 USD million
EQUITY AND LIABILITIES			
Equity	13		
Share capital		152	152
Shares held for vesting		(1)	(1)
Share premium		15,786	15,786
Other reserves		2,856	2,679
Currency translation reserve		(10,244)	(8,679)
Accumulated losses		(6,875)	(7,700)
Total equity		**1,674**	**2,237**
Non-current liabilities			
Loans and borrowings	14	7,579	8,847
Bonds	15	-	113
Provisions	16	491	507
Deferred tax liabilities		500	515
Derivative financial liabilities	17	344	350
Other non-current liabilities		63	48
Total non-current liabilities		**8,977**	**10,380**
Current liabilities			
Loans and borrowings	14	1,022	303
Bonds	15	22	144
Current tax liabilities		15	41
Trade and other payables	18	1,026	1,321
Derivative financial liabilities	17	233	318
Provisions	16	101	113
Total current liabilities		**2,419**	**2,240**
Total liabilities		**11,396**	**12,620**
Total equity and liabilities		**13,070**	**14,857**
Net current assets		**962**	**1,046**
Total assets less current liabilities		**10,651**	**12,617**

Approved and authorised for issue by the board of directors on 12 November 2015.

Vladislav A. Soloviev
Chief Executive Officer

Alexandra Y. Bouriko
Chief Financial Officer

The consolidated interim condensed statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial information set out on pages 11 to 36.

	Note	Share capital USD million	Shares held for vesting 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 2015		**152**	**(1)**	**15,786**	**2,679**	**(8,679)**	**(7,700)**	**2,237**
Profit for the period (unaudited)		-	-	-	-	-	825	825
Other comprehensive income for the period (unaudited)		-	-	-	177	(1,565)	-	(1,388)
Total comprehensive income for the period (unaudited)		**-**	**-**	**-**	**177**	**(1,565)**	**825**	**(563)**
Balance at 30 September 2015 (unaudited)		**152**	**(1)**	**15,786**	**2,856**	**(10,244)**	**(6,875)**	**1,674**
Balance at 1 January 2014		**152**	**(1)**	**15,786**	**2,740**	**(4,518)**	**(7,609)**	**6,550**
Profit for the period (unaudited)		-	-	-	-	-	11	11
Other comprehensive income for the period (unaudited)		-	-	-	7	(1,611)	-	(1,604)
Total comprehensive income for the period (unaudited)		**-**	**-**	**-**	**7**	**(1,611)**	**11**	**(1,593)**
Share-based compensation (unaudited)	13(b)	-	(1)	1	-	-	-	-
Balance at 30 September 2014 (unaudited)		**152**	**(2)**	**15,787**	**2,747**	**(6,129)**	**(7,598)**	**4,957**

The consolidated interim condensed statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial information set out on pages 11 to 36.

	Note	Nine months ended 30 September 2015 (unaudited) USD million	Nine months ended 30 September 2014 (unaudited) USD million
OPERATING ACTIVITIES			
Profit for the period		**825**	**11**
Adjustments for:			
Depreciation		329	336
Amortisation		11	10
Impairment of non-current assets		77	67
Impairment/(reversal of impairment) of trade and other receivables		4	(6)
Impairment of inventories		15	1
Debtors write-off		-	(5)
Provision for legal claims		6	-
Share-based compensation		-	1
Pension provision		2	4
Foreign currency translation gain recycled from other comprehensive income on deconsolidation of subsidiaries	1(b)	(95)	-
Change in fair value of derivative financial instruments	7	301	147
Foreign exchange loss		172	113
Loss on disposal of property, plant and equipment		7	6
Interest expense	7	495	637
Interest income	7	(26)	(22)
Income tax expense	8	173	137
Share of profits of associates	10	(553)	(578)
Share of profits of joint ventures	11	(7)	(33)
Cash from operating activities before changes in working capital and provisions		**1,736**	**826**
Decrease in inventories		180	228
Increase in trade and other receivables		(392)	(64)
Decrease/(increase) in prepaid expenses and other assets		6	(4)
Increase/(decrease) in trade and other payables		57	(307)
Decrease in provisions		(16)	(17)
Cash generated from operations		**1,571**	**662**
Income taxes paid		(171)	(64)
Net cash generated from operating activities		**1,400**	**598**

The consolidated interim condensed statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial information set out on pages 11 to 36.

	Nine months ended 30 September	
	2015 (unaudited)	**2014** (unaudited)
	USD million	**USD million**
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	2	-
Interest received	24	20
Acquisition of property, plant and equipment	(354)	(340)
Acquisition of intangible assets	(8)	(9)
Dividends from associates	535	304
Dividends from joint ventures	25	29
Changes in restricted cash	(3)	(12)
Net cash generated from/(used in) investing activities	**221**	**(8)**
FINANCING ACTIVITIES		
Proceeds from borrowings	271	1,439
Repayment of borrowings	(1,036)	(1,552)
Refinancing fees and other expenses	-	(82)
Interest paid	(403)	(524)
Purchases of shares held for vesting	-	(1)
Settlement of derivative financial instruments	(248)	(195)
Net cash used in financing activities	**(1,416)**	**(915)**
Net increase/(decrease) in cash and cash equivalents	**205**	**(325)**
Cash and cash equivalents at 1 January	557	701
Effect of exchange rate fluctuations on cash and cash equivalents	(62)	(30)
Cash and cash equivalents at the end of the period	**700**	**346**

Restricted cash amounted to USD16 million and USD13 million at 30 September 2015 and 31 December 2014, respectively.

The consolidated interim condensed statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial information set out on pages 11 to 36.

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 has 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 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 June 2015. There was no issue of new shares.

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

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".

Upon the successful completion of the Global Offering, the Company issued 1,636,363,646 new shares in the form of shares listed on the Stock Exchange, and in the form of global depositary shares ("GDS") listed on Euronext Paris representing 10.81% of the Company's issued and outstanding shares, immediately prior to the Global Offering.

The shareholding structure of the Company as at 30 September 2015 and 31 December 2014 was as follows:

	30 September	**31 December**
	2015	**2014**
En+ Group Limited ("En+")	48.13%	48.13%
Onexim Holdings Limited ("Onexim")	17.02%	17.02%
SUAL Partners Limited ("SUAL Partners")	15.80%	15.80%
Amokenga Holdings Limited ("Amokenga Holdings")	8.75%	8.75%
Held by Directors	0.25%	0.25%
Shares held for vesting	0.01%*	0.00%*
Publicly held	10.04%	10.05%
Total	**100%**	**100%**

* As at 30 September 2015 and 31 December 2014 the Group held 1,343,507 and 514,056 ordinary shares, respectively, for long term incentive plan ("LTIP") (note 13(b)).

En+ is controlled by Mr. Oleg Deripaska. Onexim is controlled by Mr. Mikhail Prokhorov. SUAL Partners is controlled by Mr. Viktor Vekselberg and Mr. Len Blavatnik together. Amokenga Holdings is a wholly owned subsidiary of Glencore International Plc ("Glencore").

Related party transactions are detailed in note 20.

The consolidated financial statements of the Group as at and for the year ended 31 December 2014 are available at the Company's website www.rusal.com.

(b) Deconsolidation of subsidiaries

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

On 9 June 2015 ZALK shares were written off the Company's account and transferred to the State of Ukraine.

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

The assets and liabilities of ZALK have been deconsolidated which resulted in recognition of USD9 million gain in this consolidated interim condensed financial information. Additionally, USD155 million of foreign currency translation gain arising on the translation of ZALK accumulated from 2007 was recycled through profit and loss.

In August 2015 one of the Group's intermediary holding subsidiaries with a different functional currency was liquidated. Consequently, USD60 million of foreign currency translation loss arising on translation of investments in foreign assets accumulated by this subsidiary was recycled through profit and loss.

2 Basis of preparation

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 2014.

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:

Annual Improvements to IFRSs 2010-2012 Cycle

Annual Improvements to IFRSs 2011-2013 Cycle

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 2014. The adoption of other new standards and amendments did not have a significant impact on the Group.

4 Seasonality

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

5 Segment reporting

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 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 meets 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.

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.

The measure used for reporting segment results is the profit or loss before income tax adjusted for impairment of non-current assets and 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 (losses)/profits 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.

(i) Reportable segments

Three months ended 30 September 2015

	Aluminium	**Alumina**	**Energy**	**Mining and Metals**	**Total**
	USD million	**USD million**	**USD million**	**USD million**	**USD million**
Revenue from external customers	1,731	154	-	-	1,885
Inter-segment revenue	36	361	-	-	397
Total segment revenue	**1,767**	**515**	**-**	**-**	**2,282**
Segment profit	**286**	**83**	**-**	**-**	**369**
Impairment of non-current assets	(37)	(8)	-	-	**(45)**
Share of (losses)/profits of associates	-	(4)	-	117	**113**
Share of profits of joint ventures	-	-	13	-	**13**
Depreciation/amortisation	(88)	(16)	-	-	**(104)**
Non-cash expense other than depreciation/amortisation	(3)	(1)	-	-	**(4)**
Additions to non-current segment assets during the period	69	52	-	-	**121**

Three months ended 30 September 2014

	Aluminium	**Alumina**	**Energy**	**Mining and Metals**	**Total**
	USD million	**USD million**	**USD million**	**USD million**	**USD million**
Revenue from external customers	2,077	171	-	-	2,248
Inter-segment revenue	41	291	-	-	332
Total segment revenue	**2,118**	**462**	**-**	**-**	**2,580**
Segment profit	**402**	**10**	**-**	**-**	**412**
Impairment of non-current assets	(3)	(8)	-	-	**(11)**
Share of (losses)/profits of associates	-	(8)	-	225	**217**
Share of profits of joint ventures	-	-	18	-	**18**
Depreciation/amortisation	(90)	(22)	-	-	**(112)**
Non-cash income/(expense) other than depreciation/amortisation	7	(1)	-	-	**6**
Additions to non-current segment assets during the period	63	39	1	-	**103**
Non-cash additions to non-current segment assets related to site restoration	-	4	-	-	**4**

Nine months ended 30 September 2015

	Aluminium	**Alumina**	**Energy**	**Mining and Metals**	**Total**
	USD million	**USD million**	**USD million**	**USD million**	**USD million**
Revenue from external customers	5,763	470	1	-	6,234
Inter-segment revenue	119	1,126	-	-	1,245
Total segment revenue	**5,882**	**1,596**	**1**	**-**	**7,479**
Segment profit/(loss)	**1,424**	**179**	**(2)**	**-**	**1,601**
Impairment of non-current assets	(55)	(22)	-	-	**(77)**
Share of (losses)/profits of associates	-	(8)	-	561	**553**
Share of (losses)/profits of joint ventures	(19)	-	26	-	**7**
Depreciation/amortisation	(275)	(59)	-	-	**(334)**
Non-cash expense other than depreciation/amortisation	(31)	(17)	-	-	**(48)**
Additions to non-current segment assets during the period	206	107	1	-	**314**
Non-cash additions to non-current segment assets related to site restoration	-	10	-	-	**10**

Nine months ended 30 September 2014

	Aluminium	Alumina	Energy	Mining and Metals	Total
	USD million	USD million	USD million	USD million	USD million
Revenue from external customers	5,709	459	2	-	6,170
Inter-segment revenue	122	978	-	-	1,100
Total segment revenue	**5,831**	**1,437**	**2**	**-**	**7,270**
Segment profit/(loss)	**773**	**(93)**	**-**	**-**	**680**
Impairment of non-current assets	(12)	(55)	-	-	**(67)**
Share of (losses)/profits of associates	-	(18)	-	596	**578**
Share of profits of joint ventures	1	-	32	-	**33**
Depreciation/amortisation	(275)	(64)	-	-	**(339)**
Non-cash income other than depreciation/amortisation	10	-	-	-	**10**
Additions to non-current segment assets during the period	189	142	5	-	**336**
Non-cash additions to non-current segment assets related to site restoration	-	17	-	-	**17**

At 30 September 2015

	Aluminium	Alumina	Energy	Mining and Metals	Total
	USD million	USD million	USD million	USD million	USD million
Segment assets	7,538	1,713	72	-	**9,323**
Interests in associates	-	272	-	2,729	**3,001**
Interests in joint ventures	-	-	299	-	**299**
Total segment assets					**12,623**
Segment liabilities	(1,628)	(781)	(101)	-	**(2,510)**
Total segment liabilities					**(2,510)**

At 31 December 2014

	Aluminium	Alumina	Energy	Mining and Metals	Total
	USD million	USD million	USD million	USD million	USD Million
Segment assets	7,919	1,675	28	-	**9,622**
Interests in associates	-	327	-	4,141	**4,468**
Interests in joint ventures	20	-	389	-	**409**
Total segment assets					**14,499**
Segment liabilities	(1,958)	(847)	(101)	-	**(2,906)**
Total segment liabilities					**(2,906)**

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

	Three months ended 30 September		Nine months ended 30 September	
	2015	**2014**	**2015**	**2014**
	USD million	**USD million**	**USD million**	**USD million**
Revenue				
Reportable segment revenue	2,282	2,580	7,479	7,270
Elimination of inter-segment revenue	(397)	(332)	(1,245)	(1,100)
Unallocated revenue	188	229	589	691
Consolidated revenue	**2,073**	**2,477**	**6,823**	**6,861**

	Three months ended 30 September		Nine months ended 30 September	
	2015	**2014**	**2015**	**2014**
	USD million	**USD million**	**USD million**	**USD million**
Profit				
Reportable segment profit	369	412	1,601	680
Impairment of non-current assets	(45)	(11)	(77)	(67)
Share of profits of associates	113	217	553	578
Share of profits of joint ventures	13	18	7	33
Finance income	21	10	26	22
Finance expenses	(379)	(292)	(968)	(929)
Foreign currency translation (loss)/gain recycled from other comprehensive income on deconsolidation of subsidiaries	(60)	-	95	-
Unallocated expenses	(60)	(56)	(239)	(169)
Consolidated (loss)/profit before taxation	**(28)**	**298**	**998**	**148**

	30 September	31 December
	2015	**2014**
	USD million	**USD million**
Assets		
Reportable segment assets	12,623	14,499
Elimination of inter-segment receivables	(370)	(165)
Unallocated assets	817	523
Consolidated total assets	**13,070**	**14,857**

	30 September	31 December
	2015	**2014**
	USD million	**USD million**
Liabilities		
Reportable segment liabilities	(2,510)	(2,906)
Elimination of inter-segment payables	370	165
Unallocated liabilities	(9,256)	(9,879)
Consolidated total liabilities	**(11,396)**	**(12,620)**

6 Revenue

	Three months ended 30 September		Nine months ended 30 September	
	2015	**2014**	**2015**	**2014**
	USD million	**USD million**	**USD million**	**USD million**
Sales of primary aluminium and alloys	**1,731**	**2,077**	**5,763**	**5,709**
Third parties	_1,039_	_1,218_	_3,240_	_3,402_
Related parties – companies capable of exerting significant influence	_657_	_793_	_2,412_	_2,115_
Related parties – companies under common control	_34_	_60_	_109_	_158_
Related parties – associates	_1_	_6_	_2_	_34_
Sales of alumina and bauxite	**154**	**171**	**470**	**459**
Third parties	_101_	_101_	_295_	_283_
Related parties – companies capable of exerting significant influence	_50_	_70_	_163_	_176_
Related parties – associates	_3_	-	_12_	-
Sales of foil	**65**	**74**	**207**	**223**
Third parties	_63_	_70_	_203_	_215_
Related parties – companies under common control	_2_	_4_	_4_	_8_
Other revenue including energy and transportation services	**123**	**155**	**383**	**470**
Third parties	_98_	_130_	_325_	_394_
Related parties – companies capable of exerting significant influence	_5_	_5_	_12_	_22_
Related parties – companies under common control	_5_	_9_	_11_	_23_
Related parties – associates	_15_	_11_	_35_	_31_
	2,073	**2,477**	**6,823**	**6,861**

7 Finance income and expenses

	Three months ended 30 September		**Nine months ended 30 September**	
	2015	**2014**	**2015**	**2014**
	USD million	**USD million**	**USD million**	**USD million**
Finance income				
Interest income on third party loans and deposits	8	9	24	20
Interest income on company loans to related parties – *companies under common control*	1	1	2	2
Net foreign exchange gain	12	-	-	-
	21	**10**	**26**	**22**
Finance expenses				
Interest expense on bank loans wholly repayable within 5 years, bonds and other bank charges	(58)	(189)	(212)	(571)
Interest expense on bank loans wholly repayable after 5 years	(85)	(41)	(261)	(41)
Interest expense on company loans to related parties – *companies capable of exerting significant influence*	(4)	(6)	(12)	(13)
Net foreign exchange loss	-	(28)	(172)	(145)
Change in fair value of derivative financial instruments (refer to note 17)	(229)	(23)	(301)	(147)
Interest expense on provisions	(3)	(5)	(10)	(12)
	(379)	**(292)**	**(968)**	**(929)**

8 Income tax

	Three months ended 30 September		Nine months ended 30 September	
	2015	**2014**	**2015**	**2014**
	USD million	**USD million**	**USD million**	**USD million**
Current tax				
Current tax for the period	25	5	167	68
Deferred tax				
Origination and reversal of temporary differences	1	73	6	69
Actual tax expense	**26**	**78**	**173**	**137**

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 31.4%. 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 2015 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 September 2015 were the same as for the period ended 30 September 2014 and the year ended 31 December 2014.

9 (Loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the (loss)/profit attributable to ordinary equity shareholders for the three- and nine-months ended 30 September 2015 and 30 September 2014.

Weighted average number of shares:

	Three months ended 30 September	
	2015	**2014**
Issued ordinary shares at beginning of the period	15,193,014,862	15,193,014,862
Effect of treasury shares	(2,786,066)	(5,506,872)
Weighted average number of shares at end of the period	**15,190,228,796**	**15,187,507,990**
(Loss)/profit for the period, USD million	**(54)**	**220**
Basic and diluted (loss)/earnings per share, USD	**(0.004)**	**0.015**

	Nine months ended 30 September	
	2015	**2014**
Issued ordinary shares at beginning of the period	15,193,014,862	15,193,014,862
Effect of treasury shares	(2,729,634)	(4,426,899)
Weighted average number of shares at end of the period	**15,190,285,228**	**15,188,587,963**
Profit for the period, USD million	**825**	**11**
Basic and diluted earnings per share, USD	**0.054**	**0.001**

There were no outstanding dilutive instruments during the periods ended 30 September 2015 and 30 September 2014.

No dividends were declared and paid during the periods presented.

10 Interests in associates

	Three months ended 30 September	
	2015	**2014**
	USD million	**USD million**
Balance at the beginning of the period	**4,535**	**8,024**
Group’s share of profits and other gains and losses attributable to associates	113	217
Group’s share of other comprehensive income	20	-
Dividends	(226)	-
Foreign currency translation	(1,439)	(1,199)
Balance at the end of the period	**3,003**	**7,042**
Goodwill included in interests in associates	2,433	4,019

	Nine months ended 30 September	
	2015	**2014**
	USD million	**USD million**
Balance at the beginning of the period	**4,470**	**8,175**
Group’s share of profits and other gains and losses attributable to associates	553	578
Dividends	(802)	(313)
Group’s share of other comprehensive income	21	1
Foreign currency translation	(1,239)	(1,399)
Balance at the end of the period	**3,003**	**7,042**
Goodwill included in interests in associates	2,433	4,019

Investment in Norilsk Nickel

At the date of this consolidated interim condensed financial information the Group was unable to obtain consolidated interim financial information of Norilsk Nickel as at and for the three- and nine-month periods ended 30 September 2015. Consequently the Group estimated its share in the profits, other comprehensive income and foreign currency translation reserve of Norilsk Nickel for the three- and nine-month periods ended 30 September 2015 based on publicly available information reported by Norilsk Nickel. The information used as a basis for these estimates is incomplete in many aspects. Once the consolidated interim financial information for Norilsk Nickel becomes available, it is compared to management's estimates. If there are significant differences, adjustments may be required to restate the Group's share in profit, other comprehensive income, foreign currency translation reserve and the carrying value of the investment in Norilsk Nickel reported in this consolidated interim condensed financial information.

The market value of the investment in Norilsk Nickel at 30 September 2015 was USD6,247 million (31 December 2014: USD6,388 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 Interests in joint ventures

	Three months ended 30 September	
	2015	**2014**
	USD million	**USD million**
Balance at the beginning of the period	**374**	**545**
Group’s share of profits	13	18
Dividends	(10)	(9)
Foreign currency translation	(78)	(6)
Balance at the end of the period	**299**	**548**

	Nine months ended 30 September	
	2015	**2014**
	USD million	**USD million**
Balance at the beginning of the period	**409**	**585**
Group’s share of profits	7	33
Dividends	(27)	(29)
Foreign currency translation	(90)	(41)
Balance at the end of the period	**299**	**548**

12 Trade and other receivables

	30 September 2015 USD million	31 December 2014 USD million
Trade receivables from third parties	198	167
Impairment loss on trade receivables	(23)	(18)
Net trade receivables from third parties	**175**	**149**
Trade receivables from related parties, including:	**79**	**61**
Related parties - companies capable of exerting significant influence	*66*	*43*
Related parties - companies under common control	*4*	*14*
Related parties – associates	*9*	*4*
VAT recoverable	159	219
Impairment loss on VAT recoverable	(25)	(31)
Net VAT recoverable	**134**	**188**
Advances paid to third parties	58	85
Impairment loss on advances paid	(4)	(4)
Net advances paid to third parties	**54**	**81**
Advances paid to related parties, including:	**56**	**66**
Related parties - companies capable of exerting significant influence	-	*2*
Related parties – companies under common control	*5*	*3*
Related parties – associates	*51*	*61*
Prepaid expenses	**16**	**21**
Prepaid income tax	**24**	**15**
Prepaid other taxes	**14**	**27**
Other receivables from third parties	83	73
Impairment loss on other receivables	(5)	(14)
Net other receivables from third parties	**78**	**59**
Other receivables from related parties, including:	**3**	**5**
Related parties – companies under common control	*3*	*5*
	633	**672**

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.

(a) 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 September 2015	31 December 2014
	USD million	USD million
Current	183	193
Past due 0-90 days	57	11
Past due 91-365 days	10	5
Past due over 365 days	4	1
Amounts past due	71	17
	254	**210**

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 has been 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.

(b) Impairment of trade receivables

Impairment losses in respect of trade receivables are recognised 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 periods, including both specific and collective loss components, is as follows:

	Three months ended 30 September	
	2015	2014
	USD million	USD million
Balance at the beginning of the period	(18)	(47)
(Impairment loss)/reversal of impairment recognised	(5)	4
Uncollectible amounts written off	-	5
Balance at the end of the period	**(23)**	**(38)**

	Nine months ended 30 September	
	2015	**2014**
	USD million	**USD million**
Balance at the beginning of the period	(18)	(53)
Impairment loss recognised	(5)	(3)
Uncollectible amounts written off	-	18
Balance at the end of the period	**(23)**	**(38)**

As at 30 September 2015 and 31 December 2014, Group trade receivables of USD23 million and USD18 million, respectively, were individually determined to be impaired. Management assessed that the receivables are not expected to be recovered. Consequently, specific allowances for doubtful debts were recognised.

The Group does not hold any collateral over these balances.

13 Equity

(a) Share capital

	Nine months ended 30 September 2015		**Nine months ended 30 September 2014**	
	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 USD0.01 each, issued and paid	**151,930,148**	**15,193,014,862**	**151,930,148**	**15,193,014,862**

The details of movements in the Group's share capital are disclosed in the Group's consolidated financial statements as of and for the year ended 31 December 2014.

(b) Share-based compensation

As at 30 September 2015 and 31 December 2014 the Group held 3,399,247 and 2,700,950 of its own shares, respectively, which were acquired on the open market for the share-based incentive plans ("Shares held for vesting").

During the nine months ended 30 September 2015 the trustees acquired on the open market 698,297 shares (2014: 1,750,886 shares). During the nine months ended 30 September 2014 2,006,218 shares were vested to eligible employees. For the nine month periods ended 30 September 2015 and 30 September 2014, the Group recognised an additional employee expense of USD nil million and USD1 million in relation to the share based plans, respectively, with a corresponding decrease in equity.

(c) Other reserves

Other reserves include the cumulative unrealised actuarial gains and losses on the Group's defined post retirement benefit plans, change in fair value of cash flow hedges and share of other comprehensive income of equity-accounted investees other than foreign currency translation.

(d) 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 that Law of Jersey at the time the distributions are proposed. Dividend pay-outs are restricted in accordance with the credit facility agreements.

(e) Currency translation reserve

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

14 Loans and borrowings

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

	30 September 2015 USD million	31 December 2014 USD million
Non-current liabilities		
Secured bank loans	7,529	8,651
Secured loans from related parties	50	196
	7,579	**8,847**
Current liabilities		
Secured bank loans	819	102
Secured loans from related parties	181	153
Accrued interest	22	48
	1,022	**303**

The Group's bank loans 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 2014. During the nine months period ended 30 September 2015, the Group temporarily pledged 23.6% shares of RUSAL Sayanogorsk.

The secured bank loans are also secured by the following:

- inventory with a carrying value of USD37 million (31 December 2014: USD3 million);
- property, plant and equipment, inventory, receivables with a carrying amount of USD524 million (Aughinish Alumina Limited and UC RUSAL Aughinish Holdings Limited) (31 December 2014: USD526 million).

As at 30 September 2015 and 31 December 2014 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 USD4.75 billion syndicated facility and USD400 million multicurrency credit facility.

The nominal value of the Group's loans and borrowings was USD8,776 million at 30 September 2015 (31 December 2014: USD9,346 million).

As at 30 September 2015 the Group made a principal repayment via cash sweep in total amounts of USD309 million, RUB777 million (USD14 million) and EUR10 million (USD12 million) under the USD4.75 billion syndicated facility and USD400 million multicurrency credit facility, credit facilities with Sberbank and Gazprombank as prepayments.

15 Bonds

On 3 March and 18 April 2011, the Company's subsidiary RUSAL Bratsk issued two tranches of rouble denominated bonds, each including 15 million bonds, with a par value of 1,000 roubles each, trading on MICEX. Maturity of the first tranche is seven years subject to a put option exercisable in March 2014. Maturity of the second tranche is ten years subject to a put option exercisable in April 2015.

Simultaneously, the Group entered into cross-currency swaps with an unrelated financial institution in relation to each tranche whereby the first tranche with semi-annual coupon payments of 8.3% p.a. was transformed into a USD obligation with a matching maturity of USD530 million bearing interest at 5.13% p.a. and the second tranche with semi-annual coupon payments of 8.5% p.a. was transformed into a USD obligation with a matching maturity of USD533 million bearing interest at 5.09% p. a. The proceeds of the bond issues were used for repayment of part of the Group's outstanding debts.

On 25 February 2014 RUSAL Bratsk entered into a bond sale agreement for the purpose of selling up to 5,000,000 (five million) series 07 bonds which were expected to be bought back on a bondholders' put-option realisation date scheduled for 3 March 2014. The selling price under the terms of bonds sale agreement was RUB998.356, or 99.8356% of the par value of each bond. Simultaneously United Company RUSAL Aluminium Limited entered into a put-option transaction which may be exercised for up to 5,000,000 (five million) series 07 bonds at a strike price which will be a function of the announced coupon rate, purchase price, tenor and the expected yield of the transaction, and is exercisable on 22 February 2016. At the Company's request this transaction was early terminated in full and settled on 30 June 2015.

On 26 February 2014 cross-currency swap in relation to the first tranche expired.

On 28 February 2014 RUSAL Bratsk announced a coupon rate in respect to the series 07 bond issue at the level of 12% per annum for the 7-10 semi-annual coupon periods after which the series 07 bonds will be subject to a put option and coupon rate revision.

On 3 March 2014 RUSAL Bratsk successfully performed its obligations under the terms of bondholders' put-option. As result of the put-option being exercised 10,947,149 series 07 bonds (about 73% of the issue) were purchased back by the issuer.

On 6 April 2015 RUSAL Bratsk announced a coupon rate in respect to the series 08 bonds at the level of 12% per annum for the 9-12 semi-annual coupon periods after which the series 08 bonds will be subject to a put option and coupon rate revision.

On 13 April 2015 cross-currency swap in relation to the second tranche expired.

On 15 April 2015 RUSAL Bratsk fulfilled its obligations under a bondholders' put option in regard to the series 08 bonds. 8,067,213 bonds were repurchased from bondholders at the bondholders' request.

As of 30 September 2015 1,482,448 series 07 bonds and 53,680 series 08 bonds were outstanding (traded in the market).

The closing market price at 30 September 2015 was RUB987.4 and RUB972.80 per bond for the first and second tranches, respectively.

16 Provisions

	Pension liabilities	Site restoration	Provisions for legal claims	Tax provisions	Provision for guarantee	Total
	USD million	USD million	USD million	USD million	USD million	USD million
Balance at 1 July 2015	**66**	**373**	**16**	**62**	**100**	**617**
Provisions made during the period	2	1	-	-	-	3
Provisions utilised during the period	(1)	(1)	-	(2)	-	(4)
Foreign currency translation	(8)	(16)	-	-	-	(24)
Balance at 30 September 2015	**59**	**357**	**16**	**60**	**100**	**592**
Non-current	*53*	*342*	*-*	*35*	*61*	*491*
Current	*6*	*15*	*16*	*25*	*39*	*101*

Balance at 1 July 2014	**101**	**486**	**12**	**68**	**100**	**767**
Provisions made during the period	4	7	-	-	-	11
Provisions utilised during the period	(3)	(5)	-	-	-	(8)
Foreign currency translation	(13)	(47)	-	-	-	(60)
Balance at 30 September 2014	**89**	**441**	**12**	**68**	**100**	**710**
Non-current	*79*	*428*	*-*	*35*	*71*	*613*
Current	*10*	*13*	*12*	*33*	*29*	*97*

	Pension liabilities	Site restoration	Provisions for legal claims	Tax provisions	Provision for guarantee	Total
	USD million	USD million	USD million	USD million	USD million	USD million
Balance at 1 January 2015	**63**	**377**	**15**	**65**	**100**	**620**
Provisions made during the period	6	16	15	-	-	37
Provision reversed during the period	-	-	(9)	-	-	(9)
Actuarial loss	2	-	-	-	-	2
Provisions utilised during the period	(4)	(2)	(5)	(5)	-	(16)
Foreign currency translation	(8)	(34)	-	-	-	(42)
Balance at 30 September 2015	**59**	**357**	**16**	**60**	**100**	**592**
Non-current	*53*	*342*	-	*35*	*61*	*491*
Current	*6*	*15*	*16*	*25*	*39*	*101*

Balance 1 January 2014	**116**	**491**	**12**	**68**	**100**	**787**
Provisions made during the period	10	23	-	-	-	33
Actuarial gain	(5)	-	-	-	-	(5)
Provisions utilised during the period	(9)	(8)	-	-	-	(17)
Foreign currency translation	(23)	(65)	-	-	-	(88)
Balance at 30 September 2014	**89**	**441**	**12**	**68**	**100**	**710**
Non-current	*79*	*428*	-	*35*	*71*	*613*
Current	*10*	*13*	*12*	*33*	*29*	*97*

17 Derivative financial assets and liabilities

	30 September 2015		**31 December 2014**	
	USD million		**USD million**	
	Derivative assets	**Derivative liabilities**	**Derivative assets**	**Derivative liabilities**
Cross-currency swaps	-	345	-	446
Petroleum coke supply contracts and other raw materials	56	-	45	-
Interest rate swaps	-	4	-	30
Forward contracts for aluminium and other instruments	6	45	17	26
Cross-currency option on loan	-	183	-	166
Total	**62**	**577**	**62**	**668**

On 16 December 2013 the Group entered into a new credit facility up to RUB15 billion with VTB Capital Plc with a maturity of 5 years and an interest rate of 3M Mosprime + 4.0% and drew down RUB10.1 billion (USD309 million) on 17 December 2013. The credit facility includes an option which may be exercised by the bank two years from the date of entering into the credit facility to convert the credit facility to USD with a 3M LIBOR + 5.05% interest rate. On 30 September 2015 the Group's exposure under this option was USD183 million.

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. There were no changes in valuation techniques as well as no transfers between levels of the fair value hierarchy during the three and nine-month periods ended 30 September 2015. 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. The following significant assumptions were used in estimating derivative financial instruments:

	2015	**2016**	**2017**
LME Al Cash, USD per tonne	1,573	1,612	1,660
Platt's FOB Brent, USD per barrel	49	54	57
Forward exchange rate, RUB to USD	65.7071	70.4221	77.3117
Forward 1Y LIBOR, %	0.65	0.87	-

The fair value of VTB Capital loan option is estimated using the Black-Scholes model. As at 30 September 2015 the following assumptions were used:

Conversion rate, RUB to USD	32.8
Spot price, RUB to USD	65.4
Volatility, %	23.6
Risk free rate for RUB, %	10.8
Risk free rate for USD, %	1.1

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

	Three months ended 30 September	
	2015	**2014**
	USD million	**USD million**
Balance at the beginning of the period	(415)	(293)
Unrealised changes in fair value recognised in other comprehensive income during the period	37	(115)
Unrealised changes in fair value recognised in statement of income (finance expenses) during the period	(229)	(23)
Realised portion during the period	92	47
Balance at the end of the period	**(515)**	**(384)**

	Nine months ended 30 September	
	2015	**2014**
	USD million	**USD million**
Balance at the beginning of the period	(606)	(288)
Unrealised changes in fair value recognised in other comprehensive income during the period	158	(166)
Unrealised changes in fair value recognised in statement of income (finance expenses) during the period	(301)	(147)
Realised portion during the period	234	217
Balance at the end of the period	**(515)**	**(384)**

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

18 Trade and other payables

	30 September 2015 USD million	31 December 2014 USD million
Accounts payable to third parties	**370**	**454**
Accounts payable to related parties, including:	**49**	**51**
Related parties – companies capable of exerting significant influence	*17*	*24*
Related parties – companies under common control	*11*	*25*
Related parties – associates	*21*	*2*
Advances received from third parties	**210**	**169**
Advances received from related parties, including:	**194**	**405**
Related parties – companies capable of exerting significant influence	*193*	*404*
Related parties - associates	*1*	*1*
Other payables and accrued liabilities third parties	**108**	**138**
Other payable and accrued liabilities related parties, including:	**7**	**10**
Related parties – companies capable of exerting significant influence	-	*3*
Related parties – associates	*7*	*7*
Other taxes payable	**87**	**93**
Non-trade payables to third parties	**1**	**1**
	1,026	**1,321**

Included in trade and other payables are trade payables with the following ageing analysis as at the reporting date.

	30 September 2015 USD million	31 December 2014 USD million
Due within twelve months or on demand	419	505

19 Commitments and contingencies

(a) Capital commitments

In May 2006, the Group signed a Co-operation agreement with OJSC HydroOGK and RAO UES. Under this Co-operation agreement OJSC HydroOGK and the Group have jointly committed to finance the construction and future operating of the BEMO Project including BoGES and an aluminium plant, the planned main customer of the hydropower station. The parties established two joint companies with 50:50 ownership, into which the Group is committed to invest USD1,044 million by the end of 2015 (31 December 2014: USD1,215 million).

The Group has entered into contracts that result in contractual obligations primarily relating to various construction and capital repair works. The commitments at 30 September 2015 and 31 December 2014 approximated USD189 million and USD319 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.

Tax declarations, together with related documentation, are subject to review and investigation by a number of authorities, each of which may impose fines, penalties and interest charges. Fiscal periods remain open to review by the authorities for three calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods. In addition, in some instances, new tax regulations effectively have been given retroactive effect. Additional taxes, penalties and interest which may be material to the financial position of the taxpayers may be assessed in the Russian Federation as a result of such reviews.

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 September 2015 is USD246 million (31 December 2014: USD357 million).

The Group's major trading companies are incorporated in low tax jurisdictions outside Russia and a significant portion of the Group's profit is realised by these companies. Management believes that these trading companies are not subject to taxes outside their countries of incorporation and that the commercial terms of transactions between them and other group companies are acceptable to the relevant tax authorities. This consolidated interim condensed financial information has been prepared on this basis. However, as these companies are involved in a significant level of cross border activities, there is a risk that Russian or other tax authorities may challenge the treatment of cross-border activities and assess additional tax charges. It is not possible to quantify the financial exposure resulting from this risk.

New transfer pricing legislation enacted in the Russian Federation starting from 1 January 2012 provides for major modifications making local transfer pricing rules closer to OECD guidelines, but creating additional uncertainty in practical application of tax legislation in certain circumstances.

The new transfer pricing rules introduce an obligation for the taxpayers to prepare transfer pricing documentation with respect to controlled transactions and prescribe new basis and mechanisms for accruing additional taxes and interest in case prices in the controlled transactions differ from the market level. The new transfer pricing rules eliminated the 20-percent price safe harbour that existed under the previous transfer pricing rules applicable to transactions on or prior to 31 December 2011.

The new transfer pricing rules primarily apply to cross-border transactions between related parties, as well as to certain cross-border transactions between independent parties, as determined under the Russian Tax Code. In addition, the rules apply to in-country transactions between related parties if the accumulated annual volume of the transactions between the same parties exceeds a particular threshold (RUB3 billion in 2012, RUB2 billion in 2013, and RUB1 billion in 2014 and thereon).

Since there is no practice of applying the new transfer pricing rules by the tax authorities and courts, it is difficult to predict the effect, if any, of the new transfer pricing rules on this consolidated interim condensed financial information.

The Company believes it is compliant with the new rules as it has historically applied the OECD - based transfer pricing principles. Estimating additional tax which may become payable is inherently imprecise. It is, therefore, possible that the amount ultimately payable may exceed the Group's best estimate of the maximum reasonably possible liability; however, the Group considers that the likelihood that this will be the case is remote.

The new controlled foreign company (“CFC”) rules have been introduced in Russia starting from 1 January 2015. The rules apply to undistributed profits of non-Russian CFC controlled by Russian tax-resident shareholders. The Company is tax-resident in Cyprus and managed and controlled from Cyprus and the new CFC rules shall not directly apply to the Group in relation to any of its non-Russian affiliates. The CFC rules may apply to Russian tax-resident controlling shareholders of the Company, where such shareholder controls more than 50% of the Company (starting from 2016 more than 25% or 10% where all Russian tax-resident shareholders together control more than 50%). The rules also introduce certain reporting requirements for such Russian tax-resident controlling shareholders of the Company starting from 2015 in relation to non-Russian affiliates of the Group where such shareholders directly or indirectly control more than 10% of those affiliates.

(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 16). As at 30 September 2015 the amount of claims, where management assesses outflow as possible approximates USD41 million (31 December 2014: USD111 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 16 November 2015. 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.

20 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 September		Nine months ended 30 September	
	2015	**2014**	**2015**	**2014**
	USD million	**USD million**	**USD million**	**USD million**
Salaries and bonuses	13	13	51	41
Share-based compensation	-	-	-	1
	13	**13**	**51**	**42**

(b) Dividends receivable

The Group had outstanding balances with associates and joint ventures in the amounts of USD200 million and USD14 million as of 30 September 2015 and 31 December 2014, respectively.

(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 or its controlling shareholders or Glencore and entities under its control or Onexim or its controlling shareholders.

Sales to related parties for the period are disclosed in note 6, finance income and expenses incurred in transactions with related parties are disclosed in note 7, trade receivables from related parties are disclosed in note 12, accounts payable to related parties are disclosed in note 18, capital commitments with related parties are disclosed in note 19.

Purchases of raw materials and services from related parties were as follows:

	Three months ended 30 September		**Nine months ended 30 September**	
	2015	**2014**	**2015**	**2014**
	USD million	**USD million**	**USD million**	**USD million**
Purchases of raw materials – companies under common control	14	19	41	68
Purchases of raw materials – companies capable of exerting significant influence	31	49	100	144
Purchases of raw materials - associates	5	15	28	15
Energy costs – companies under common control	96	153	323	419
Energy costs – companies capable of exerting significant influence	7	11	21	33
Energy costs – associates	33	-	41	1
Other costs – companies under common control	7	7	17	15
Other costs – associates	32	34	102	109
Distribution expense – companies under common control	-	-	-	1
	225	**288**	**673**	**805**

As at 30 September 2015, included in non-current assets and liabilities are balances of USD38 million and USD61 million, respectively, of companies which are related parties (31 December 2014: USD35 million and USD61 million, respectively).

(d) 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.

21 Events subsequent to the reporting date

On 12 October 2015 the Board of Directors of the Company approved an interim dividend in the aggregate amount of USD250 million (USD0.01645493026 per ordinary share) for the financial year ending 31 December 2015. The interim dividend was paid in cash on 6 November 2015.