Global perspectives of Eastern Siberia: strengthening leadership
Russia is a new global energy, metals and mining powerhouse

- #1 in natural gas (44.4 trillion cubic meters) and #5 in proven oil reserves (10.2 billion tonnes)
- #3 in forecasted iron reserves (over 120 billion tonnes) and #1 in proven iron ore reserves (100 billion tonnes, or 26% of world reserves) after USA and Brazil
- 85 million tonnes of proven copper reserves
- 3,800 billion tonnes of forecasted coal reserves (world #2 after China) and 190 billion tonnes of proven coal reserves (18% of world reserves)
- #2 in gold reserves (7 thousand tonnes) and PGMs (3 thousand tonnes) after South Africa
- Leader in aluminium production
China and other Asian countries are driving global demand for natural resources

<table>
<thead>
<tr>
<th>Material</th>
<th>China’s share in global consumption</th>
<th>Russia’s share of global reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>40%</td>
<td>10%*</td>
</tr>
<tr>
<td>Oil</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>Coal</td>
<td>47%</td>
<td>18%</td>
</tr>
<tr>
<td>Iron ore</td>
<td>64%**</td>
<td>26%</td>
</tr>
<tr>
<td>Nickel</td>
<td>37%</td>
<td>9%</td>
</tr>
<tr>
<td>Copper</td>
<td>37%</td>
<td>4%</td>
</tr>
<tr>
<td>Zinc</td>
<td>37%</td>
<td>6%</td>
</tr>
</tbody>
</table>

* global production market share
** seaborne market
Siberia and Far East Russia are perfectly located to meet growing Asian demand

Energy and natural resources can turn Siberia into a driver of economic growth not only in Russia, but also other Asian countries, whereas its unique location make Siberia a bridge linking two parts of the world, Europe and Asia Pacific.
Russia and China: great potential for development of Siberia

- China’s growth is the key driver of the global economy
  - 2nd largest economy in the world, no.1 in terms of GDP growth
  - Over 46% of China’s GDP is generated by industrial production, creating enormous demand for resources and energy, much of which has to be imported in order to realize China’s growth and industrialization goals

- Russia has the potential to become a top priority partner for China and Greater Asia, with much of Russia’s mineral resources located in Siberia and Russia’s Far East in relative proximity to China
  - Over 90% of PGMs reserves, around 70% of nickel and copper reserves, 80% of coal reserves, 40% of forest reserves, as well as oil and gas and other metal reserves are located in Siberia
  - ¾ of Russia’s hydro energy capacity are located in Siberia
Eastern Siberia is Russia’s energy centre

¾ of Russia’s hydro energy capacity are located in Siberia. Green and renewable sources of energy constitute a major competitive advantage of the industrial development of the region.
Krasnoyarsk perspectives: pan-regional metals & mining centre

Current state

Largest metals & mining enterprises of Krasnoyarsk region
- Metallurgy complex: Krasnoyarskaya HPP (6,000 MW)  
  Krasnoyarsk aluminium smelter  
  Achinsk alumina refinery  
  Krasnoyarsk metallurgy plant
- MMC Norilsk Nickel
- Krasnoyarsk plant of non-ferrous metals
- Gorevsky Mining and Ore Processing Complex
- Sorsky Gok

Potential

- Exceptional reserves of natural resources (up to 95% of Russian reserves of nickel and PGMs, over 70% of copper and coal), as well as an excess of energy capacity create opportunities to develop energy-extensive metals enterprises
- BEMO (Boguchansk Energy and Metals Complex) is an example of such projects
  - Boguchansky aluminium smelter with 588 ktpa capacity
  - Boguchanskaya HPP with installed capacity of 3,000 MW
RUSAL today: global leadership, scale and reach

**Key facts**

- World’s largest aluminium producer
  - 10% of global production of aluminium
  - 10% of global production of alumina
- Over 40 assets in 19 countries across 5 continents
  - 16 aluminium smelters
  - 13 alumina refineries
  - 8 bauxite mining complexes
  - 3 foil mills
- 25% stake in MMC Norilsk Nickel, the world’s largest producer of nickel and palladium
- Bogatyr, 50/50 JV with Samruk-Kazyna, in Kazakhstan owns one of the largest open pit coal mines in CIS with annual production volume exceeding 40 million tonnes of coal
- 72,000 employees

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**World leader in aluminium production in 2010**

<table>
<thead>
<tr>
<th></th>
<th>Mt</th>
</tr>
</thead>
<tbody>
<tr>
<td>UC RUSAL</td>
<td>4.1</td>
</tr>
<tr>
<td>Chalco</td>
<td>3.8</td>
</tr>
<tr>
<td>RT Alcan</td>
<td>3.8</td>
</tr>
<tr>
<td>Alcoa</td>
<td>3.6</td>
</tr>
<tr>
<td>Norsk Hydro</td>
<td>1.4</td>
</tr>
<tr>
<td>BHP Billiton</td>
<td>1.2</td>
</tr>
</tbody>
</table>

Source: companies reports. Production of primary aluminium in 2010
2010 – a transformational year for RUSAL

- Returned to growth
- Focus on cost control and product mix improvement
- Investments in near-term growth projects
- Focus on deleveraging of the balance sheet
- Listing in Hong Kong and Euronext
- Improved capital structure
...with significant achievements

Strong return to profitability...
- Adjusted EBITDA increased to US$2,597m
  - Adjusted EBITDA margin has returned to the pre-crisis level of 24%
- Net profit of US$2,867m
- Cash generated from operations of US$1,909m before income taxes

...resulting in significant debt reduction...
- US$4.5bn VEB short-term loan refinanced by Sberbank, extending the maturity until the end of 2013
- RUB15bn bonds placement in March 2011
- Significantly ahead of debt reduction targets
  - US$2.6bn repayments in 2010 and US$0.85bn further repayments in 1Q 2011
  - Interest margin payable on the debt owed to international lenders has decreased from 7% to 4.5%
- Net Debt reduced to US$11,472m\(^{(1)}\)

...and a positive outlook for the business
- Restart of Ewarton Plant Works in 2010 and Kirkvine in Jamaica scheduled for 2011
- Restart of BEMO smelter construction in January 2011 backed up by project financing from VEB
- Restart of Taishet smelter construction is scheduled for 2011
- Aluminium production is expected to increase by 2% in 2011 vs 2010
- Alumina production is planned to increase by 8% in 2011 vs 2010

Note:
\(^{(1)}\) Net Debt as of 31 December 2010. Net Debt is calculated as Total Debt less cash and cash equivalents as at the end of the period, includes fair value adjustments. Total Debt means the Company’s loans and borrowings as at the end of the period.
Focus on value added products and key markets

- Focus on increasing sales of alloys and value added products to end-users in key markets based on growing demand from the automotive, engineered products and manufacturing segments
  - Growing Russian and CIS domestic market driven by infrastructure projects
  - Growing premiums in key markets
  - Improvement of sales mix
- Share of alloys in total production volume increased from 18% in 2009 to 32% in 2010

### 2010 sales to end-users breakdown
1. **Europe**: 39%
2. **Russia & CIS**: 37%
3. **America**: 9%
4. **Asia**: 14%
5. **Other**: 1%

### Sales breakdown by products
- **Primary aluminium**: 67%
- **Aluminium billet**: 9%
- **Sheet ingots**: 6%
- **Foundry alloy**: 6%
- **Wire rod**: 7%
- **Other products**: 1%

### Production of alloys
- **Alloys production** increased by almost 2 times improving margins
- Share of alloys in total production volume increased from 18% in 2009 to 32% in 2010

Note:
(1) For primary aluminium and alloys sold to regional customers (excluding global traders)
RUSAL relies on green and renewable source of power

**UC RUSAL**

- Transport 4%
- Payroll 6%
- Raw materials 17%
- Alumina 39%
- Power 25%
- Other 9%

Source: UC RUSAL management accounts for 2010

**Production and principal electrical power sources within Russia by region**

- **European Russia**
  - Principal source of power: Hydro / Nuclear
  - c. 85%
  - 3.453mt
  - c. 8%
  - 0.309mt
  - c. 5%
  - 0.186mt

- **Urals**
  - Principal source of power: Coal / Gas
  - c. 8%
  - 0.309mt

- **Siberia**
  - Principal source of power: Hydro
  - c. 85%
  - 3.453mt

- **Ideally located to benefit from hydro power in Siberia**

- Secured by long-term electricity supply contracts with Siberian hydro-power plants

**vs Industry average**

- Payroll 6%
- Raw Materials 13%
- Alumina 37%
- Power 36%
- Other 8%

Source: UC RUSAL, Brook Hunt (Wood Mackenzie Company) for 2010

**Note:**

1. C1 Cash Costs for 2010;
2. 2010 aluminium production at Russia-based smelters and share of total UC RUSAL's 2010 production
Growing demand from Asia remains a key driver for the industry

Global aluminium demand

<table>
<thead>
<tr>
<th>Mt</th>
<th>Demand 2011</th>
<th>2011 vs 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>18.5</td>
<td>+12%</td>
</tr>
<tr>
<td>W.Europe</td>
<td>6.2</td>
<td>+2%</td>
</tr>
<tr>
<td>USA</td>
<td>5.4</td>
<td>+5%</td>
</tr>
<tr>
<td>Japan</td>
<td>2.0</td>
<td>+4%</td>
</tr>
<tr>
<td>Russia&amp;CIS</td>
<td>0.9</td>
<td>+22%</td>
</tr>
</tbody>
</table>

Source: Company’s forecast

Growing demand from Asia remains a key driver for the industry

UC RUSAL is well positioned to benefit from growing demand in Asia

(Note 1) Only aluminium produced at UC RUSAL’s smelters across the world incl. 3.5Mt in Eastern Siberia. 1.3Mt additions include 100% of expected BEMO smelter capacity (50% UC RUSAL ownership) and Taishet smelter capacity
China is expected to become a net importer ...

- Most of the Chinese aluminium smelters generate profits at aluminium price above US$2,400 per tonne level
- China restarted 568 thousand tonnes of aluminum capacity year-to-date, still around 1mn tonnes of capacity is closed
- Chinese aluminium consumption expected to grow by 12% in 2011

Chinese imports to reach 3-4Mt by 2015
... while Chinese supply is constrained by carbon emission and energy intensity issues

Chinese energy efficiency gained on only 15% reduction target in 2010 since 2005

China wants to significantly improve environmental conditions through carbon emissions reduction by 40% till 2020 through more use of green energy and reduction of coal generation

Higher power tariffs, power cuts and closures of inefficient capacity following government measures to reduce power consumption in order to reach targets set for its 11th 5-year plan reduced production

Chinese aluminium producers have the highest power costs of US$1,100/t

Chinese Government is behind its 2010 target to reduce emissions to 80%
Short-term price momentum is supported by a tight physical market

Available aluminum inventories at historically low levels of 28 days of consumptions (the reason why premiums are strong). Overall, metal stocks remain at high levels due to significant interest in financial deals. Aluminium forward curve has positive dynamics (upward sloping).

- Physical premiums have increased and should remain firm

Tight physical markets and challenging delivery environments should support aluminium
Chinese 2011-2015 development plan will allow China to benefit from proximity to RUSAL

**Chinese aluminium industry majors**

- To maintain aluminum production at 20Mt and aluminum apparent consumption at 24Mt by 2015
- To phase out all 100Ka smelters (1.26Mt) by the end of 2011 and to meet energy efficiency and reduction of carbon emissions of 40% by 2015
- To restrain a new primary aluminium greenfield and brownfield expansion projects in 3 years period and strict control of a new capacity
- To shift primary aluminum smelters to Western provinces through tax and power tariff preferences
- To strictly control export of high energy intensive products like primary aluminium and support export of high-technology and value-added deeply-processed products

**Benefits for China from proximity to RUSAL**

- Growing Chinese aluminium imports can be utilized by RUSAL’s smelters in Siberia
- Chinese consumers can get physical metal from RUSAL within 2 weeks versus around 3-4 weeks from global peers due to logistical advantage
- Shift of aluminum smelters to the Western provinces may create additional transport implications for downstream smelters in the Eastern provinces which have the closets location to RUSAL’s smelters
- Reduction in export of primary aluminum and other upstream products will expand RUSAL’s market share in China, Japan, South Korea and other Asian countries. Chinese consumes can rely on sustainable leading low-cost producer with the best location

**RUSAL’s long-term plan to increase aluminium shipments to Chinese market up to 20% of total aluminium sales**
BEMO project – continuing progress
Hydro Power Plant

BEMO HPP status
- 7 turbines out of 9 delivered on site
- 93% of the concrete placing and assembly of pre-cast reinforced concrete has occurred
- 89% of the hydromechanical equipment and metal structures and 62% of the cranes have been assembled
- 25% of the hydraulic power equipment has been assembled
- 100% of the earth, rock excavation and asphalt concrete have been carried out
- 95% of the cement injection has occurred

Assembly works

BEMO HPP capex (1)
- Existing partner: RusHydro (50%)
- Project finance: RUR 28.1bn (~US$0.9bn)
- Loan maturity: 16 years
- Total capex: US$1,769m
- Capex spent: US$1,263m
- Remaining capex: US$506m

Note:
(1) Capex is presented on 100% basis excluding VAT. Capex since 2006
BEMO project – continuing progress
Smelter

BEMO smelter status

- Earth works comprising 9,014 thousand cubic meters of ground excavation has occurred
- Earth works comprising back-filling of 6,031 thousand cubic meters has occurred
- 29.7 thousand cubic meters of cast-in-place reinforced concrete structures have been erected
- 2.7 thousand tonnes of metal structures have been constructed

BEMO smelter capex (1)

- Existing partner: RusHydro (50%)
- Project finance (2): RUR 21.9bn (~US$0.7bn)
- Loan maturity: 14 years
- Total capex: US$826m
- Capex spent: US$296m
- Remaining capex: US$530m

Note:
(1) Capex is presented on 100% basis for Phase 1 of the smelter only excluding VAT. Capex since 2006
(2) Including costs of financing and investments in the related infrastructure for Phase 1 of the Smelter. Financing on non-recourse basis

Production area

- January
  - Restart of the smelter construction
- March
  - First metal production at the smelter
- July
  - VEB approves project finance for HPP and first phase of the smelter
- December
  - Technological equipment of the First phase to be launched

2010
2011
2012
2013
Attractive growth options – Taishet

UC RUSAL capital expenditures

Taishet smelter status

- Negotiating project financing with from various international lenders and Russian banks for the first phase of Taishet smelter
- Taishet smelter full capacity of 750Ktpa (considering first phase of 375Ktpa)
- Metal production to start in 20 months after project finance is secured

UC RUSAL capital expenditure

<table>
<thead>
<tr>
<th>US$m</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth projects</td>
<td>184</td>
</tr>
<tr>
<td>BEMO HPP</td>
<td>158</td>
</tr>
<tr>
<td>BEMO smelter</td>
<td>13</td>
</tr>
<tr>
<td>Taishet smelter (2)</td>
<td>13</td>
</tr>
<tr>
<td>Maintenance</td>
<td>354</td>
</tr>
<tr>
<td>Pot rebuilds costs</td>
<td>140</td>
</tr>
<tr>
<td>Re-equipment</td>
<td>214</td>
</tr>
<tr>
<td><strong>Total capex</strong></td>
<td><strong>538</strong></td>
</tr>
</tbody>
</table>

Note:
(1) Based on UC RUSAL Consolidated Interim Condensed Financial Statements for the year ended December 31 2010 and 2009
(2) As for idled construction

Production area

Currently negotiating project finance to restart smelter construction

Taishet capex

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>UC RUSAL (100%)</td>
</tr>
<tr>
<td>Total capex</td>
<td>US$1,772m</td>
</tr>
<tr>
<td>Capex spent</td>
<td>US$551m</td>
</tr>
<tr>
<td>Remaining capex</td>
<td>US$1,221m</td>
</tr>
</tbody>
</table>

Note:
(1) For Phase 1 of the smelter, excluding VAT. Capex since 2005
Ten strategic priorities for RUSAL for the next 10 years

- Strengthen RUSAL’s position of a global aluminium industry leader in terms of production efficiency.
- Ensure an optimal capital structure and increase liquidity of shares.
- Diversify the business by creating a global energy-mining-and-metals corporation.
- Reinforce RUSAL’s position within growing and profitable markets including Asia, Russia and the CIS countries.
- Ensure use of own raw materials for production of alumina.
- Ensure energy supply for aluminium production.
- Improve logistical efficiency of business.
- Ensure competitiveness in terms of technology development.
- Steady improvement of environmental performance.
- Be a priority employer by providing its personnel with career and professional development opportunities, as well as a competitive social benefits package.

RUSAL is ideally positioned to take advantage of the encouraging outlook for aluminium prices and increasing consumer demand. The following years will see RUSAL strengthen its world aluminium industry leadership position.
RUSAL’s 2011 priorities

- Continued focus on operational efficiency, cost management and HSE performance
- Increase of aluminium production by up to 80,000 tonnes
- Increase of alumina production by up to 665,000 tonnes
- Steady deleveraging through operating cashflows
- Explore refinancing options, including bond issue
- Enhance margins through increased production of alloys
- Increase of value-added products sales to 1.5 million tonnes (37% of total aluminium sales)
- Secure project finance for Taishet smelter