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UNITED COMPANY RUSAL PLC
(Incorporated under the laws of Jersey with limited liability)
(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS

CONTINUING CONNECTED TRANSACTIONS

The Board is pleased to announce that on 10 September 2010, RUSAL TH (an indirect wholly-owned subsidiary of the Company) entered into the following contracts with Energoprom Management:

- (a) the Graphitized Carbon Products Purchase Agreement pursuant to which RUSAL TH agreed to purchase and Energoprom Management agreed to sell up to 2,624 tonnes of graphitized carbon products for a term from 10 September 2010 to 31 December 2010; and
- (b) the Calcined Oil Coke Purchase Agreement pursuant to which RUSAL TH agreed to purchase and Energoprom Management agreed to sell up to 20,000 tonnes of calcined oil coke for a term from 10 September 2010 to 31 December 2010.

Based on the terms of the Raw Materials Purchase Agreements, the annual aggregate transaction amount that is payable by the Group to Energoprom Management under the Raw Materials Purchase Agreements, for the financial year ending 31 December 2010, is US\$24,426,000.

LISTING RULES IMPLICATIONS

Each of Mr. Vekselberg and Mr. Blavatnik indirectly holds more than 30% of the share capital in Energoprom Management. Energoprom Management is therefore an associate of Mr. Vekselberg and Mr. Blavatnik, each being a Director, and on this basis, Energoprom Management is a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the Graphitized Carbon Products Purchase Agreement and the Calcined Oil Coke Purchase Agreement constitute continuing connected transactions for the Company. Pursuant to Rule 14A.25 of the Listing Rules, the Graphitized Carbon Products Purchase Agreement will be aggregated with the Calcined Oil Coke Purchase Agreement as well as the continuing connected transactions contemplated under the Previous Purchase Agreements as they are entered into by the Group with the same party and the subject matter are all in respect of purchase of raw materials for the purposes of the Company's production.

As the aggregate annual amount of the continuing connected transactions under the Graphitized Carbon Products Purchase Agreement, the Calcined Oil Coke Purchase Agreement and the Previous Purchase Agreements is more than 0.1% but less than 5% under all of the applicable ratios, including the assets ratio, the revenue ratio and the consideration ratio, calculated with reference to its most recent accounts, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under these agreements are only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40 and the requirements set out in Rules 14A.35(1) and 14A.35(2) of the Listing Rules. These transactions are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that each of the Raw Materials Purchase Agreements has been negotiated on an arm's length basis and is on normal commercial terms (including the annual cap) which are fair and reasonable and the transaction contemplated under each of the Raw Materials Purchase Agreements is in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole.

None of the Directors has a material interest in the transaction contemplated by the Raw Materials Purchase Agreements save for Mr. Vekselberg and Mr. Blavatnik, each of them indirectly holds more than 30% of the share capital in Energoprom Management. Each of Mr. Vekselberg and Mr. Blavatnik is therefore indirectly interested in Energoprom Management. Accordingly, each of Mr. Vekselberg and Mr. Blavatnik has abstained from voting in the board meeting containing the board resolutions approving the Graphitized Carbon Products Purchase Agreement and the Calcined Oil Coke Purchase Agreement.

BACKGROUND

GRAPHITIZED CARBON PRODUCTS PURCHASE AGREEMENT

Date:	10 September 2010
Contracting Parties:	(1) RUSAL TH, an indirect wholly-owned subsidiary of the Company, as buyer (2) Energoprom Management, a connected person of the Company, as seller
Term:	10 September 2010 to 31 December 2010
Amount of consideration	Up to RUB 216,951,164 (equivalent to approximately US\$7,450,246), which is subject to any applicable cross-currency exchange rate adjustments
Graphitized carbon products to be purchased:	Up to 2,624 tonnes
Terms of Delivery:	To be delivered to FCA Linevo
Terms of Payment:	100% of the consideration will be prepaid or paid within 15 days by wire transfer after delivery of the lot in the amount, price and in accordance with the schedule of deliveries to be agreed by the parties periodically by signing separate annexes and addendums to this agreement, provided always that the total amount of all annexes and addendums to the Graphitized Carbon Products Purchase Agreement will not exceed RUB 216,951,164 (equivalent to approximately US\$7,450,246)

CALCINED OIL COKE PURCHASE AGREEMENT

Date :	10 September 2010
Contracting Parties:	(1) RUSAL TH, an indirect wholly-owned subsidiary of the Company, as buyer (2) Energoprom Management, a connected person of the Company, as seller
Term:	10 September 2010 to 31 December 2010
Amount of consideration	Up to RUB 120,732,394 (equivalent to approximately US\$4,146,030), which is subject to any applicable cross-currency exchange rate adjustments
Calcined oil coke to be purchased:	Up to 20,000 tonnes
Terms of Delivery:	To be delivered to FCA Linevo
Terms of Payment:	To be paid by wire transfer within 3 business days after the date of delivery of the invoice for the dispatched lot

Pursuant to Rule 14A.25 of the Listing Rules, the Graphitized Carbon Products Purchase Agreement will be aggregated with the Calcined Oil Coke Purchase Agreement as well as the continuing connected transactions contemplated under the Previous Purchase Agreements as they have been/ are entered into by the Group with the same party and the subject matter are all in respect of purchase of raw materials for the purposes of the Company's production. Details of the Previous Purchase Agreements are as follows:

PREVIOUS PURCHASE AGREEMENTS

PREVIOUS CARBON PRODUCTS PURCHASE AGREEMENTS

Date :	26 November 2008	25 November 2008
Contracting Parties:	(1) CJSC Kremniy, an indirect non-wholly-owned subsidiary of the Company, as buyer (2) Energoprom Management, a connected person of the Company, as seller	(1) SUAL-Kremniy-Ural LLC, an indirect wholly-owned subsidiary of the Company, as buyer (2) Energoprom Management, a connected person of the Company, as seller
Term:	26 November 2008 to 31 December 2010	25 November 2008 to 31 December 2010
Amount of consideration payable during 2010:	US\$9,516,025	RUB71,543,008 (equivalent to approximately US\$2,456,525)
Graphitized carbon products to be purchased during 2010:	2,736 tonnes	750 tonnes
Terms of Delivery:	FCA Linevo	FCA Lokomotiv-stoy / FCA Metallurgical
Terms of Payment:	100% pre-payment by wire transfer	15 days after shipment by wire transfer

The Previous Carbon Products Purchase Agreements mentioned in the table above will be terminated upon entry of the Graphitized Carbon Products Purchase Agreement. The amount of consideration of approximately US\$10,841,497 under the Previous Carbon Products Purchase Agreements has already been paid by the Group to Energoprom Management in cash by wire transfer and US\$1,131,053 which remains outstanding will be paid in accordance with the terms of the Previous Carbon Products Purchase Agreements.

PREVIOUS GRAPHITE PRODUCTS PURCHASE AGREEMENT

Date :	28 December 2006
Contracting Parties:	(1) RUSAL Boxitogorsk, an indirect wholly-owned subsidiary of the Company, as buyer (2) Energoprom Management, a connected person of the Company, as seller
Term:	28 December 2006 to 31 December 2010. This contract, with a duration of more than three years was entered into on 28 December 2006 and it will be difficult for the Company to renegotiate and amend the terms of such contract. Upon expiry of this contract, the Company intends to enter into a new contract with Energoprom Management with a term of 3 years or less to comply with the Listing Rules requirement.
Amount of consideration payable during 2010:	RUB 24,952,725.00 (equivalent to approximately US\$856,893.03)
Raw Materials to be purchased during 2010:	216 tonnes of graphite electrodes
Terms of Delivery:	If delivered by railway — FCA (railway station of the consignor); if delivered by motor transport — EXW (the warehouse of the Buyer)
Terms of Payment:	30 days after delivery by wire transfer

The amount of consideration of RUB 15,062,882.97 (equivalent to approximately US\$517,269) under the Previous Graphite Products Purchase Agreement set out in the table above has already been paid by RUSAL Boxitogorsk to Energoprom Management in cash by wire transfer and RUB 9,889,869 (equivalent to approximately US\$339,624.62) which remains outstanding will be paid in accordance with the terms of the Previous Graphite Products Purchase Agreement.

It has come to the Company's attention that one of the applicable percentage ratios on an annual basis under the Previous Purchase Agreements exceeded 0.1% in mid-August 2010. As the Company needed time to, among other things, collate information regarding which contracts need to be aggregated together with the Previous Carbon Products Purchase Agreements and other information as required under the Listing Rules, it was not practicable for the Company to publish an announcement earlier than the date of this announcement.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT PAYABLE FOR THE RAW MATERIALS PURCHASE AGREEMENTS

Based on the terms of the Raw Materials Purchase Agreements, the annual aggregate transaction amount that is paid/ payable by the Group to Energoprom Management under the Raw Materials Purchase Agreements, for the financial year ending 31 December 2010 would be as follows:-

	Annual aggregate transaction amount
For the year ending 31 December 2010	
(from January 2010 to December 2010)	US\$24,426,000

The annual aggregate transaction amount mentioned in the table above is estimated by the Directors based on the maximum amount of consideration paid/ payable under the terms of the Raw Materials Purchase Agreements.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the transactions contemplated under the Raw Materials Purchase Agreements are for the benefit of the Company, as the Group purchases raw materials from Energoprom Management, which is the largest producer of raw materials in Russia, at costs lower than the prevailing market rate.

The terms of each of the Raw Materials Purchase Agreements have been negotiated on arm's length basis between the Group and Energoprom Management and are on normal commercial terms. The consideration payable under each of the Raw Materials Purchase Agreements has been arrived at based on the best price prevailing at the market (in particular, in comparison with the prices for imported calcined oil coke), at the closest location and in compliance with specification requirements of aluminium and silicon smelters.

The Directors (including the independent non-executive Directors) consider that each of the Raw Materials Purchase Agreements has been negotiated on an arm's length

basis and on normal commercial terms (including the annual cap) which are fair and reasonable and the transaction contemplated under each of the Raw Materials Purchase Agreements is in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole.

None of the Directors has a material interest in the transaction contemplated by the Raw Materials Purchase Agreements save for Mr. Vekselberg and Mr. Blavatnik, each of them indirectly holds more than 30% of the share capital in Energoprom Management. Each of Mr. Vekselberg and Mr. Blavatnik is therefore indirectly interested in Energoprom Management. Accordingly, each of Mr. Vekselberg and Mr. Blavatnik has abstained from voting in the board meeting containing the board resolutions approving the Graphitized Carbon Products Purchase Agreement and the Calcined Oil Coke Purchase Agreement.

GENERAL

The Company is principally engaged in the production of aluminium and alumina. The Company's assets include bauxite and nepheline ore mines, alumina refineries, aluminium smelters, casthouse business for alloys production, aluminium foil mills and production of aluminium packaging materials as well as power-generating assets. Spread across 19 countries in 5 continents, the operations and offices of the Company employ over 72,000 people.

Energoprom Management is principally engaged in manufacturing high-technology electrode and cathode products, the main consumers of which are producers of steel, aluminum, silicon and ferrous alloys.

LISTING RULES IMPLICATIONS

Each of Mr. Vekselberg and Mr. Blavatnik indirectly holds more than 30% of the share capital in Energoprom Management. Energoprom Management is therefore an associate of Mr. Vekselberg and Mr. Blavatnik, each being a Director, and on this basis, Energoprom Management is a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the Graphitized Carbon Products Purchase Agreement and the Calcined Oil Coke Purchase Agreement constitute continuing connected transactions for the Company. Pursuant to Rule 14A.25 of the Listing Rules, the Graphitized Carbon Products Purchase Agreement will be aggregated with the Calcined Oil Coke Purchase Agreement as well as the continuing connected transactions contemplated under the Previous Purchase Agreements as they are entered into by the Group with the same party and the subject matter are all in respect of purchase of raw materials for the purposes of the Company's production.

As the aggregate annual amount of the continuing connected transactions under the Graphitized Carbon Products Purchase Agreement, the Calcined Oil Coke Purchase Agreement and the Previous Purchase Agreements is more than 0.1% but less than 5% under all of the applicable ratios, including the assets ratio, the revenue ratio and the consideration ratio calculated with reference to its most recent accounts, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under these agreements are only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40 and the requirements set out in Rules 14A.35(1) and 14A.35(2) of the Listing Rules. These transactions are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the Raw Materials Purchase Agreements will be included in the next annual report and accounts of the Company in accordance with Rule 14A.46 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

“assets ratio”	the assets ratio under Rule 14.07 of the Listing Rules
“associate”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors of the Company
“Calcined Oil Coke Purchase Agreement”	the contract dated 10 September 2010 entered into between RUSAL TH and Energoprom Management as described further on page 4 of this announcement
“Company”	United Company RUSAL Plc, a limited liability company incorporated in Jersey, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the same meaning ascribed thereto under the Listing Rules
“consideration ratio”	the consideration ratio under Rule 14.07 of the Listing Rules
“continuing connected transaction”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company

“Energoprom Management”	Energoprom Management JSC, a company incorporated in Russia
“EXW”	Ex Works (INCOTERMS 2000, developed by the International Chamber of Commerce in Paris, France)
“FCA”	Free Carrier (INCOTERMS 2000, developed by the International Chamber of Commerce in Paris, France)
“Graphitized Carbon Products Purchase Agreement”	the contract dated 10 September 2010 entered into between RUSAL TH and Energoprom Management as described further on page 3 of this announcement
“Group”	the Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Blavatnik”	Mr. Len Blavatnik, a non-executive director of the Company
“Mr. Vekselberg”	Mr. Victor Vekselberg, a non-executive director and Chairman of the Company
“Previous Carbon Products Purchase Agreements”	<p>(a) the agreement dated 26 November 2008 entered into between CJSC Kremniy as buyer and Energoprom Management as seller; and</p> <p>(b) the agreement dated 25 November 2008 entered into between SUAL-Kremniy-Ural LLC as buyer and Energoprom Management as seller,</p> <p>both with respect to the sale and purchase of graphitized carbon products, the details of which are described further on page 5 of this announcement</p>
“Previous Graphite Products Purchase Agreement”	the agreement dated 28 December 2006 entered into between RUSAL Boxitogorsk as buyer and Energoprom Management as seller with respect to the sale and purchase of graphite electrodes, the details of which are described further on page 6 of this announcement
“Previous Purchase Agreements”	Previous Carbon Products Purchase Agreements and Previous Graphite Products Purchase Agreement

“Raw Materials Purchase Agreements”	the Graphitized Carbon Products Purchase Agreement, the Calcined Oil Coke Purchase Agreement and the Previous Purchase Agreements
“revenue ratio”	the revenue ratio under Rule 14.07 of the Listing Rules
“RUB”	Roubles, the lawful currency of the Russian Federation
“RUSAL Boxitogorsk”	OJSC RUSAL Boxitogorsk, a company incorporated in Russia, an indirect wholly-owned subsidiary of the Company
“RUSAL TH”	United Company RUSAL Trading House, a company incorporated in Russia, an indirect wholly-owned subsidiary of the Company
“US\$”	United States dollars, the lawful currency of the United States
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

For the purpose of this announcement, the exchange rate at US\$1 = RUB29.12 has been used, where applicable, for purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at any particular rate on the date or dates in question or any other date.

By Order of the board of directors of
United Company RUSAL Plc
Tatiana Soina
Director

12 September 2010

As at the date of this announcement, our executive directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev, Mr. Petr Sinshinov and Ms. Tatiana Soina, our non-executive directors are Mr. Victor Vekselberg (Chairman), Mr. Dmitry Afanasiev, Mr. Len Blavatnik, Mr. Ivan Glasenberg, Mr. Vladimir Kiryukhin, Mr. Alexander Popov, Mr. Dmitry Razumov, Mr. Igor Ermilin, Mr. Anatoly Tikhonov and Mr. Artem Volynets, and our independent non-executive directors are Dr. Peter Nigel Kenny, Mr. Philip Lader, Mr. Barry Cheung Chun-Yuen and Ms. Elsie Leung Oi-sie.

All announcements and press releases published by the Company are available on its website under the links http://www.rusal.ru/en/stock_fillings.aspx and <http://www.rusal.ru/en/press-center.aspx>, respectively.