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

ANNOUNCEMENT

**LETTER RECEIVED FROM MMC NORILSK NICKEL PROPOSING
TO ACQUIRE FROM THE COMPANY 20% OF THE OUTSTANDING
ORDINARY SHARES OF MMC NORILSK NICKEL**

The Board of Directors of United Company RUSAL Plc announces that on 11 February 2011, United Company RUSAL Plc received a letter from OJSC MMC Norilsk Nickel setting out a proposal to acquire 38,125,549 ordinary shares held by United Company RUSAL Plc's wholly-owned subsidiary LLC United Company RUSAL Investment Management in Norilsk Nickel. The Shares constitute approximately 20% of the total outstanding ordinary shares of OJSC MMC Norilsk Nickel.

The Board of Directors of United Company RUSAL Plc has instructed a committee of the Company's Board of Directors, to review the proposal in the letter and formulate a recommendation to the Company's Board of Directors to be considered by the Board of Directors of the Company.

Shareholders and investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

On 11 February 2011, United Company RUSAL Plc (the "**Company**") received a letter (the "**Offer Letter**") from OJSC MMC Norilsk Nickel ("**Norilsk Nickel**") setting out a proposal (the "**Proposal**") to acquire 38,125,549 ordinary shares held by the Company's wholly-owned subsidiary LLC United Company RUSAL Investment Management ("**Rusal LLC**") in Norilsk Nickel (the "**Shares**", which constitutes approximately 20% of the total outstanding ordinary shares of Norilsk Nickel). Rusal LLC currently holds approximately 25% of the total outstanding ordinary shares of Norilsk Nickel.

The key terms of the Proposal as set out in the Offer Letter are as follows:

1. A subsidiary of Norilsk Nickel (the “**Potential Purchaser**”) would, on the terms and the conditions to be set out in a share purchase agreement (“**SPA**”), purchase the Shares for a total consideration of US\$12,800,000,000 (the “**Purchase Price**”) to be paid either in full at completion or, at the option of the Potential Purchaser, US\$10,000,000,000 at completion and the balance of the Purchase Price in instalments (together with interest accrued at LIBOR for the relevant period) shall be payable in full within 12 months from completion.
2. In relation to the remaining ordinary shares held by the Company in Norilsk Nickel, constituting approximately 5% of the total outstanding ordinary shares of Norilsk Nickel (the “**Remaining Shares**”), the Offer Letter proposes that the Company, Rusal LLC and the Potential Purchaser would enter into a shareholders’ agreement (“**SHA**”), with a term of two years, which will provide for the Potential Purchaser’s right (i) to direct voting of the Remaining Shares on all matters relating to the election and removal of directors of Norilsk Nickel; and (ii) of first refusal in the event of the sale, disposal or other transfer by the Company of all or any of the Remaining Shares, each subject to specified exceptions.
3. The Proposal is subject to conditions, including regulatory approvals, approval of the Company’s shareholders and consent from the Company’s lenders.
4. The Proposal will lapse unless:
 - a. Norilsk Nickel receives written notice that the Board of Directors of the Company has approved the terms of the Proposal in principle (whether or not subject to the Company’s shareholders’ approval); and the SPA is executed by or on behalf of the Company and Rusal LLC on or before 6 pm Moscow time on 4 March 2011; or
 - b. Norilsk Nickel receives on or before 6 pm Moscow time on 4 March 2011 (i) written notice that the Board has resolved to call a meeting of the Company’s shareholders to consider a resolution to approve the Proposal and (ii) written statements of intention to vote in favour of the Proposal from the holders of at least 30% of the Company’s issued shares.

The Board of Directors of the Company has instructed a committee of the Company's Board of Directors, to review the Proposal and formulate a recommendation to the Board of Directors of the Company to be considered by the Board of Directors of the Company.

The Company will make further announcement(s) from time to time and expects to inform its shareholders of the decision of the Board of Directors of the Company on or before 6 March 2011.

This announcement is made to comply with the Listing Rules. It should not be taken as any indication as to whether or not the Board of Directors of the Company will recommend the Proposal to shareholders. Shareholders and investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board of Directors of
United Company RUSAL Plc
Tatiana Soina
Director

14 February 2011

As at the date of this announcement, our executive directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev, Mr. Petr Sinshinov, Ms. Tatiana Soina, Mr. Alexander Livshits and Ms. Vera Kurochkina, our non-executive directors are Mr. Victor Vekselberg (Chairman), Mr. Dmitry Afanasiev, Mr. Len Blavatnik, Mr. Ivan Glasenberg, Mr. Alexander Popov, Mr. Dmitry Razumov, 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.