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

**CONTINUING CONNECTED TRANSACTIONS**

The Board is pleased to announce that on 16 May 2011, RUSAL Taishet Aluminium Smelter entered into a contract with Stroyservice pursuant to which Stroyservice will provide transportation services to RUSAL Taishet Aluminium Smelter for the consideration of approximately USD159,000 for the year ending 31 December 2011.

Stroyservice is an indirect subsidiary of En+, a controlling shareholder of the Company. Stroyservice is therefore an associate of En+ which is a substantial shareholder of the Company and therefore Stroyservice is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Transportation Contract with Stroyservice constitute a continuing connected transaction of the Company.

Pursuant to Rule 14A.25 of the Listing Rules, the Transportation Contract with Stroyservice is required to be aggregated with the Transportation Contracts disclosed in the Company's announcement dated 28 March 2011 as they are each entered into by members of the Group with the associates of En+ and the subject matter of each contract relates to the provision of transportation services by the associates of En+ to the Group.

The annual aggregate transaction amount of the continuing connected transactions under the Transportation Contract with Stroyservice and the Transportation Contracts for the financial year ending 31 December 2011 is more than 0.1% but less than 5% under the revenue ratio while the other applicable percentage ratios are less than 0.1%. Accordingly, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under the Transportation Contract with Stroyservice and the Transportation Contracts 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.

## **TRANSPORTATION CONTRACT WITH STROYSERVICE**

The Board is pleased to announce that on 16 May 2011, RUSAL Taishet Aluminium Smelter entered into a contract with Stroyservice pursuant to which Stroyservice will provide transportation services to RUSAL Taishet Aluminium Smelter for the consideration of approximately USD159,000 for the year ending 31 December 2011 (the “**Transportation Contract with Stroyservice**”).

Under the Transportation Contract with Stroyservice, the consideration is to be paid in cash via wire transfer within 10 working days after the receipt of the invoice.

## **THE AGGREGATION APPROACH AND THE ANNUAL AGGREGATE TRANSACTION AMOUNTS**

Pursuant to Rule 14A.25 of the Listing Rules, the Transportation Contract with Stroyservice is required to be aggregated with the Transportation Contracts disclosed in the Company's announcement dated 28 March 2011 as they are each entered into by members of the Group with associates of En+ and the subject matter of each contract relates to the provision of transportation services by associates of En+ to the Group.

The annual aggregate transaction amount paid by the Group to associates of En+ under the Transportation Contract with Stroyservice and the Transportation Contracts for the financial year ending 31 December 2011 is estimated to be approximately USD12.43 million.

This annual aggregate transaction amount for the financial year ending 31 December 2011 is estimated by the Directors based on the need for transportation services by the Group, the total contract price and the historical figure for the year ended 31 December 2010 under the Transportation Contracts and the Transportation Contract with Stroyservice.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

The Transportation Contract with Stroyservice is entered into for the purpose of transporting the Group's assets. The Company considers that the transactions contemplated under the Transportation Contract with Stroyservice are for the benefit of the Company as the services provided are required in various production cycles of the Group.

The Transportation Contract with Stroyservice is on arm's length commercial terms. The consideration payable under the Transportation Contract with Stroyservice has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for transportation services of the same type and quality as those offered by Stroyservice to independent third parties.

The Directors (including the independent non-executive Directors) consider that the Transportation Contract with Stroyservice is on normal commercial terms which are fair and reasonable and the transactions contemplated under the Transportation Contract with Stroyservice are 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 have a material interest in the transactions contemplated by the Transportation Contract with Stroyservice, save for Mr. Oleg Deripaska who is beneficially interested in more than 50% of the share capital of En+. Accordingly, Mr. Oleg Deripaska had abstained from voting on the Board resolutions for approving the Transportation Contract with Stroyservice.

## **LISTING RULES IMPLICATIONS**

Stroyservice is an indirect subsidiary of En+, a controlling shareholder of the Company. Stroyservice is therefore an associate of En+ which is a substantial shareholder of the Company and therefore Stroyservice is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Transportation Contract with Stroyservice constitute a continuing connected transaction of the Company.

The annual aggregate transaction amount of the continuing connected transactions under the Transportation Contract with Stroyservice and the Transportation Contracts for the financial year ending 31 December 2011 is more than 0.1% but less than 5% under the revenue ratio while the other applicable percentage ratios are less than 0.1%. Accordingly, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under the Transportation Contract with Stroyservice and the Transportation Contracts 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.

Information on the Transportation Contract with Stroyservice and the Transportation Contracts will be included in the next annual report and accounts of the Company in accordance with Rule 14A.46 of the Listing Rules.

## **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY AND STROYSERVICE**

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 75,000 people.

Stroyservice is principally engaged in the provision of transportation services.

## **DEFINITIONS**

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

“associate”	has the same meaning ascribed to it under the Listing Rules.
“Board”	the board of Directors of the Company.
“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 to it under the Listing Rules.

“continuing connected transaction”	has the same meaning ascribed to it under the Listing Rules.
“Director(s)”	the director(s) of the Company.
“En+”	En+ Group Limited, a company incorporated in Jersey, a substantial shareholder of the Company.
“Group”	the Company and its subsidiaries.
“Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“revenue ratio”	has the same meaning ascribed to it under Rule 14.07 of the Listing Rules.
“RUSAL Taishet Aluminium Smelter”	Limited Liability Company “RUSAL Taishet Aluminium Smelter”, a wholly owned subsidiary of the Company.
“subsidiary”	has the same meaning ascribed to it under the Listing Rules.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“Stroyservice”	Limited Liability Company “Stroyservice”, a company incorporated in Russia and an indirect subsidiary of En+
“substantial shareholder”	has the same meaning ascribed to it under the Listing Rules.
“Transportation Contracts”	the transportation contracts, as defined and disclosed in the Company’s announcement dated 28 March 2011, between certain Group companies and KraMZ-Auto LLC, pursuant to which KraMZ-Auto LLC provides various transportation services to transport assets and personnel for such Group companies.

“Transportation  
Contract with  
Stroyservice”

the contract dated 16 May 2011 between RUSAL Taishet Aluminium Smelter and Stroyservice pursuant to which Stroyservice will provide transportation services to RUSAL Taishet Aluminium Smelter for the consideration of approximately USD159,000 for the year ending 31 December 2011.

“USD”

United States dollars, the lawful currency of the United States of America.

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

17 May 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](http://www.rusal.ru/en/stock_fillings.aspx) and <http://www.rusal.ru/en/press-center.aspx>, respectively.*