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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS

The Company announces that during December 2011, SUAL-Kremniy-Ural, a subsidiary of the Company, as seller will enter into the Doncarb Graphite Sale of Silicon Agreement with Doncarb Graphite, as buyer, pursuant to which SUAL-Kremniy-Ural agrees to supply and Doncarb Graphite agrees to purchase silicon of up to 10 tonnes and 100 tonnes during the years ending 31 December 2011 and 31 December 2012 respectively, at a total consideration of up to USD30,000 and USD300,000 respectively.

The Company announces that during December 2011, RUSAL TH, a subsidiary of the Company, as seller will enter into the Khimprom Sale of Silicon Agreement with Khimprom, as buyer, pursuant to which RUSAL TH agrees to supply and Khimprom agrees to purchase silicon of up to 1,200 tonnes during the year ending 31 December 2012, at a total consideration of up to USD3,600,000.

The Company announces that during December 2011, RUSAL TH, a subsidiary of the Company, as seller will enter into the KUMZ Sale of Silicon Agreement with KUMZ, as buyer, pursuant to which RUSAL TH agrees to supply and KUMZ agrees to purchase silicon of up to 400 tonnes during the year ending 31 December 2012, at a total consideration of up to USD1,200,000.

The Company also announces that during December 2011, SUAL-PM-Volgograd Branch of SUAL-PM LLC, a subsidiary of the Company, as seller will enter into the SUAL PM Sale of Aluminium Powder Agreement with Khimprom, as buyer, pursuant to which SUAL-PM-Volgograd Branch of SUAL-PM LLC agrees to supply and Khimprom agrees to purchase aluminium powder of up to 30 tons during the year ending 31 December 2012, at a total consideration of up to USD0.13 million.

The Company also announces that during December 2011, RUSAL TH, a subsidiary of the Company, as seller will enter into the TH Sale of Aluminium Powder Agreement with KUMZ, as buyer, pursuant to which RUSAL TH agrees to supply and KUMZ agrees to purchase aluminium powder of up to 15 tons during the year ending 31 December 2012, at a total consideration of up to USD0.20 million.

Based on the terms of the Doncarb Graphite Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement, the TH Sale of Aluminium Powder Agreement, the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, and the 2011 Amendment Agreement to the Raw Oil Coke Sale Agreement, the annual aggregate transaction amount that is payable by the associates of SUAL Partners and Mr. Vekselberg to the Group for the financial years ending 31 December 2011 and 31 December 2012 is estimated to be approximately USD14,085,000 and USD5,430,000 respectively.

Reference is made to the announcement of the Company dated 24 November 2010 in relation to, among other things, certain sale of raw materials agreements (the “**Announcement**”).

DONCARB GRAPHITE SALE OF SILICON AGREEMENT

The Company announces that during December 2011, SUAL-Kremniy-Ural, a subsidiary of the Company, as seller will enter into a sale of silicon agreement with Doncarb Graphite, as buyer, (the “**Doncarb Graphite Sale of Silicon Agreement**”), pursuant to which SUAL-Kremniy-Ural agrees to supply and Doncarb Graphite agrees to purchase silicon of up to 10 tonnes and 100 tonnes during the years ending 31 December 2011 and 31 December 2012 respectively, at a total consideration of up to USD30,000 and USD300,000 respectively.

Under the Doncarb Graphite Sale of Silicon Agreement, the consideration is to be 100% pre-paid and is to be satisfied in cash via wire transfer.

KHIMPROM SALE OF SILICON AGREEMENT

The Company announces that during December 2011, RUSAL TH, a subsidiary of the Company, as seller will enter into a sale of silicon agreement with Khimprom, as buyer, (the “**Khimprom Sale of Silicon Agreement**”), pursuant to which RUSAL TH agrees to supply and Khimprom agrees to purchase silicon of up to 1,200 tonnes during the year ending 31 December 2012, at a total consideration of up to USD3,600,000.

Under the Khimprom Sale of Silicon Agreement, the consideration is to be 100% pre-paid and is to be satisfied in cash via wire transfer. The scheduled termination date of the Khimprom Sale of Silicon Agreement is 31 December 2012, subject to an automatic renewal clause for one year, while both parties can choose not to renew without prior consent of the other party 20 days before the scheduled termination date.

KUMZ SALE OF SILICON AGREEMENT

The Company announces that during December 2011, RUSAL TH, a subsidiary of the Company, as seller will enter into a sale of silicon agreement with KUMZ, as buyer, (the “**KUMZ Sale of Silicon Agreement**”), pursuant to which RUSAL TH agrees to supply and KUMZ agrees to purchase silicon of up to 400 tonnes during the year ending 31 December 2012, at a total consideration of up to USD1,200,000.

Under the KUMZ Sale of Silicon Agreement, the consideration is to be 100% pre-paid and is to be satisfied in cash via wire transfer. The scheduled termination date of the KUMZ Sale of Silicon Agreement is 31 December 2012, subject to an automatic renewal clause for one year, while both parties can choose not to renew without prior consent of the other party 20 days before the scheduled termination date.

SUAL PM SALE OF ALUMINIUM POWDER AGREEMENT

The Company also announces that during December 2011, SUAL-PM-Volgograd Branch of SUAL-PM LLC, a subsidiary of the Company, as seller will enter into a sale of aluminium powder agreement with Khimprom, as buyer, (the “**SUAL PM Sale of Aluminium Powder Agreement**”), pursuant to which SUAL-PM-Volgograd Branch of SUAL-PM LLC agrees to supply and Khimprom agrees to purchase aluminium powder of up to 30 tons during the year ending 31 December 2012, at a total consideration of up to USD0.13 million.

Under the SUAL PM Sale of Aluminium Powder Agreement, the consideration is to be 100% pre-paid and is to be satisfied in cash via wire transfer. The scheduled termination date of the SUAL PM Sale of Aluminium Powder Agreement is 31 December 2012, subject to an automatic renewal clause for one year, while both parties can choose not to renew without prior consent of the other party 20 days before the scheduled termination date.

TH SALE OF ALUMINIUM POWDER AGREEMENT

The Company also announces that during December 2011, RUSAL TH, a subsidiary of the Company, as seller will enter into a sale of aluminium powder agreement with KUMZ, as buyer, (the “**TH Sale of Aluminium Powder Agreement**”), pursuant to which RUSAL TH agrees to supply and KUMZ agrees to purchase aluminium powder of up to 15 tons during the year ending 31 December 2012, at a total consideration of up to USD0.20 million.

Under the TH Sale of Aluminium Powder Agreement, the consideration is to be 100% pre-paid and is to be satisfied in cash via wire transfer.

THE AGGREGATION APPROACH

Pursuant to Rule 14A.25 of the Listing Rules, the continuing connected transactions contemplated under the TH Sale of Aluminium Powder Agreement, the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement and the Doncarb Graphite Sale of Silicon Agreement will be aggregated with the continuing connected transactions under the 2011 Amendment Agreement to the Raw Oil Coke Sale Agreement, as they are entered into by the Group with the associates of the same group of connected persons who are parties connected or otherwise associated with one another, and the subject matter of each of the agreements relate to the sale of raw materials by members of the Group to the associates of the same group of connected persons.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Based on the terms of the TH Sale of Aluminium Powder Agreement, the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement, the Doncarb Graphite Sale of Silicon Agreement and the 2011 Amendment Agreement to the Raw Oil Coke Sale Agreement, the annual aggregate transaction amount that is payable by the associates of SUAL Partners and Mr. Vekselberg to the Group for the financial years ending 31 December 2011 and 31 December 2012 is estimated to be approximately USD14,085,000 and USD5,430,000 respectively.

This annual aggregate transaction amount is estimated by the Directors based on the amount of silicon, aluminium powder and other raw materials to be supplied and the relevant contract price.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the transactions contemplated under the TH Sale of Aluminium Powder Agreement, the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement and the Doncarb Graphite Sale of Silicon Agreement are for the benefit of the Company as the specific grades of silicon to be supplied under the agreements is the excess raw materials unused by the Group and that aluminium powder is produced by the Group as a non-specialized business which is revenue-generating.

The TH Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement are also entered into in order to comply with the requirements of the Federal Antimonopoly Service. As the Federal Antimonopoly Service instructs, the Group is required to supply the aluminium powder and silicon to local consumers.

The terms of the TH Sale of Aluminium Powder Agreement, the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement and the Doncarb Graphite Sale of Silicon Agreement have been negotiated on arm's length basis between the Group and the associates of SUAL Partners and are on normal commercial terms. The consideration payable under these agreements has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for the aluminium powder and silicon of the same type and quality as those offered by the Group to independent third parties.

The Directors (including the independent non-executive Directors) consider that the TH Sale of Aluminium Powder Agreement, the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement and the Doncarb Graphite Sale of Silicon Agreement are entered into on normal commercial terms which are fair and reasonable and the transactions contemplated 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 TH Sale of Aluminium Powder Agreement, the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement and the Doncarb Graphite Sale of Silicon Agreement, save for:

- (i) Mr. Vekselberg and Mr. Blavatnik, each being a non-executive director of the Company who is indirectly interested in more than 30% in SUAL Partners, and thus are indirectly interested in Doncarb Graphite. Accordingly, each of Mr. Vekselberg and Mr. Blavatnik had abstained from voting on the Board resolutions to approve the Doncarb Graphite Sale of Silicon Agreement; and
- (ii) Mr. Vekselberg, who is indirectly interested in more than 30% in each of Khimprom and KUMZ. Accordingly, Mr. Vekselberg had abstained from voting on the Board resolutions to approve the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement and the TH Sale of Aluminium Powder Agreement.

LISTING RULES IMPLICATIONS

SUAL Partners, being a substantial shareholder of the Company, has a controlling interest of more than 30% in each of Doncarb Graphite and Energoprom Management. Accordingly, each of Doncarb Graphite and Energoprom Management is a connected person of the Company under the Listing Rules. Accordingly, each of the transactions contemplated under the Doncarb Graphite Sale of Silicon Agreement and the 2011 Amendment Agreement to the Raw Oil Coke Sale Agreement constitutes a continuing connected transaction of the Company.

Mr. Vekselberg is indirectly interested in more than 30% in each of Khimprom and KUMZ. As Mr. Vekselberg is a non-executive Director of the Company, each of Khimprom and KUMZ is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement and the TH Sale of Aluminium Powder Agreement constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the Doncarb Graphite Sale of Silicon Agreement and the 2011 Amendment Agreement to the Raw Oil Coke Sale Agreement for the financial year ending 31 December 2011 is more than 0.1% but less than 5% under the applicable percentage ratios (other than the profits ratio).

The estimated annual aggregate transaction amount of the continuing connected transactions under the TH Sale of Aluminium Powder Agreement, the SUAL PM Sale of Aluminium Powder Agreement, the KUMZ Sale of Silicon Agreement, the Khimprom Sale of Silicon Agreement and the Doncarb Graphite Sale of Silicon Agreement and the 2011 Amendment Agreement to the Raw Oil Coke Sale Agreement for the financial year ending 31 December 2012 is less than 0.1% under all applicable percentage ratios.

Accordingly, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under these agreements for the year ending 31 December 2011 are 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 Doncarb Graphite Sale of Silicon Agreement and the 2011 Amendment Agreement to the Raw Oil Coke Sale Agreement will be included in the next annual report and accounts of the Company in accordance with Rule 14A.46 of the Listing Rules where appropriate.

PRINCIPAL BUSINESS ACTIVITIES

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.

Doncarb Graphite is principally engaged in the production of graphite products and spare parts.

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.

Khimprom is principally engaged in producing chemicals.

KUMZ is principally engaged in metallurgy.

DEFINITIONS

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

“2011 Amendment Agreement to the Raw Oil Coke Sale Agreement”	the 2011 Amendment Agreement to the Raw Oil Coke Sale Agreement as defined in the Announcement.
“associate”	has the same meaning ascribed thereto 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 thereto under the Listing Rules.
“continuing connected transaction”	has the same meaning ascribed thereto under the Listing Rules.
“Director(s)”	the director(s) of the Company.
“Doncarb Graphite”	Doncarb Graphite Limited Liability Company, a company incorporated under the laws of the Russian Federation.
“Energoprom Management”	Energoprom Management CJSC or ZAO Energoprom Management, a company incorporated under the laws of the Russian Federation.
“Group”	the Company and its subsidiaries.
“Khimprom”	Open Joint Stock Company “Khimprom”, a company incorporated under the laws of the Russian Federation.
“KUMZ”	Kamensk-Uralsky Metallurgical Works Open Joint-Stock Company, a company incorporated under the laws of the Russian Federation.
“Listing Rules”	the Rules Governing the Listing of Securities On The Stock Exchange of Hong Kong Limited.

“Mr. Blavatnik”	Mr. Len Blavatnik, a non-executive director of the Company.
“Mr. Vekselberg”	Mr. Victor Vekselberg, the chairman and a non-executive director of the Company.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“RUSAL TH”	Open Joint Stock Company “United Company RUSAL Trading House”, an indirect wholly-owned subsidiary of the Company.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“SUAL-Kremniy-Ural”	SUAL-Kremniy-Ural LLC, an indirect wholly-owned subsidiary of the Company.
“SUAL Partners”	SUAL Partners Limited, a company incorporated under the laws of Bahamas, which is a substantial shareholder of the Company.
“substantial shareholder”	has the same meaning ascribed thereto under the Listing Rules.
“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

8 December 2011

As at the date of this announcement, our executive Directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev, 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. Dmitry Troshenkov, Mr. Dmitry Razumov, Mr. Anatoly Tikhonov, Mr. Artem Volynets and Mr. Petr Sinshinov, 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 United Company RUSAL Plc are available on its website under the links <http://www.rusal.ru/en/investors/info.aspx> and <http://www.rusal.ru/en/press-center/press-releases.aspx>, respectively.