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

**PROGRAM OF REPLACING LESS EFFICIENT ALUMINIUM
SMELTERS WITH MODERN PRODUCTION FACILITIES**

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

United Company RUSAL Plc (the “**Company**”) announces that its Board of Directors (the “**Board**”) approved a long term program of gradual reduction of primary aluminium production at a number of less efficient aluminium smelters currently owned and operated by the Company (the “**Program**”).

In order to maintain a competitive position in the global aluminium market, the Company is contemplating a permanent reduction of primary aluminium smelting capacity with a high relative cash cost position per tonne of primary aluminium.

The Company will place under review and evaluation the feasibility of decommissioning of the following smelters (hereinafter, the “**Smelters**”): Bogoslovsk aluminium smelter (“**BAZ**”), Volkhov aluminium smelter (“**VAZ**”), Nadvoitsy aluminium smelter (“**NAZ**”) and pot rooms 3 and 4 of Phase 1 of Novokuznetsk aluminium smelter (“**NkAZ**”). The Company estimates that the Program will affect approximately 275 thousand tonnes of primary aluminium capacity (if compared with 2011 production). Subject to the review proving the feasibility of curtailment and permanent reduction of smelting capacities, it is expected that up to 150 thousand tonnes of the smelting capacities could be decreased by the end of 2012 with the remainder to be gradually decreased in stages by 2015 and 2018.

Under the Program, it is envisaged that the decommissioning of the Smelters will coincide and be aligned with the commissioning of modern and highly efficient facilities in Siberia, including the commissioning of the Boguchany aluminium smelter.

The proposed decommissioning of the Smelters is still subject to certain approvals of the relevant Russian authorities and further Board approvals.

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
Vladislav Soloviev
Director

27 August 2012

As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Ms. Vera Kurochkina, Mr. Petr Sinshinov, Mr. Maxim Sokov and Mr. Vladislav Soloviev, the non-executive Directors are Mr. Dmitry Afanasiev, Mr. Len Blavatnik, Mr. Ivan Glasenberg, Mr. Maksim Goldman, Ms. Gulzhan Moldazhanova, Mr. Dmitry Razumov, Mr. Artem Volynets, Mr. Dmitry Yudin , and the independent non-executive Directors are Mr. Barry Cheung Chun-yuen (Chairman), Dr. Peter Nigel Kenny, Mr. Philip Lader, Ms. Elsie Leung Oi-sie and Mr. Matthias Warnig.

All announcements and press releases published by the Company 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.