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

**CONTINUING CONNECTED TRANSACTIONS  
TRANSPORTATION CONTRACTS**

The Company would like to provide updated information in relation to the transportation contracts.

**2013 KRAMZ-AUTO TRANSPORTATION CONTRACTS**

The Company announces that during December 2012 and during January 2013, a series of transportation contracts will be entered into between members of the Group (namely RUSAL Medical Centre, RUSAL SAYANAL OJSC, RUS-Engineering LLC, LLC “IT-Service”, RUSAL Bratsk OJSC, RUSAL Krasnoyarsk OJSC, RUSAL Sayanogorsk OJSC, Sayanogorsky Vagonoremontniy Zavod Limited Liability Company, Teploresurs Limited Liability Company and CJSC “Boguchany Aluminium Smelter Construction Organizer”) and KraMZ-Auto, being an associate of En+, pursuant to which KraMZ-Auto agreed to provide transportation services to members of the Group (the “**2013 KraMZ-Auto Transportation Contracts**”).

The 2013 KraMZ-Auto Transportation Contracts are for a term of one year. Some of the contracts will be renewed automatically but either party can choose not to renew the contract without prior consent of the other party one month before the end of contract. The estimated transaction amount (excluding VAT) under the 2013 KraMZ-Auto Transportation Contracts for the financial year ending 31 December 2013 is up to USD14.3 million. The consideration under each of the series of contracts between RUS-Engineering LLC and KraMZ-Auto is to be paid in cash via wire transfer and will be settled as to 50% before the 15th day of the month following

the reporting month and the remaining 50% before the 30th day of the month following the reporting month. The consideration for the other 2013 KraMZ-Auto Transportation Contracts is to be paid in cash via wire transfer and be settled within a specified period (ranges from 10 business days to 60 calendar days) after the receipt of invoice.

### **2013 OVE TRANSPORTATION CONTRACTS**

The Company also announces that on or about 1 January 2013, two other transportation contracts will be entered into between members of the Group (namely RUSAL SAYANAL OJSC and RUSAL Sayanogorsk OJSC) and OVE, being an associate of En+, pursuant to which OVE agrees to provide transportation services including shipment and railway services to members of the Group in relation to the delivery of goods and cargoes (the “**2013 OVE Transportation Contracts**”).

The 2013 OVE Transportation Contracts are for a term of one year. As to the transportation contracts between RUSAL SAYANAL OJSC and OVE, the contract will be renewed automatically but either party can choose not to renew the contract without prior consent of the other party one month before the end of contract. The estimated transaction amount (excluding VAT) under the 2013 OVE Transportation Contracts for the financial year ending 31 December 2013 is up to USD2.55 million. The consideration is to be paid in cash via wire transfer within 10 days after the receipt of invoice.

### **2013 STROYSERVICE TRANSPORTATION CONTRACT**

The Company also announces that on or around 1 January 2013, another transportation contract will be entered into between Teploresurs Limited Liability Company, being a wholly-owned subsidiary of the Company, and Stroyservice, being an associate of Mr. Deripaska, pursuant to which Stroyservice agrees to provide transportation services to members of the Group in relation to the provision of services of trucks and special vehicles (the “**2013 Stroyservice Transportation Contract**”).

The 2013 Stroyservice Transportation Contract is for a term of one year. The estimated transaction amount (excluding VAT) under the 2013 Stroyservice Transportation Contract for the financial year ending 31 December 2013 is up to USD0.02 million. The consideration is to be paid in cash via wire transfer within 60 calendar days upon the receipt of invoice.

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

Pursuant to Rule 14A.25 of the Listing Rules, the 2013 Transportation Contracts are required to be aggregated as they are each entered into by the Group with the associates of En+/Mr. Deripaska and the subject matter of each contract relates to the provision of transportation services by the associates of En+/Mr. Deripaska to the Group. It is expected that no transaction amount will be incurred under the Achinsk Transportation Contract (as disclosed in the announcement of the Company dated 27 June 2011) for the financial year ending 31 December 2013.

The annual aggregate transaction amount that is payable by the Group to the associates of En+/Mr. Deripaska under the 2013 Transportation Contracts for the financial year ending 31 December 2013 is estimated to be up to approximately USD16.87 million. This annual aggregate transaction amount 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 years ended 31 December 2011 and 31 December 2012.

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

The 2013 Transportation Contracts are entered into for the purpose of renting vehicles and transporting the products, cargoes, commodities, equipment and employees of the Group. The Company considers that the transactions contemplated under the 2013 Transportation Contracts are for the benefit of the Company as the services provided are required in the production programmes of the Group.

The 2013 Transportation Contracts are on arm's length commercial terms. The consideration payable under the 2013 Transportation Contracts 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 KraMZ-Auto, OVE and Stroyservice to independent third parties.

The Directors (including the independent non-executive Directors) consider that the 2013 Transportation Contracts are on normal commercial terms which are fair and reasonable and the transactions contemplated under the 2013 Transportation Contracts 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 has a material interest in the transactions contemplated by the 2013 Transportation Contracts save for Mr. Deripaska who is indirectly interested in more than 50% of the issued share capital of En+ and more than 30% of the issued share capital of Stroyservice. Accordingly, Mr. Deripaska did not vote on the Board resolutions for approving any of the 2013 Transportation Contracts.

## **LISTING RULES IMPLICATIONS**

Each of KraMZ-Auto and OVE is an indirect subsidiary of En+, and is therefore an associate of En+ which is a substantial shareholder of the Company. Accordingly, each of KraMZ-Auto and OVE is a connected person of the Company under the Listing Rules.

Mr. Deripaska is indirectly interested in more than 30% of the issued share capital of Stroyservice. Stroyservice is therefore an associate of Mr. Deripaska, being the chief executive officer of the Company and an executive Director. Stroyservice is thus a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under each of the 2013 Transportation Contracts constitute continuing connected transactions of the Company.

The annual aggregate transaction amount for the financial year ending 31 December 2013 of the continuing connected transactions under the 2013 Transportation Contracts is more than 0.1% but less than 5% under the applicable percentage ratios. Accordingly, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under the 2013 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 2013 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 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.

KraMZ-Auto is principally engaged in the provision of transportation services.

OVE is principally engaged in the provision of transportation services and railway transport.

Stroyservice is principally engaged in the construction, repairing and provision of transportation services.

## **DEFINITIONS**

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

“2013 Transportation Contracts”	the 2013 KraMZ-Auto Transportation Contracts, the 2013 OVE Transportation Contracts and the 2013 Stroyservice Transportation Contract, as defined in this announcement.
“Achinsk Transportation Contract”	has the same meaning as defined in the Company’s announcement dated 27 June 2011.
“associate”	has the same meaning ascribed to it under the Listing Rules.
“Board”	the board of Directors.
“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.
“KraMZ-Auto”	KraMZ-Auto LLC, an indirect subsidiary of En+.
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange.

“Mr. Deripaska”	Mr. Oleg Deripaska, the chief executive officer and an executive Director of the Company.
“OVE”	OJSC Otdeleniye Vremennoy Expluatatsii, an indirect subsidiary of En+.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“Stroyservice”	Limited Liability Company Stroyservice, an associate of Mr. Deripaska
“subsidiary”	has the same meaning ascribed to it under the Listing Rules.
“substantial shareholder”	has the same meaning ascribed to it 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**  
**Vladislav Soloviev**  
*Director*

28 December 2012

*As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Ms. Vera Kurochkina, 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. Christophe Charlier, Mr. Artem Volynets, Mr. Dmitry Yudin, Mr. Vadim Geraskin, and the independent non-executive Directors are Mr. Barry Cheung Chun-yuen, Dr. Peter Nigel Kenny, Mr. Philip Lader, Ms. Elsie Leung Oi-sie and Mr. Matthias Warnig (Chairman).*

*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.*