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

**CONTINUING CONNECTED TRANSACTIONS**  
**HEAT SUPPLY CONTRACTS**

Reference is made to the announcements of the Company dated 28 March 2011, 6 September 2011 and 15 December 2011 in relation to certain heat supply contracts.

The Company announces that on 1 January 2013, CJSC Komi Aluminum, being a subsidiary of the Company, entered into the Additional Agreement No.1 to the Heat Supply Contract with TGK-9 OJSC, an associate of Mr. Vekselberg, pursuant to which TGK-9 OJSC supplies heat (including heat energy and heat power in steam and hot water) to CJSC Komi Aluminum.

Reference is made to the announcements of the Company dated 28 March 2011, 6 September 2011 and 15 December 2011 in relation to certain heat supply contracts.

**THE ADDITIONAL AGREEMENT No. 1**

The Company is pleased to announce that on 1 January 2013, CJSC Komi Aluminum, being a subsidiary of the Company, entered into the Additional Agreement No.1 to the Heat Supply Contract with TGK-9 OJSC, an associate of Mr. Vekselberg (the “**Additional Agreement No. 1**”), pursuant to which TGK-9 OJSC supplies heat (including heat energy and heat power in steam and hot water) to CJSC Komi Aluminum in the estimated amount of approximately 581.068 Gcal at the estimated consideration of approximately USD0.018 million for the year ending 31 December 2013.

Consideration is to be paid on a monthly basis with the final settlement be made no later than the 10th day of the following month. All consideration will be satisfied in cash via wire transfer.

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

Pursuant to Rule 14A.25 of the Listing Rules, the Additional Agreement No. 1 is required to be aggregated together with the Previously Disclosed Heat Supply Contracts as they are each entered into by the Group with associates of Mr. Vekselberg, a non-executive Director of the Company until his resignation on 16 March 2012, and the subject matter of each contract relates to heat supply by associates of Mr. Vekselberg to members of the Group.

The annual aggregate transaction amounts payable by the Group to the associates of Mr. Vekselberg under the Additional Agreement No. 1 and the Previously Disclosed Heat Supply Contracts for the financial year ending 31 December 2013 is estimated to be up to approximately USD206.08 million. Such annual aggregate transaction amount is estimated by the Directors based on the need for heat by the Group, the total contract price and the historical figure for the financial year ended 31 December 2012.

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

The Additional Agreement No. 1 is entered into mainly for the purpose of obtaining heat for the Group's production process and for its production facilities. The Company considers that the transactions contemplated under the Additional Agreement No. 1 are for the benefit of the Company as there is no alternative supplier available in the respective region.

The consideration payable under the Additional Agreement No. 1 has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for the supply of heat of the same type and quality as those offered by TGK-9 OJSC to independent third parties.

The Directors (including the independent non-executive Directors) consider that the Additional Agreement No. 1 is on normal commercial terms which are fair and reasonable and the transactions contemplated under the Additional Agreement No. 1 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 Additional Agreement No. 1.

## **LISTING RULES IMPLICATIONS**

Mr. Vekselberg, a non-executive Director of the Company until his resignation on 16 March 2012, indirectly holds more than 30% of issued share capital of TGK-9 OJSC. Therefore, TGK-9 OJSC is an associate of Mr. Vekselberg and a connected person of the Company under the Listing Rules. Accordingly, each of the transactions contemplated under the Additional Agreement No. 1 constitutes a continuing connected transaction of the Company.

The annual aggregate transaction amount of the continuing connected transactions under the Additional Agreement No. 1 and the Previously Disclosed Heat Supply Contracts for the financial year ending 31 December 2013 is expected to be more than 0.1% but less than 5% under the applicable percentage ratios (other than the profits ratio).

Accordingly, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under the Additional Agreement No. 1 and the Previously Disclosed Heat Supply 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.

Details of the Additional Agreement No. 1 and the Previously Disclosed Heat Supply 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 five continents, the operations and offices of the Company employ more than 72,000 people.

TGK-9 OJSC is principally engaged in generating heat and electricity.

## DEFINITIONS

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

“associate”	has the same meaning ascribed thereto under the Listing Rules
“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
“Group”	the Company and its subsidiaries
“Heat Supply Contract with TGK-9 OJSC”	the heat supply contract dated 8 December 2011 between ZAO Komi Aluminium (being the same entity as CJSC Komi Aluminum) and TGK-9 OJSC the major terms of which were described in the announcement of the Company dated 6 September 2011 containing details of the agreement dated 22 July 2009 and the expected transactions for the year ending 31 December 2012 which were subsequently formalized in the said contract of 8 December 2011
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Vekselberg”	Mr. Victor Vekselberg, whose resignation as a non-executive Director took effect on 16 March 2012
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules
“Previously Disclosed Heat Supply Contracts”	the Heat Supply Contracts as defined and disclosed in the Company’s announcements dated 28 March 2011, 6 September 2011 and 15 December 2011
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“TGK-9 OJSC” Open Joint Stock Company “Territorial Generating Company No9”, in which Mr. Victor Vekselberg is interested in more than 30% of the issued share capital

“USD” United States dollars, the lawful currency of the United States

By Order of the Board of Directors of  
**United Company RUSAL Plc**  
**Vladislav Soloviev**  
*Director*

11 January 2013

*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.*