

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **UNITED COMPANY RUSAL PLC**

*(Incorporated under the laws of Jersey with limited liability)*

**(Stock Code: 486)**

### **CONTINUING CONNECTED TRANSACTIONS INSURANCE CONTRACTS**

The Company announces that, in their usual and ordinary course of business, members of the Group have entered/will enter into a variety of Insurance Contracts with Ingosstrakh and/or its subsidiaries (including INGO Ukraine and INGO Armenia) (being associates of Mr. Deripaska), pursuant to which such insurance companies provide various insurance services to the Group, including liability insurance, vessel hull insurance, property insurance and business interruption insurance.

Reference is made to the announcement of the Company dated 12 November 2012 in relation to certain continuing connected transactions regarding the provision of insurance services by the associates of Mr. Deripaska to members of the Group.

#### **INSURANCE CONTRACTS**

The Company announces that during 2013, in their usual and ordinary course of business, members of the Group have entered/ will enter into a variety of Insurance Contracts with Ingosstrakh and/or its subsidiaries (including INGO Ukraine and INGO Armenia) (being associates of Mr. Deripaska), pursuant to which such insurance companies provide various insurance services to the Group, including liability insurance, vessel hull insurance, property insurance and business interruption insurance.

Details of the Insurance Contracts are set out in the table below. The relevant premium under the Insurance Contracts is to be satisfied in cash via wire transfer. The Board considers that all the Insurance Contracts are on normal commercial terms.

Type of Insurance	Date of Contract	Counterparty	Transaction	Transaction	Duration of contract	Payment terms
			amount in 2013 (USD)	amount in 2014 (USD)		
Non-life insurance: compulsory liability insurance connected with operating the hazardous objects and the nuclear energy sources, general liability insurance program	April to December 2013 (Note 1)	Ingosstrakh, INGO Ukraine and INGO Armenia	864,486	293,464	One year	Under compulsory insurance — quarterly, before the beginning of the relevant quarter; under other insurance (general liability insurance) - within 30 days from the date of inception
Non-life insurance: compulsory professional liability insurance	January to May 2013 (Note 1)	Ingosstrakh	2,640	112	One year	Within 15 days from the date of inception
Non-life insurance: vessel hull insurance	12 April 2013	Ingosstrakh	7,070	N/A	Up to 30 June 2013	Within 30 days from the date of inception
Non-life insurance: property and business interruption insurance program	1 June 2013	Ingosstrakh, INGO Ukraine and INGO Armenia	4,110,465	2,900,374	One year	Two equal instalments, the first payment to be made within 2 months from the date of inception, the second payment to be made within 9 months from date of inception.
<b>Total amount:</b>			4,984,661	3,193,950		

*Note 1:* A series of insurance contracts were/will be entered into during the period.

Given the large number of Group companies which were contracting parties to the Insurance Contracts, the inclusion of the names of each of the relevant member of the Group in this announcement may not provide useful information to the public and would be unduly burdensome for the Company.

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

Pursuant to Rule 14A.25 of the Listing Rules, the Insurance Contracts are required to be aggregated together with the Previously Disclosed Insurance Contracts as they are entered into by members of the Group with the associates of Mr. Deripaska and the subject matter of each contract relates to the provision of insurance services by the associates of Mr. Deripaska to the Group.

The annual aggregate transaction amounts payable by the Group to the relevant insurance companies under the Insurance Contracts and the Previously Disclosed Insurance Contracts for the financial years ending 31 December 2013 and 31 December 2014 are expected to be not exceeding approximately USD9.63 million and USD3.19 million respectively. The annual aggregate transaction amounts for the financial years ending 31 December 2013 and 31 December 2014 are estimated by the Directors based on the need for the insurance services by the Group and the total contract price under the Insurance Contracts and the Previously Disclosed Insurance Contracts.

### **REASONS FOR AND BENEFITS OF THE INSURANCE CONTRACTS AND TRANSACTIONS THEREUNDER**

The Insurance Contracts are entered into for the purpose of various types of non-life insurance including liability insurance, cargo insurance, vessel hull insurance, property insurance and business interruption insurance. The Company considers that the transactions contemplated under the Insurance Contracts are for the benefit of the Company as they cover its risk exposures and are in line with best practices in risk management of major corporations worldwide.

The premium paid or payable under the Insurance Contracts has been determined with reference to the market price or on terms no less favourable than those prevailing in the Russian or international market for insurance services of the same type and coverage as those offered by Ingosstrakh, INGO Ukraine and INGO Armenia to independent third parties.

The Directors (including the independent non-executive Directors) consider that the Insurance Contracts are on normal commercial terms which are fair and reasonable and the transactions contemplated under the Insurance 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 Insurance Contracts save for Mr. Deripaska who is directly and indirectly beneficially interested in more than 30% of each of Ingosstrakh, INGO Ukraine and INGO Armenia. Accordingly, Mr. Deripaska did not vote on the Board resolutions for approving the Insurance Contracts.

## **LISTING RULES IMPLICATIONS**

Mr. Deripaska is directly and indirectly beneficially interested in more than 30% of each of Ingosstrakh, INGO Ukraine and INGO Armenia. Each of Ingosstrakh, INGO Ukraine and INGO Armenia is therefore an associate of Mr. Deripaska, the chief executive officer and an executive Director of the Company. On this basis, each of Ingosstrakh, INGO Ukraine and INGO Armenia is a connected person of the Company under the Listing Rules. Accordingly, each of the transactions contemplated under the Insurance Contracts constitutes a continuing connected transaction of the Company.

The annual aggregate transaction amount for the financial year ending 31 December 2013 of the continuing connected transactions under the Insurance Contracts and the Previously Disclosed Insurance 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 Insurance Contracts and the Previously Disclosed Insurance 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.

The annual aggregate transaction amount for the financial year ending 31 December 2014 of the continuing connected transactions under the Insurance Contracts and the Previously Disclosed Insurance Contracts is less than 0.1% under the applicable percentage ratios. Accordingly, these transactions are de minimis transactions and are exempt from the reporting, annual review, announcement and independent shareholders' approval requirements.

Information on the Insurance Contracts for the financial year ending 31 December 2013 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 OF THE COMPANY, INGOSSTRAKH, INGO UKRAINE AND INGO ARMENIA**

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 71,000 people.

Each of Ingosstrakh, INGO Ukraine and INGO Armenia is principally engaged in the provision of insurance and reinsurance 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.
“Group”	the Company and its subsidiaries.

“INGO Armenia”	Insurance Closed Joint-Stock Company «INGO Armenia», a company incorporated under the laws of Armenia, and a subsidiary of Ingosstrakh.
“INGO Ukraine”	Private Joint-Stock Insurance Company «INGO Ukraine», a company incorporated under the laws of Ukraine, and a subsidiary of Ingosstrakh.
“Ingosstrakh”	Ingosstrakh Joint Stock Insurance Company Ltd., a company incorporated under the laws of the Russian Federation.
“Insurance Contracts”	the contracts between certain members of the Group and certain insurance companies (being associates of Mr. Deripaska) including Ingosstrakh, INGO Ukraine and INGO Armenia, pursuant to which such insurance companies provides various non-life insurance services to the Group, details of which are set out in the paragraph headed “Insurance Contracts” in this announcement.
“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.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Previously Disclosed Insurance Contracts”	the insurance contracts between certain members of the Group and certain insurance companies (being associates of Mr. Deripaska) including Ingosstrakh, INGO Ukraine and INGO Armenia, pursuant to which such insurance companies provides various non-life insurance services to the Group, which were previously disclosed in the Company’s announcement dated 12 November 2012.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“subsidiary”	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*

4 June 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 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.*