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

**CONTINUING CONNECTED TRANSACTIONS  
PURCHASE OF RAW MATERIALS FOR PRODUCTION**

The Company announces that on 19 December 2013, UC RUSAL TH, as buyer, entered into the Addendum to the Calcined Petroleum Coke Supply Agreement with CJSC “EPM-NovEP”, as seller.

The Company also announces that on 20 December 2013, UC RUSAL TH, as buyer, entered into the Additional Purchase of Graphitized and Carbon Electrodes Agreements with PJSC “EPM - ChEP”, CJSC “EPM-NovEP” and PJSC “EPM - NEP”, as sellers.

**ADDENDUM TO THE CALCINED PETROLEUM COKE SUPPLY AGREEMENT**

Reference is made to the announcement of the Company dated 28 February 2013 in relation to, among other things, the calcined petroleum coke supply agreement entered into between UC RUSAL TH and Closed Joint Stock Company “ENERGOPROM — Novosibirsk Electrode Plant” (“CJSC “EPM-NovEP””) dated 26 February 2013, pursuant to which UC RUSAL TH agreed to purchase and CJSC “EPM-NovEP” agreed to supply calcined petroleum coke.

The Company announces that on 19 December 2013, UC RUSAL TH, as buyer, entered into an addendum to the above-mentioned calcined petroleum coke supply agreement with CJSC “EPM-NovEP” as seller (the “**Addendum to the Calcined Petroleum Coke Supply Agreement**”), pursuant to which UC RUSAL TH agreed to purchase and CJSC “EPM-NovEP” agreed to supply calcined petroleum coke in the estimated amount of 116,400 tons for the year ending 31 December 2014, for an estimated total consideration of approximately USD29.505 million. The term of the contract is up to 31 December 2014.

Under the Addendum to the Calcined Petroleum Coke Supply Agreement, the consideration is to be paid within 3 calendar days upon receipt of invoice for shipped products and is to be satisfied in cash via wire transfer.

## **ADDITIONAL PURCHASE OF GRAPHITIZED AND CARBON ELECTRODES AGREEMENTS**

Reference is made to the announcements of the Company dated 21 February 2013 and 19 June 2013 in relation to, among other things, (i) the purchase of anode blocks and graphitized electrodes agreement with Public Joint Stock Company “ENERGOPROM — Chelyabinsk Electrode Plant” (“**PJSC “EPM - ChEP”**”) dated 19 February 2013; (ii) the purchase of graphitized electrodes agreement with Public Joint Stock Company “ENERGOPROM — Novocherkassk Electrode Plant” (“**PJSC “EPM - NEP”**”) dated 20 February 2013; and (iii) the purchase of carbon electrodes agreement with CJSC “EPM-NovEP” dated 18 June 2013.

The Company announces that on 20 December 2013, UC RUSAL TH, as buyer, entered into additional agreements to the above-mentioned agreements for the purchase of graphitized and carbon electrodes with details set out below (the “Additional Purchase of Graphitized and Carbon Electrodes Agreements”):

<b>Date of contract</b>	<b>Buyer (member of the Group)</b>	<b>Seller (associate of Mr. Blavatnik)</b>	<b>Estimated delivery volume of graphitized and carbon electrodes for the year ending 31 December 2014</b>	<b>Estimated consideration payable for the year ending 31 December 2014 (USD)</b>
20 December 2013	UC RUSAL TH	PJSC “EPM-ChEP”	22 tons	46,332
20 December 2013	UC RUSAL TH	CJSC “EPM-NovEP”	1,089 tons	1,851,300
20 December 2013	UC RUSAL TH	PJSC “EPM-NEP”	495 tons	1,167,111
<b>Total estimate consideration payable for the year ending 31 December 2014</b>				<b>3,064,743</b>

For each of the Additional Purchase of Graphitized and Carbon Electrodes Agreements, the scheduled termination date is 31 December 2014, and the payment of the consideration is to be made upon delivery and is to be satisfied in cash via wire transfer.

## **THE ANNUAL AGGREGATE TRANSACTION AMOUNT**

Based on the terms of the Addendum to the Calcined Petroleum Coke Supply Agreement and the Additional Purchase of Graphitized and Carbon Electrodes Agreements, the annual aggregate transaction amount that is payable by the Group to the associates of Mr. Blavatnik for the financial year ending 31 December 2014 is estimated to be up to approximately USD32.57 million.

This annual aggregate transaction amount is estimated by the Directors based on the amount of raw materials to be supplied and their contract price for the purpose of the Group's production.

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

The Directors consider that the Addendum to the Calcined Petroleum Coke Supply Agreement is for the benefit of the Company, as the results of several technical audits show that CJSC "EPM-NovEP" can supply raw materials that are fit for the Group's production. The consideration payable under the Addendum to the Calcined Petroleum Coke Supply Agreement has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for raw materials of the same type and quality and those offered by the associates of Mr. Blavatnik to independent third parties.

The Directors also consider that the Additional Purchase of Graphitized and Carbon Electrodes Agreements are for the benefit of the Company, as the sellers are in close proximity for convenient delivery and the raw materials to be supplied by the sellers meet the technical specification for the Group's production. The consideration payable under the Additional Purchase of Graphitized and Carbon Electrodes Agreements has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for raw materials of the same type and quality and those offered by the associates of Mr. Blavatnik to independent third parties.

The Directors (including the independent non-executive Directors) consider that the Addendum to the Calcined Petroleum Coke Supply Agreement and the Additional Purchase of Graphitized and Carbon Electrodes Agreements have been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the transactions contemplated under the Addendum to the Calcined Petroleum Coke Supply Agreement and the Additional Purchase of Graphitized and Carbon Electrodes Agreements 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 under the Addendum to the Calcined Petroleum Coke Supply Agreement and the Additional Purchase of Graphitized and Carbon Electrodes Agreements, save for Mr. Blavatnik, a non-executive Director, who is interested in more than 30% in CJSC “EPM-NovEP”, PJSC “EPM - ChEP” and PJSC “EPM - NEP”. Accordingly, Mr. Blavatnik did not vote on the Board resolutions approving the Addendum to the Calcined Petroleum Coke Supply Agreement and the Additional Purchase of Graphitized and Carbon Electrodes Agreements.

## **LISTING RULES IMPLICATIONS**

Mr. Blavatnik indirectly holds more than 30% of the issued share capital of each of CJSC “EPM-NovEP”, PJSC “EPM - ChEP” and PJSC “EPM - NEP”. Each of CJSC “EPM-NovEP”, PJSC “EPM - ChEP” and PJSC “EPM - NEP” is therefore an associate of Mr. Blavatnik, a non-executive Director, and hence a connected person of the Company under the Listing Rules.

The estimated annual aggregate transaction amount of the continuing connected transactions under the Addendum to the Calcined Petroleum Coke Supply Agreement and the Additional Purchase of Graphitized and Carbon Electrodes Agreements for the financial year ending 31 December 2014 is 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 agreement 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 continuing connected transactions contemplated under the Addendum to the Calcined Petroleum Coke Supply Agreement and the Additional Purchase of Graphitized and Carbon Electrodes Agreements will be included in the relevant 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 69,000 people.

CJSC “EPM-NovEP” is principally engaged in the production of graphite electrodes, carbon electrodes, cathode blocks, calcined petroleum coke and electrode paste.

PJSC “EPM - ChEP” is principally engaged in the production and sale of graphite electrodes, anode blocks, carbon materials, structural graphite, carbon fiber materials, products made from the above materials and carbon mass by-products.

PJSC “EPM-NEP” is principally engaged in the production of graphite electrodes, electrode and anode mass, moulded graphite products, carbon graphite structural materials and consumer goods.

## **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.
“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 thereto under the Listing Rules.
“continuing connected transaction(s)”	has the same meaning ascribed thereto under the Listing Rules.
“Director(s)”	the director(s) of the Company.
“Group”	the Company and its subsidiaries.
“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.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

“subsidiary”	has the same meaning ascribed thereto under the Listing Rules.
“UC RUSAL TH”	Open Joint Stock Company “United Company RUSAL -Trading House”, a company incorporated in the Russian Federation and an indirect wholly-owned subsidiary of the Company.
“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*

23 December 2013

*As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Ms. Vera Kurochkina, Mr. Maxim Sokov, Mr. Vladislav Soloviev and Mr. Stalbek Mishakov, the non-executive Directors are Mr. Dmitry Afanasiev, Mr. Len Blavatnik, Mr. Ivan Glasenberg, Mr. Maksim Goldman, Ms. Gulzhan Moldazhanova, Mr. Christophe Charlier, Ms. Olga Mashkovskaya and Ms. Ekaterina Nikitina, and the independent non-executive Directors are Mr. Matthias Warnig (Chairman), Dr. Peter Nigel Kenny, Mr. Philip Lader, Ms. Elsie Leung Oi-sie and Mr. Mark Garber.*

*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.*