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

CONTINUING CONNECTED TRANSACTIONS
SALE OF RAW MATERIALS

Reference is made to the announcement of the Company dated 18 November 2013 in relation to certain continuing connected transactions regarding the supply of raw materials by members of the Group to the associates of Mr. Deripaska/En+.

The Company announces that members of the Group, as sellers, entered into the 2014 Raw Materials Supply Contracts with the associates of Mr. Deripaska/En+.

Reference is made to the announcement of the Company dated 18 November 2013 in relation to certain continuing connected transactions regarding the supply of raw materials by members of the Group to the associates of Mr. Deripaska/En+.

2014 RAW MATERIALS SUPPLY CONTRACTS

The Company announces that members of the Group, as sellers, will enter/entered into the following raw materials supply contracts with particulars set out below (the “2014 Raw Materials Supply Contracts”):

Date of contract	Seller (member of the Group)	Buyer (an associate of Mr. Deripaska/En+)	Raw materials to be supplied	Estimated delivery volume for the year ending 31 December 2014	Estimated consideration payable for the year ending 31 December 2014 excluding VAT (USD)	Payment terms
25 December 2013 (Note 1)	RUSAL Achinsk	Achinsk Cement LLC	Nepheline mud	559,598 tons	3,244,821	100% prepayment
25 December 2013 (Note 1)	RUSAL Achinsk	Achinsk Cement LLC	Crushed limestone	740,890 tons	4,661,545	100% prepayment
25 December 2013 (Note 1)	RUSAL Achinsk	Achinsk Cement LLC	Clay from open pit overburden	86,718 tons	119,066	100% prepayment
1 January 2014	RUSAL Krasnoyarsk Aluminium Smelter Open Joint-Stock Company	KraMZ-Auto Limited Liability Company	Fuel and lubricants	Diesel fuel - 1,280 tons; AI-92 gasoline -196 tons, Other fuel and lubricants - 34 tons	1,606,310	Payment before the 15th day of the month following the month of delivery of the goods
1 January 2014	OAo RUSAL Bratsk aluminium smelter	KraMZ-Auto Limited Liability Company	Lumber, construction materials and other inventories (gasoline, diesel fuel, oil, lubricants)	235 tons	256,805	Payment within 10 business days from delivery
1 January 2014	RUSAL Sayanogorsk Aluminum Smelter Open Joint-Stock Company	KraMZ-Auto Limited Liability Company	Fuel and lubricants	13,000 tons	1,031,800	Payment within 10 business days upon receipt of the invoice.
1 January 2014	RUSAL Sayanogorsk Aluminum Smelter Open Joint-Stock Company	Stroyservice Limited Liability Company	Lumber, construction materials and other inventories (gasoline, diesel fuel, oil, lubricants)	Fuel and lubricants - 267.95 tons; Lumber - 23,340 cubic meters	3,708,747	Payment within 10 business days upon receipt of the invoice
1 January 2014	RUSAL Bratsk Aluminium Smelter Open Joint Stock Company	Irkutskenergoremont Closed Joint-Stock Company	Lumber, construction materials and other inventories (gasoline, diesel fuel, oil, lubricants)	24.3 tons	25,681	Payment within 10 business days from delivery
27 December 2013 (Note 1)	RUSAL Achinsk	Open Joint Stock Company «Hakasskiy bentonit»	Soda ash	2,700 tons	879,091	Payment within 15 days from delivery
27 December 2013 (Note 1)	RUSAL Achinsk	Limited Liability Company «Eniseyskiy CBK»	Soda ash	14,500 tons	4,116,485	Payment within 10 days from delivery
26 December 2013 (Note 2)	UC RUSAL TH	LLC KraMZ	Silicon	300 tons	714,000	100% prepayment
26 December 2013 (Note 2)	UC RUSAL TH	LLC “Autocomponent - Group GAZ”	Silicon	70 tons	166,600	100% prepayment
Total consideration payable for the year:					20,530,951	

Notes:

1. The contract is renewable upon agreement of both parties.
2. The contract will be renewed for one year automatically but either party can choose not to renew the contract without prior consent of the other party one month before the expiry of the contract.

For each of the contracts set out in the table above, the consideration is to be satisfied in cash via wire transfer. The scheduled termination date of each of these contracts is on 31 December 2014, unless specified otherwise.

THE AGGREGATION APPROACH

Pursuant to Rule 14A.25 of the Listing Rules, the continuing connected transactions under the 2014 Raw Materials Supply Contracts are required to be aggregated with the Previously Disclosed Raw Materials Supply Contracts, as they were entered into by the Group with the associates of the same connected persons or with parties connected or otherwise associated with one another, and the subject matter of each of the contracts relates to the supply of raw materials by the Group.

The annual aggregate transaction amount payable under the 2014 Raw Materials Supply Contracts and the Previously Disclosed Raw Materials Supply Contracts is estimated to be approximately USD38.41 million for the year ending 31 December 2014.

The annual aggregate amounts are estimated by Directors based on the maximum amount of consideration payable under the terms of the 2014 Raw Materials Supply Contracts and the Previously Disclosed Raw Materials Supply Contracts.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the entry into the 2014 Raw Materials Supply Contracts is for the benefit of the Company as the Group is assured of payment on a timely basis and there are less financial risks. As to the three contracts in which KraMZ-Auto Limited Liability Company is the buyer, the contracts are entered into for the purpose of maintaining the uninterrupted operation of KraMZ-Auto Limited Liability Company, which in turn provides transportation services to the Group. Such contracts also help to keep the cost of transportation services provided by KraMZ-Auto Limited Liability Company lower than the other transportation service providers in the region. As to the contract in which Stroyservice Limited Liability Company is the buyer, the contract is entered into for maintaining the uninterrupted operation of Stroyservice Limited Liability Company, which in turn produces and supplies accessories to the Group required for fastening market-grade aluminium in railcars. Such contract helps to reduce the cost of the relevant accessories. As to the contract in which Irkutskenergoremont Closed Joint-Stock Company is the buyer, the contract is entered into for maintaining the

uninterrupted operation of Irkutskenergoremont Closed Joint-Stock Company which render repair services to RUSAL Bratsk Aluminium Smelter Open Joint Stock Company. As to the two contracts on the sale of silicon, the contracts are entered into in order to comply with the requirements of the Federal Antimonopoly Service.

The consideration payable under the 2014 Raw Materials Supply Contracts has been arrived at by reference to 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 members of the Group to independent third parties customers.

The Directors (including the independent non-executive Directors) consider that the 2014 Raw Materials Supply Contracts have been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the transactions contemplated thereunder 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 2014 Raw Materials Supply Contracts save for:

- (a) Mr. Deripaska who is indirectly interested in more than 30% of the issued share capital of each of Achinsk Cement LLC, KraMZ-Auto Limited Liability Company, Stroyservice Limited Liability Company and Irkutskenergoremont Closed Joint-Stock Company Open Joint Stock Company «Hakasskiy bentonit», Limited Liability Company «Eniseyskiy CBK», LLC KraMZ and LLC “Autocomponent - Group GAZ”. Accordingly, Mr. Deripaska did not vote on the Board resolutions approving the 2014 Raw Materials Supply Contracts;
- (b) Mr. Deripaska, Mr. Vladislav Soloviev, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+, being the holding company of KraMZ-Auto Limited Liability Company, Irkutskenergoremont Closed Joint-Stock Company and LLC KraMZ. Accordingly, Mr. Deripaska, Mr. Vladislav Soloviev, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions approving the raw materials supply contracts with KraMZ-Auto Limited Liability Company, Irkutskenergoremont Closed Joint-Stock Company and LLC KraMZ as buyers as mentioned above; and
- (c) Mr. Deripaska and Ms. Gulzhan Moldazhanova, who are directors of Basic Element, being the holding company of Achinsk Cement LLC, Stroyservice Limited Liability Company, Open Joint Stock Company «Hakasskiy bentonit», Limited Liability Company «Eniseyskiy CBK» and LLC “Autocomponent - Group GAZ”. Accordingly, Mr. Deripaska and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions

approving the raw materials supply contracts with Achinsk Cement LLC, Stroyservice Limited Liability Company, Open Joint Stock Company «Hakasskiy bentonit» and Limited Liability Company «Eniseyskiy CBK» and LLC “Autocomponent - Group GAZ” as buyers as mentioned above.

LISTING RULES IMPLICATIONS

Each of KraMZ-Auto Limited Liability Company, Irkutskenergoremont Closed Joint-Stock Company and LLC KraMZ is held by En+ (a substantial shareholder of the Company) as to more than 30% of the issued share capital. En+ is in turn held by Mr. Deripaska as to more than 50% of the issued share capital. Each of KraMZ-Auto Limited Liability Company, Irkutskenergoremont Closed Joint-Stock Company and LLC KraMZ is therefore an associate of Mr. Deripaska and of En+, and thus a connected person of the Company.

Each of Achinsk Cement LLC, Stroyservice Limited Liability Company, Open Joint Stock Company «Hakasskiy bentonit», Limited Liability Company «Eniseyskiy CBK» and LLC “Autocomponent - Group GAZ” is held by Basic Element as to more than 30% of the issued share capital. Basic Element is in turn held by Mr. Deripaska as to more than 50% of the issued share capital. Each of Achinsk Cement LLC, Stroyservice Limited Liability Company, Open Joint Stock Company «Hakasskiy bentonit», Limited Liability Company «Eniseyskiy CBK» and LLC “Autocomponent - Group GAZ” is therefore an associate of Mr. Deripaska and is thus a connected person of the Company.

Accordingly, the transactions contemplated under the 2014 Raw Materials Supply Contracts constitute continuing connected transactions of the Company.

As the applicable percentage ratios (other than the profits ratio) for the 2014 Raw Materials Supply Contracts and the Previously Disclosed Raw Materials Supply Contracts for the years ending 31 December 2014 respectively are more than 0.1% but less than 5%, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under the 2014 Raw Materials 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. They are exempt from the independent shareholders’ approval requirements of Chapter 14A of the Listing Rules.

Details of the 2014 Raw Materials 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 5 continents, the operations and offices of the Company employ over 69,000 people.

Achinsk Cement LLC is principally engaged in the production of cement.

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

Stroyservice Limited Liability Company is principally engaged in the provision of transportation services and construction materials.

Irkutskenergoremont Closed Joint-Stock Company is principally engaged in the provision of repair services.

Open Joint Stock Company «Hakasskiy bentonit» is principally engaged in production of bentonitic clay.

Limited Liability Company «Eniseyskiy CBK» is principally engaged in production of pasteboard paper.

LLC KraMZ is principally engaged in aluminium alloys production.

LLC “Autocomponent - Group GAZ” is principally engaged in the motor-car industry.

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
“Basic Element”	Basic Element Limited, a company incorporated in Jersey
“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 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
“En+”	En+ Group Limited, a company incorporated in Jersey, a substantial shareholder (as defined in the Listing Rules) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Deripaska”	Mr. Oleg Deripaska, the chief executive officer of the Company and an executive Director
“Previously Disclosed Raw Materials Supply Contracts”	the raw materials supply contracts pursuant to which members of the Group were the sellers and the associates of Mr. Deripaska/En+ were the buyers in relation to the financial year ending 31 December 2014, as disclosed in the announcement of the Company dated 18 November 2013
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules
“RUSAL Achinsk”	RUSAL Achinsk Open Joint-Stock Company, a company incorporated in Russia, an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“substantial shareholder”	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

30 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.