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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 MATERIALS

The Company announces that on 1 January 2014, RUSAL Sayanogorsk, being a member of the Group, as buyer, entered into a contract with Stroysservice, being an associate of Mr. Deripaska, as supplier, pursuant to which RUSAL Sayanogorsk agreed to buy and Stroysservice agreed to supply railroad accessories.

THE RAILROAD ACCESSORIES SUPPLY CONTRACT

The Company announces that on 1 January 2014, Open Joint Stock Company RUSAL Sayanogorsk (“**RUSAL Sayanogorsk**”), being a member of the Group, as buyer, entered into a contract with Stroysservice Limited Liability Company (“**Stroysservice**”), being an associate of Mr. Deripaska, as supplier, pursuant to which RUSAL Sayanogorsk agreed to buy and Stroysservice agreed to supply railroad accessories of 23,376 cubic metres for the year ending 31 December 2014, at the total estimated consideration of approximately USD4.93 million (net of VAT) (the “**Railroad Accessories Supply Contract**”). The scheduled termination date of such contract is 31 December 2014. The consideration under the Railroad Accessories Supply Contract is to be paid in cash via bank transfer within 20 calendar days upon receipt of invoice.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Based on the terms of the Railroad Accessories Supply Contract, the annual aggregate transaction amount that is payable by the Group to the associates of Mr. Deripaska net of VAT for the financial year ending 31 December 2014 is estimated to be up to approximately USD4.93 million.

The annual aggregate transaction amount is estimated by the Directors based on the amount of materials estimated to be purchased and their contract price.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the Railroad Accessories Supply Contract is for the benefit of the Company, as Stroysservice manufactures the accessories in the territory of the production facility of RUSAL Sayanogorsk which allows it to quickly respond to the changing schedule of finished goods shipment of RUSAL Sayanogorsk. Stroysservice also offer competitive prices. The consideration payable under the Railroad Accessories Supply Contract has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for materials of the same type and quality and those offered by Stroysservice to independent third parties.

The Directors (including the independent non-executive Directors) consider that the Railroad Accessories Supply Contract has been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the transactions contemplated under the Railroad Accessories Supply Contract 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 Railroad Accessories Supply Contract, save for (i) Mr. Deripaska , who is indirectly beneficially interested in more than 30% of the issued share capital of Stroysservice and is a director of Basic Element, being the holding company of Stroysservice; and (ii) Ms. Gulzhan Moldazhanova, who is a director of Basic Element. Accordingly, Mr. Deripaska and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions for approving the Railroad Accessories Supply Contract.

LISTING RULES IMPLICATIONS

Mr. Deripaska is indirectly beneficially interested in more than 30% of the issued share capital of Stroysservice. Stroysservice is therefore an associate of Mr. Deripaska, the chief executive officer of the Company and an executive Director. On this basis, Stroysservice is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Railroad Accessories Supply Contract constitute continuing connected transactions of the Company under the Listing Rules.

The estimated annual aggregate transaction amount of the continuing connected transactions under the Railroad Accessories Supply Contract 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 these 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 Railroad Accessories Supply Contract 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.

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

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.
“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. Deripaska”	Mr. Oleg Deripaska, the chief executive officer of the Company and an executive Director.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“USD”	United States dollars, the lawful currency of the United States of America.
“VAT”	value added tax.

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

2 January 2014

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.