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

**CONTINUING CONNECTED TRANSACTIONS
TRANSPORT LOGISTICS SERVICES CONTRACTS**

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TRANSPORT LOGISTICS SERVICES CONTRACTS

The Company announces that, on 30 and 31 December 2013, a series of contracts were entered into between members of the Group and the associates of En+, pursuant to which the associates of En+ agreed to provide transport logistics services (including organizing the usage of rail road, provision of rail wagons, import-export and in-transit transportation, and maintenance of rail freight) to members of the Group (the “**Transport Logistics Services Contracts**”) with major terms set out below:

Date of contract	Customer (member of the Group)	Service provider (an associate of En+)	Estimated consideration payable for the year ending 31 December 2014, excluding VAT (USD)	Payment terms	Scheduled termination date and extension clause, if any
31 December 2013	OJSC Boksit Timana	LLC “RTC”	256,500	Payment is to be made not later than 10 calendar days of the following month, in cash via wire transfer.	Up to 31 December 2014, will be automatically renewed if neither party declares its intention to terminate the contract in writing.

Date of contract	Customer (member of the Group)	Service provider (an associate of En+)	Estimated consideration payable for the year ending 31 December 2014, excluding VAT (USD)	Payment terms	Scheduled termination date and extension clause, if any
31 December 2013	OJSC SUAL	LLC "RTC"	50,000	100% prepayment, in cash via wire transfer.	Up to 31 December 2014. If neither party declares its intention to terminate or modify the contract by 15 days prior to the expiration of the contract, the contract shall be deemed extended for each subsequent calendar year.
31 December 2013	OJSC SUAL	LLC "RTC"	50,000	100% prepayment, in cash via wire transfer.	Up to 31 December 2014. If neither party declares its intention to terminate or modify the contract by 30 days prior to the expiration of the contract, the contract shall be deemed extended for each subsequent calendar year.
31 December 2013	Open Joint Stock Company "RUSAL Achinsk Alumina Refinery"	LLC "RTC"	150,000	Payment to be made monthly based on certificates of work performed and invoices, within 3 business days from the date of issuing of documents, in cash via wire transfer.	Up to 31 December 2014, renewable by bilateral agreement.
31 December 2013	Open Joint Stock Company "SUBR"	LLC "RTC"	10,000	Payment to be made in 30 days after receipt of invoice.	Up to 31 December 2014, will be automatically renewed if neither party declares its intention to terminate the contract in writing.
30 December 2013	Open Joint Stock Company "United Company RUSAL -Trading House"	LLC "RTC"	3,024,000	Prepayment to be made in 5 days after the prepayment invoice is issued based on the requested services. The consideration based on the actual services is to be settled by the 30th day from the date of signing of act of fulfilled work. Payment is in cash via wire transfer.	Up to 31 December 2014, will be renewed for one year if neither party declares its intention to terminate the contract in writing.

Date of contract	Customer (member of the Group)	Service provider (an associate of En+)	Estimated consideration payable for the year ending 31 December 2014, excluding VAT (USD)	Payment terms	Scheduled termination date and extension clause, if any
30 December 2013	RTI Limited	Global Commodity Transport Limited	375,000	100% prepayment, in cash via wire transfer.	Up to 31 December 2014, renewable by mutual consent.
30 December 2013	Open Joint Stock Company "United Company RUSAL -Trading House"	Global Commodity Transport Limited	52,500	100% prepayment, in cash via wire transfer.	Up to 31 December 2014, renewable by mutual consent.
30 December 2013	Open Joint Stock Company "United Company RUSAL -Trading House"	LLC "EN+ LOGISTICA"	1,690,000	Payment to be made on the 15th day of the month following the month of rendering services, in cash via wire transfer.	Up to 31 December 2014. If neither party declares its intention to terminate the contract by 30 days prior to the expiration of the contract, the contract shall be automatically extended for each subsequent calendar year.
30 December 2013	RTI Limited	LLC "RTC"	105,000	RTI Limited pays LLC "RTC" for forwarding in accordance with additional agreements. Within five days on receipt of a copy of the balance invoice the RTI Limited remits to the accounts of the LLC "RTC" the difference in the amount of prepayment and the amount corresponding to the actual dispatch. The payment to LLC "RTC" should be made in Russian rubles (RUR) by the bank transfer to LLC "RTC"'s bank account.	Up to 31 December 2014. If neither party declares its intention to terminate the contract, the contract shall be automatically extended for each subsequent calendar year.
30 December 2013	LLC RUSALTRANS	LLC "RTC"	1,575,000	Payment to be made on the 15th day of the month following the month of rendering services, in cash via wire transfer.	Up to 31 December 2014. If neither party declares its intention to terminate the contract by 20 days prior to the expiration of the contract, the contract shall be automatically extended for each subsequent calendar year.
Total consideration payable for the year:			7,338,000		

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Pursuant to Rule 14A.25 of the Listing Rules, the Transport Logistics Services Contracts are required to be aggregated as they are each entered into by the Group with the associates of En+ and the subject matter of each contract relates to the provision of transport logistics services by the associates of En+ to the Group.

The annual aggregate transaction amount that is payable by the Group to the associates of En+ under the Transport Logistics Services Contracts for the financial year ending 31 December 2014 is estimated to be up to approximately USD7.338 million. This annual aggregate transaction amount is estimated by the Directors based on the need for the transport logistics services by the Group and the total contract price.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Transport Logistics Services Contracts are entered into for the purpose of obtaining bundled services (including organizing the usage of rail road, provision of rail wagons, import-export and in-transit transportation, and maintenance of rail freight). As obtaining bundled logistic services is more economical than obtaining various logistic services separately from various service providers, and in certain circumstances the independent third parties are incapable of providing such bundled services or offer an uncompetitive price, the members of the Group have to engage LLC “RTC”, Global Commodity Transport Limited and LLC “EN+ LOGISTICA” (being connected persons) which offer better price under tenders and are able provide all the services required. The Company considers that the transactions contemplated under the Transport Logistic Services Contracts are for the benefit of the Company as the services provided are required in the production process of the Group.

The Transport Logistics Services Contracts are on arm’s length commercial terms. The consideration payable under the Transport Logistics Services Contracts has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for transport logistics services of the same type and quality and those offered by the associates of En+ to independent third parties.

The Directors (including the independent non-executive Directors) consider that the Transport Logistics Services Contracts are on normal commercial terms which are fair and reasonable and the transactions contemplated under the Transport Logistics Services 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 Transport Logistics Services Contracts save for Mr. Deripaska who is a director of En+ and is indirectly interested in more than 50% of the issued share capital of En+, and Mr. Vladislav Soloviev, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+. En+ is the holding company of LLC “RTC”, Global Commodity Transport Limited and LLC “EN+ LOGISTICA”. Accordingly, Mr. Deripaska, Mr. Vladislav Soloviev, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions for approving the Transport Logistics Services Contracts.

LISTING RULES IMPLICATIONS

Each of LLC “RTC”, Global Commodity Transport Limited and LLC “EN+ LOGISTICA” is an indirect subsidiary of En+, and is therefore an associate of En+ which is a substantial shareholder of the Company. Accordingly, Each of LLC “RTC”, Global Commodity Transport Limited and LLC “EN+ LOGISTICA” is a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the Transport Logistics Services Contracts constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount for the financial year ending 31 December 2014 of the continuing connected transactions under the Transport Logistics Services 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 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.

Information on the Transport Logistics Services 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.

LLC “RTC” is principally engaged in organization of different kinds of transportation services.

Global Commodity Transport Limited is principally engaged in organization of different kinds of transportation services.

LLC “EN+ LOGISTICA” is principally engaged in organization of different kinds 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 to it 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 to it under the Listing Rules.
“continuing connected transaction(s)”	has the same meaning ascribed to it under the Listing Rules.
“Director(s)”	the director(s) of the Company.
“En+”	En+ Group Limited, a company incorporated in Jersey, a substantial shareholder of the Company.
“Group”	the Company and its subsidiaries.
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange.
“LLC “RTC””	Limited Liability Company “Russian Transport Company”, a subsidiary of En+.
“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.
“subsidiary”	has the same meaning ascribed to it under the Listing Rules.
“substantial shareholder”	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

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.