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

CONTINUING CONNECTED TRANSACTIONS
HEAT SUPPLY CONTRACTS

Reference is made to the announcement of the Company dated 17 April 2013 in relation to certain continuing connected transactions regarding the supply of heat to members of the Group by the associates of En+.

The Company would like to provide updated information in relation to the heat supply contracts.

Reference is made to the announcement of the Company dated 17 April 2013 in relation to certain continuing connected transactions regarding the supply of heat to members of the Group by the associates of En+.

2014 HEAT SUPPLY CONTRACTS

The Company announces that during the end of December 2013 and early January 2014, certain members of the Group, in their usual and ordinary course of business, entered into a series of heat supply contracts with the associates of En+, a substantial shareholder of the Company, pursuant to which the associates of En+ supply heat energy to the members of the Group (the “**2014 Heat Supply Contracts**”). Set out below are the major terms of the 2014 Heat Supply Contracts.

Date of contract	Purchaser (members of the Group)	Supplier (associates of En+)	Form of heat	Estimate amount of heat to be supplied for the year ending 31 December 2014	Estimate consideration for the year ending 31 December 2014, excluding VAT (USD)	Payment terms
1 January 2014	RUSAL Sayanogorsk OJSC	Khakass Utility Systems Limited Liability Company	Hot water and steam	326,442 Gcal	6,265,901	Payment within 15 days after the receipt of invoice
31 December 2013	RUSAL Sayanogorsk OJSC	Baikalenergo Closed Joint-Stock Company	Hot water	575 Gcal	24,778	Payment to be made by the 20th day of the month following the accounting month against the invoice received
31 December 2013	RUSAL Sayanogorsk OJSC	Baikalenergo Closed Joint-Stock Company	Hot water	1,115 Gcal, 54,124 cubic metres	211,484	Payment to be made by the 20th day of the month following the accounting month against the invoice received
31 December 2013	RUSAL Bratsk Aluminium Smelter Open Joint Stock Company	OJSC Irkutskenergo	Hot water	426 Gcal	8,956	Advance payment of 35% of the total price on the 18th day of each month, and 50% by the end of each month with the remainder (15%) being paid up by the 10th day of the next month
31 December 2013	SUAL OJSC	OJSC Irkutskenergo	Hot water	139,379 Gcal	2,694,094	Advance payment of 35% of the total price on the 18th day of each month, and 50% by the end of each month with the remainder being settled by the 10th day of the next month based on actual consumption
31 December 2013 (<i>Note 1</i>)	SUAL OJSC	OJSC Irkutskenergo	Steam	68,874 Gcal	1,804,671	Advance payment of 35% of the total price on the 18th day of each month, and 50% by the end of each month with the remainder being settled by the 10th day of the next month based on actual consumption
27 December 2013 (<i>Note 1</i>)	Joint Stock Company RUSAL SAYANAL	Khakass Utility Systems Limited Liability Company	Heat and chemically purified water	38,500 Gcal, 73,000 cubic metres	726,817	Payment to be made no later than the 28th day of the month following the accounting month
26 December 2013 (<i>Note 2</i>)	OJSC "SibVAMI"	OJSC Irkutskenergo	Hot water	1,700 Gcal, 1,980 tonnes	36,061	Advance payment of 35% of the total price on the 18th day of each month, and 50% by the end of each month with the remainder (15%) being paid up by the 10th day of the next month
Total estimate consideration for the year ending 31 December 2014					11,772,762	

Notes:

1. 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.
2. The term of this contract is up to 31 December 2016. The estimate consideration for the years ending 31 December 2015 and 31 December 2016 under this contract is USD41,469.70 and USD47,690.15 respectively.

THE AGGREGATION APPROACH AND THE ANNUAL AGGREGATE TRANSACTION AMOUNTS

Pursuant to Rule 14A.25 of the Listing Rules, the 2014 Heat Supply Contracts are required to be aggregated with the consideration payable under the Previously Disclosed Heat Supply Contracts as they are each entered into by members of the Group with the associates of En+, a substantial shareholder of the Company, and the subject matter of each contract relates to heat supply.

The annual aggregate transaction amount that is payable by the Group to the associates of En+ under the 2014 Heat Supply Contracts and the Previously Disclosed Heat Supply Contracts for the financial year ending 31 December 2014 is estimated to be up to approximately USD11.80 million (excluding VAT). Such annual aggregate transaction amount is estimated by the Directors based on the need for heat by the Group and the total contract price.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The 2014 Heat Supply Contracts are entered into for the purpose of obtaining heat and chemically treated water for the Group's production process and for its production facilities. The Company considers that the transactions contemplated under the 2014 Heat Supply Contracts are for the benefit of the Company as there is no alternative supplier available in the respective regions.

The consideration payable under the 2014 Heat Supply Contracts has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for the supply of heat 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 2014 Heat Supply Contracts are on normal commercial terms which are fair and reasonable and the transactions contemplated under the 2014 Heat Supply 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 have a material interest in the transactions contemplated by the 2014 Heat Supply Contracts save for Mr. Oleg Deripaska who is beneficially interested in more than 50% of the share capital of En+ and Mr. Vladislav Soloviev, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+. Accordingly, Mr. Oleg Deripaska Mr. Vladislav Soloviev, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions to approve the 2014 Heat Supply Contracts.

LISTING RULES IMPLICATIONS

Each of Khakass Utility Systems Limited Liability Company, OJSC Irkutskenergo and Baikalergero Closed Joint-Stock Company is held by En+ (being a substantial shareholder of the Company) as to more than 30% of the issued share capital, and is therefore an associate of En+. Each of Khakass Utility Systems Limited Liability Company, OJSC Irkutskenergo and Baikalergero Closed Joint-Stock Company is thus a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2014 Heat Supply Contracts constitute continuing connected transactions of the Company.

The annual aggregate transaction amount of the continuing connected transactions under the 2014 Heat Supply Contracts and the Previously Disclosed Heat Supply Contracts for the financial year ending 31 December 2014 is expected to be 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 2014 Heat Supply Contracts and the Previously Disclosed Heat 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. These transactions are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Information on the 2014 Heat Supply Contracts and the Previously Disclosed Heat 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.

Khakass Utility Systems Limited Liability Company is principally engaged in generating heat and electricity.

OJSC Irkutskenergo is principally engaged in generating heat and electricity.

Baikalenergo Closed Joint-Stock Company is principally engaged in generating heat and electricity.

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(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 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.
“Previously Disclosed Heat Supply Contracts”	those heat supply contracts as disclosed in the Company’s announcement dated 17 April 2013 the term of which will be up to 31 December 2014
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“subsidiary”	has the same meaning ascribed to it under the Listing Rules.
“substantial shareholder”	has the same means ascribed to it under 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.

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.