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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 announcements of the Company dated 18 November 2013 and 30 December 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 UC RUSAL TH, being a member 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 announcements of the Company dated 18 November 2013 and 30 December 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 UC RUSAL TH, being a member of the Group, as sellers, entered into the following raw materials supply contracts with particulars set out below (the “**2014 Raw Materials Supply Contracts**”):

Date of contract	Seller (a 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
27January 2014	UC RUSAL TH	CJSC MC Souzmetallresource	Aluminum powder grade APG	324 tons	1,026,288	100 % payment within 30 days from date of shipment
27January 2014	UC RUSAL TH	“Glavstroï Ust-Labinsk” Ltd.	Granules of high purity aluminium	252 tons	1,233,540	100% prepayment
Total consideration payable for the year:					2,259,828	

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.

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 USD40.67 million for the year ending 31 December 2014. The consideration of the raw materials under the 2014 Raw Materials Supply Contracts is linked to the price of aluminium on the LME plus a premium calculated on a monthly basis and in accordance with the rules prescribed by the Federal Antimonopoly Service (a Russian governmental authority) which are applicable to the sale and purchase of the relevant kinds of raw materials regardless of whether the counterparties are independent third parties or connected persons in comparable circumstances. The price of aluminium on the LME is the average aluminum price quoted at the LME within a one-month period preceding the day of shipment.

The consideration payable under the 2014 Raw Materials Supply Contracts has been arrived at after arm's length negotiation 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 annual aggregate amounts are the maximum amount of consideration payable under the terms of the 2014 Raw Materials Supply Contracts and the Previously Disclosed Raw Materials Supply Contracts based on the delivery volume for the year ending 31 December 2014 estimated by Directors.

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.

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 CJSC MC Souzmetallresource and "Glavstroï Ust-Labinsk" Ltd. 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 CJSC MC Souzmetallresource. 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 contract with CJSC MC Souzmetallresource, as buyer as mentioned above; and
- (c) Mr. Deripaska and Ms. Gulzhan Moldazhanova, who are directors of Basic Element, being the holding company of "Glavstroï Ust-Labinsk" Ltd. Accordingly, Mr. Deripaska and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions approving the raw materials supply contract with "Glavstroï Ust-Labinsk" Ltd., as buyer as mentioned above.

LISTING RULES IMPLICATIONS

CJSC MC Soyuzmetallresource 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. CJSC MC Soyuzmetallresource is therefore an associate of Mr. Deripaska and of En+, and thus a connected person of the Company.

“Glavstroi Ust-Labinsk” Ltd. is held by Basic Element as to more than 30% of the issued share capital. Basic Element is in turn held by Mr. Deripaska (the chief executive officer of the Company and an executive Director) as to more than 50% of the issued share capital. “Glavstroi Ust-Labinsk” Ltd. 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 year 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 and the Previously Disclosed 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.

CJSC MC Soyuzmetallresource is principally engaged in the provision of repair services ferromolybdenum production.

“Glavstroï Ust-Labinsk” Ltd. is principally engaged in construction.

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, the controlling 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
“LME”	the London Metal 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 announcements of the Company dated 18 November 2013 and 30 December 2013
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules
“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
“VAT”	Value added tax

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

28 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.