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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 RAW MATERIALS FOR REPAIRING

The Company announces that on 1 January 2014 and 17 February 2014, RUS-Engineering, as the buyer, entered into certain purchase of raw materials agreements.

THE PURCHASE OF RAW MATERIALS AGREEMENTS

The Company announces that on 1 January 2014 and 17 February 2014, RUS-Engineering, as the buyer, entered into certain purchase of raw materials agreements (the “**Purchase of Raw Materials Agreements**”) with details set out below:

Date of contract	Seller (associate of Mr. Blavatnik/SUAL Partners)	Raw materials to be supplied	Term of contract	Estimated consideration payable for the year ending 31 December 2014 (USD)	Payment terms
1 January 2014	OJSC KUMZ	121,79 tones of rolled aluminium	Up to 31 December 2014	473,177	Payment be made within 20 days after shipment, in cash via wire transfer

Date of contract	Seller (associate of Mr. Blavatnik/SUAL Partners)	Raw materials to be supplied	Term of contract	Estimated consideration payable for the year ending 31 December 2014 (USD)	Payment terms
17 February 2014	Closed Joint Stock Company “ENERGOPROM — Novosibirsk Electrode Plant” (“CJSC “EPM-NovEP””)	24,500 tonnes of cathode blocks	Up to 31 December 2014	34,800,559 <i>(Note 1)</i>	Payment be made within 20 days after supply, in cash via wire transfer
17 February 2014	CJSC “EPM-NovEP”	7,629 tonnes of carbon paste	Up to 31 December 2014	5,162,037	Payment be made within 20 days after supply, in cash via wire transfer
Total estimate consideration payable for the year ending 31 December 2014				40,435,773	

Note 1: The estimated consideration under the contract for the purchase of cathode blocks dated 17 February 2014 for the year ending 31 December 2014 is USD27,334,707. It is expected that addendums will be entered into under such contract during 2014 and the total estimated consideration under such contract (including the addendums) for the year ending 31 December 2014 amounts to USD34,800,559.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Based on the terms of the Purchase of Raw Materials Agreements, the annual aggregate transaction amount that is payable by members of the Group to the associates of Mr. Blavatnik/SUAL Partners for the financial year ending 31 December 2014 is estimated to be up to approximately USD40.44 million. This annual aggregate transaction amount is estimated by the Directors based on the amount of raw materials to be supplied and their contract price, and also the relevant historical figures for the year ended 31 December 2013.

The consideration payable under each of the Purchase of Raw Materials Agreements is calculated by multiplying the price per ton of rolled aluminium, cathode blocks or carbon paste, respectively, by the volume of supplied material. The consideration (which is based on the price per ton and the volume) 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 the associates of Mr. Blavatnik/SUAL Partners to independent third parties.

This annual aggregate transaction amount is estimated by the Directors based on the amount of raw materials to be supplied and their contract price, and also the relevant historical figures for the year ended 31 December 2013.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The transactions contemplated under the Purchase of Raw Materials Agreements are entered into for the purposes of repairing the pots for the aluminium smelters as part of the pot repair programme. The Company considers that the transactions contemplated under the Purchase of Raw Materials Agreements are for the benefit of the Company, as the associates of Mr. Blavatnik/SUAL Partners offered the supply of raw materials to the Group at costs more favourable than the prevailing market rate based on tender.

The consideration payable under the Purchase of Raw Materials Agreements has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for the raw materials of the same type and quality and those offered by the associates of Mr. Blavatnik/SUAL Partners to independent third parties.

The Directors (including the independent non-executive Directors) consider that the Purchase of Raw Materials Agreements has been entered into on normal commercial terms which are fair and reasonable and the transactions contemplated under the Purchase of Raw Materials Agreements 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 Purchase of Raw Materials Agreements save for Mr. Blavatnik who is indirectly interested in more than 30% of CJSC “EPM-NovEP” and of SUAL Partners.

Accordingly, Mr. Blavatnik did not vote on the Board resolutions to approve the Purchase of Raw Materials Agreements.

LISTING RULES IMPLICATIONS

Mr. Blavatnik, a non-executive Director, indirectly holds more than 30% of the issued share capital of CJSC “EPM-NovEP”. CJSC “EPM-NovEP” is an associate of Mr. Blavatnik and thus is a connected person of the Company under the Listing Rules.

SUAL Partners, being a substantial shareholder of the Company, has a controlling interest of more than 30% in OJSC KUMZ. Accordingly, OJSC KUMZ is an associate of SUAL Partners and thus is a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the Purchase of Raw Materials Agreements constituted continuing connected transactions of the Company.

The estimated annual aggregate transaction amount for the financial year ending 31 December 2014 under the Purchase of Raw Materials Agreements 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 agreements 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 Purchase of Raw Materials Agreements 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.

OJSC KUMZ is principally engaged in metallurgy.

CJSC “EPM-NovEP” is principally engaged in the production of graphite electrodes, carbon electrodes, cathode blocks, calcined petroleum coke and electrode paste.

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.
“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. Blavatnik”	Mr. Len Blavatnik, a non-executive Director.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“RUS-Engineering”	RUS-Engineering LLC, an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“SUAL Partners”	SUAL Partners Limited, a company incorporated under the laws of Bahamas, which is a substantial shareholder of the Company.

“substantial shareholder”	has the same meaning ascribed thereto 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

18 February 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.