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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 PRODUCTION

The Company announces that on 15 May 2014, UC RUSAL TH, as buyer, entered into the Additional Purchase of Graphitized and Carbon Electrodes Agreements with PJSC “EPM-NEP”, PJSC “EPM-ChEP” and CJSC “EPM-NovEP” as sellers.

The Company also announces that on 15 May 2014, UC RUSAL TH, as buyer, entered into the Purchase of Anode Blocks Agreement with PJSC “EPM-ChEP” as seller.

ADDITIONAL PURCHASE OF GRAPHITIZED AND CARBON ELECTRODES AGREEMENTS

Reference is made to the announcements of the Company dated 21 February 2013 and 19 June 2013 in relation to, among other things, (i) the purchase of anode blocks and graphitized electrodes agreement with Public Joint Stock Company “ENERGOPROM — Chelyabinsk Electrode Plant” (“**PJSC “EPM-ChEP”**”) dated 19 February 2013; (ii) the purchase of graphitized electrodes agreement with Public Joint Stock Company “ENERGOPROM — Novocherkassk Electrode Plant” (“**PJSC “EPM-NEP”**”) dated 20 February 2013; and (iii) the purchase of graphitized and carbon electrodes agreement with Close Joint Stock Company “ENERGOPROM — Novosibirsk Electrode Plant” (“**CJSC “EPM-NovEP”**”) dated 18 June 2013.

Reference is also made to the announcement of the Company dated 23 December 2013 in relation to, among other things, the additional purchase of graphitized and carbon electrodes agreements with PJSC “EPM - ChEP”, CJSC “EPM-NovEP” and PJSC “EPM-NEP” dated 20 December 2013.

The Company announces that on 15 May 2014, UC RUSAL TH, as buyer, entered into additional agreements to the above-mentioned agreements for the purchase of graphitized and carbon electrodes with details set out below (the “**Additional Purchase of Graphitized and Carbon Electrodes Agreements**”):

Date of contract	Buyer (member of the Group)	Seller (associate of Mr. Blavatnik)	Estimated delivery volume of graphitized and carbon electrodes for the year ending 31 December 2014	Estimated consideration payable for the year ending 31 December 2014 (USD)
15 May 2014	UC RUSAL TH	PJSC “EPM-NEP”	781 tons	1,709,070
15 May 2014	UC RUSAL TH	PJSC “EPM-ChEP”	55 tons	113,300
15 May 2014	UC RUSAL TH	CJSC “EPM-NovEP”	913 tons	1,415,150
Total estimate consideration payable for the year ending 31 December 2014				3,237,520

For each of the Additional Purchase of Graphitized and Carbon Electrodes Agreements, the scheduled termination date is 31 December 2014, and the payment of the consideration is to be made upon delivery and is to be satisfied in cash via wire transfer.

PURCHASE OF ANODE BLOCKS AGREEMENT

The Company announces that on 15 May 2014, UC RUSAL TH, as buyer, entered into an agreement with PJSC “EPM-ChEP” as seller (the “**Purchase of Anode Blocks Agreement**”), pursuant to which UC RUSAL TH agreed to purchase and PJSC “EPM-ChEP” agreed to supply anode blocks in the estimated amount of 1,100 tons for the year ending 31 December 2014, for an estimated total consideration of approximately USD588,500. The term of the agreement is up to 31 December 2014.

Under the Purchase of Anode Blocks Agreement, the payment of the consideration is to be made upon delivery and is to be satisfied in cash via wire transfer.

THE AGGREGATION APPROACH

Pursuant to Rule 14A.25 of the Listing Rules, the continuing connected transactions under the Additional Purchase of Graphitized and Carbon Electrodes Agreements and the Purchase of Anode Blocks Agreement are required to be aggregated with the Previously Disclosed Purchase of Raw Materials Agreements, 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 purchase of raw materials by members of the Group for the purposes of the Group's production.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Based on the terms of the Additional Purchase of Graphitized and Carbon Electrodes Agreements, the Purchase of Anode Blocks Agreement and the Previously Disclosed Purchase of Raw Materials Agreements, the annual aggregate transaction amount that is payable by the Group to the associates of Mr. Blavatnik for the financial year ending 31 December 2014 is estimated to be up to approximately USD36.40 million.

This annual aggregate transaction amount is estimated by the Directors based on the amount of raw materials to be supplied for the purpose of the Group's production and their contract price.

The consideration payable under the Additional Purchase of Graphitized and Carbon Electrodes Agreements and the Purchase of Anode Blocks Agreement is calculated by multiplying the price per ton by the volume. Under the Additional Purchase of Graphitized and Carbon Electrodes Agreements, the price depends on the type, size and quality specification of electrodes. The relevant price per ton of the graphitized electrodes are USD2,130 (for diameter 710mm) and USD2,590 (for diameter 406mm) as offered by PJSC "EPM-NEP", USD2,060 as offered by PJSC "EPM-ChEP" and the relevant price per ton of carbon electrodes is USD1,550 as offered by CJSC "EPM-NovEP". Under the Purchase of Anode Blocks Agreement, the price per ton of anode blocks is approximately USD535 as offered by PJSC "EPM-ChEP". The consideration (which is based on the unit price 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 to independent third parties. The Company invited several organizations to take part in the tender in relation to the purchase of the relevant raw materials and chose the sellers offering the best terms and conditions (taking into account the price and quality offered by those sellers) and then entered into agreements with the chosen sellers. Accordingly, the Additional Purchase of Graphitized and Carbon Electrodes Agreements and the Purchase of Anode Blocks Agreement were entered into.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the Additional Purchase of Graphitized and Carbon Electrodes Agreements and the Purchase of Anode Blocks Agreement are for the benefit of the Company, as the sellers offered a competitive price and are in close proximity for convenient delivery, and the raw materials to be supplied by the sellers meet the technical specification for the Group's production.

The Directors (including the independent non-executive Directors) consider that the Additional Purchase of Graphitized and Carbon Electrodes Agreements and the Purchase of Anode Blocks Agreement have been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the transactions contemplated under Additional Purchase of Graphitized and Carbon Electrodes Agreements and the Purchase of Anode Blocks Agreement 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 Additional Purchase of Graphitized and Carbon Electrodes Agreements and the Purchase of Anode Blocks Agreement, save for Mr. Blavatnik, a non-executive Director, who is interested in more than 30% in PJSC "EPM-NEP", PJSC "EPM-ChEP" and CJSC "EPM-NovEP". Accordingly, Mr. Blavatnik did not vote on the Board resolutions approving the Additional Purchase of Graphitized and Carbon Electrodes Agreements and the Purchase of Anode Blocks Agreement.

LISTING RULES IMPLICATIONS

Mr. Blavatnik indirectly holds more than 30% of the issued share capital of each of PJSC "EPM-NEP", PJSC "EPM-ChEP" and CJSC "EPM-NovEP". Each of PJSC "EPM-NEP", PJSC "EPM-ChEP" and CJSC "EPM-NovEP" is therefore an associate of Mr. Blavatnik, a non-executive Director, and hence a connected person of the Company under the Listing Rules.

The estimated annual aggregate transaction amount of the continuing connected transactions under the Additional Purchase of Graphitized and Carbon Electrodes Agreements, the Purchase of Anode Blocks Agreement and the Previously Disclosed Purchase of Raw Materials Agreements 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 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 Additional Purchase of Graphitized and Carbon Electrodes Agreements, the Purchase of Anode Blocks Agreement and the Previously Disclosed Purchase of Raw Materials Agreements 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.

PJSC "EPM-NEP" is principally engaged in the production of graphite electrodes, electrode and anode mass, moulded graphite products, carbon graphite structural materials, consumer goods.

PJSC "EPM - ChEP" is principally engaged in the production and sale of graphite electrodes, anode blocks, carbon materials, structural graphite, carbon fiber materials, products made from the above materials and carbon mass by-products.

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(s)"	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(s)"	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.
“Previously Disclosed Purchase of Raw Materials Agreements”	the agreements/addendums/additional agreements entered into between UC RUSAL TH as buyer and the associates of Mr. Blavatnik as sellers in relation to purchase of raw materials for the year ending 31 December 2014 for the purpose of the Group’s production, as previously disclosed in the Company’s announcement dated 23 December 2013.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“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.

By Order of the Board of Directors of
United Company RUSAL Plc
Aby Wong Po Ying
Company Secretary

16 May 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.