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## **UNITED COMPANY RUSAL PLC**

*(Incorporated under the laws of Jersey with limited liability)*

**(Stock Code: 486)**

### **CONTINUING CONNECTED TRANSACTIONS TRANSPORTATION CONTRACTS**

Reference is made to the announcements of the Company dated 14 January 2015, 22 January 2015, 28 January 2015, 30 January 2015, 31 March 2015 and 24 July 2015 in relation to certain continuing connected transactions regarding the series of transportation contracts between members of the Group and the associates of En+, pursuant to which the associates of En+ agreed to provide transportation services to members of the Group.

#### **KRAMZ-AUTO AMENDMENT CONTRACT**

Reference is made to the transportation contract dated 29 January 2015 as disclosed in the announcement of the Company dated 30 January 2015 which was entered into between Limited Liability Company «Russian Engineering Company» (Branch in Bratsk) (“**RUS-Engineering LLC**”), a member of the Group, as customer and KraMZ-Auto, an associate of En+, as service provider, pursuant to which KraMZ-Auto agreed to provide motor transportation services to RUS-Engineering LLC (the “**KraMZ-Auto Transportation Contract**”).

The Company announces that, on 22 October 2015, a contract amending the KraMZ-Auto Transportation Contract was entered into between RUS-Engineering LLC and KraMZ-Auto (the “**KraMZ-Auto Amendment Contract**”) pursuant to which the estimated consideration under the KraMZ-Auto Transportation Contract will be increased by USD7,850 to USD473,064. Other terms under the KraMZ-Auto Transportation Contract remain unchanged.

The increase in the estimated consideration is a result of the increase in motor transportation demand.

## **THE ANNUAL AGGREGATE TRANSACTION AMOUNT**

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transactions contemplated under the KraMZ-Auto Transportation Contract (as amended) and the 2015 Transportation Contracts should be aggregated, as they were entered into by members of the Group with the associates of En+, and the subject matter of each contract relates to the provision of transportation services by the associates of En+ to the Group.

The annual aggregate transaction amounts that are payable by the Group to the associates of En+ under the KraMZ-Auto Transportation Contract (as amended) and the 2015 Transportation Contracts for the financial year ending 31 December 2015 is estimated to be approximately USD19.093 million.

The consideration payable under the KraMZ-Auto Transportation Contract (as amended) is calculated by multiplying the hourly rate for using one vehicle (which ranges from approximately USD2.30 to USD42.60 (depending on the type of vehicles)) by the number of hours for the usage for each type of vehicles (which ranges from 8 hours to 8,757 hours for 2015).

KraMZ-Auto is chosen as the contractor based on competitive selection, as it offers the lowest costs, with stand-by vehicles available and is conveniently located. Accordingly, the KraMZ-Auto Transportation Contract (as amended) was entered into.

The contract price under the KraMZ-Auto Transportation Contract (as amended) has been arrived at after arm's length negotiation with reference to the market price and on terms no less favourable than those prevailing in the Russian market for transportation services of the same type and quality and those offered by the associates of En+ to independent third parties. The annual aggregate transaction amount is derived from the total contract price under the KraMZ-Auto Transportation Contract (as amended), which was based on the need of transportation services by the Group for the relevant year.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

The KraMZ-Auto Transportation Contract (as amended) is entered into for the purpose of transporting the personnel, goods and cargoes of the Group. The Company considers that the transactions contemplated under the KraMZ-Auto Transportation Contract (as amended) are for the benefit of the Company, as the services provided are required in the production process of the Group and KraMZ-Auto offered a competitive price.

The Directors (including the independent non-executive Directors) consider that the KraMZ-Auto Transportation Contract (as amended) is on normal commercial terms which are fair and reasonable and the transactions contemplated under the KraMZ-Auto Transportation Contract (as amended) 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 under the KraMZ-Auto Transportation Contract (as amended), save for Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+, being the holding company of KraMZ-Auto. Mr. Deripaska is also indirectly interested in more than 50% of the issued share capital of En+. Accordingly, Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions approving the KraMZ-Auto Amendment Contract.

## **LISTING RULES IMPLICATIONS**

KraMZ-Auto is an indirect subsidiary of En+, and is therefore an associate of En+ which is a substantial shareholder of the Company. Accordingly, KraMZ-Auto is a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the KraMZ-Auto Transportation Contract (as amended) constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the KraMZ-Auto Transportation Contract (as amended) and the 2015 Transportation Contracts for the financial year ending 31 December 2015 is more than 0.1% but less than 5% under the applicable percentage ratios. Accordingly, pursuant to Rule 14A.76 of the Listing Rules, the transactions contemplated under these contracts are only subject to the announcement requirements set out in Rules 14A.35 and 14A.68, the annual review requirements set out in Rules 14A.49, 14A.55

to 14A.59, 14A.71 and 14A.72 and the requirements set out in Rules 14A.34 and 14A.50 to 14A.54 of the Listing Rules. These transactions are exempt from the circular and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the KraMZ-Auto Transportation Contract (as amended) and the 2015 Transportation Contracts will be included in the relevant annual report and accounts of the Company in accordance with Rule 14A.71 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.

KraMZ-Auto is principally engaged in the provision of transportation services.

## **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”	has the same meaning ascribed thereto under the Listing Rules.
“continuing connected transactions”	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, a substantial shareholder of the Company.
“Group”	the Company and its subsidiaries.

“KraMZ-Auto”	KraMZ-Auto Limited Liability Company, an indirect subsidiary of En+.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange.
“Mr. Deripaska”	Mr. Oleg Deripaska, 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.
“substantial shareholder”	has the same meaning ascribed thereto under the Listing Rules.
“the 2015 Transportation Contracts”	the series of transportation contracts between members of the Group and the associates of En+, pursuant to which the associates of En+ agreed to provide transportation services to members of the Group, as disclosed in the announcements of the Company dated 14 January 2015, 22 January 2015, 28 January 2015, 30 January 2015, 31 March 2015 and 24 July 2015.
“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*

23 October 2015

*As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev and Mr. Stalbek Mishakov, the non-executive Directors are Mr. Maxim Sokov, Mr. Dmitry Afanasiev, Mr. Len Blavatnik, Mr. Ivan Glasenberg, Mr. Maksim Goldman, Ms. Gulzhan Moldazhanova, Mr. Daniel Lesin Wolfe, 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, Mr. Mark Garber and Mr. Dmitry Vasiliev.*

*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>, <http://rusal.ru/investors/info/moex/> and <http://www.rusal.ru/en/press-center/press-releases.aspx>, respectively.*