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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 ASSETS

The Company announces that on 22 December 2015, a member of the Group, as buyer, entered into the New Purchase of Assets Contract with an associate of Mr. Deripaska, as seller.

Reference is made to the announcement of the Company dated 4 September 2015 in relation to the continuing connected transactions regarding the purchase of railcars, and buses from associates of Mr. Deripaska.

THE NEW PURCHASE OF ASSETS CONTRACT

The Company announces that, on 22 December 2015, the following contract was entered into between a member of the Group, as buyer, and an associate of Mr. Deripaska, as seller, pursuant to which an associate of Mr. Deripaska agreed to sell assets to a member of the Group (the “**New Purchase of Assets Contract**”) with major terms set out below:

Date of contract	Buyer (member of the Group)	Seller (associate of Mr. Deripaska)	Subject matter	Estimated consideration payable for the year ending 31 December 2016, excluding VAT (USD)	Scheduled termination date	Payment terms
22 December 2015	Compagnie de Bauxite et d’Alumine de Dian-Dian S.A.	“Ural Motor Vehicles Plant” JSC	One mobile auto-repair truck	72,900	30 June 2016	50% of total value of the agreement as advance payment shall be paid within 5 days from the date of invoice, and the balance payment shall be paid within 15 days from the date of receiving of notification regarding the readiness of goods for shipping.
Total estimated consideration payable for the year:				72,900		

The consideration under the New Purchase of Assets Contract is to be paid in cash via wire transfer.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transaction contemplated under the New Purchase of Assets Contract for the year 2016 and the Previously Disclosed 2016 Purchase of Vehicles Contracts should be aggregated, as they were entered into by members of the Group with the associates of Mr. Deripaska, and the subject matter of each contract relates to the purchase of assets from the associates of Mr. Deripaska by the Group for the year ending 31 December 2016.

The annual aggregate transaction amounts that are payable by the Group to the associates of Mr. Deripaska under the New Purchase of Assets Contract and the Previously Disclosed 2016 Purchase of Vehicles Contracts for the financial year ending 31 December 2016 is estimated to be approximately USD20.862 million.

The Company invited several organizations to take part in the tender in relation to the relevant subject matters and chose the contractor offering the best terms and conditions (taking into account the price and compliance with technical requirements) and then entered into contract with the chosen seller. Accordingly, the New Purchase of Assets Contract was entered into.

The contract price under the New Purchase of Assets Contract 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 auto-repair truck of the same type and quality and those offered by the associates of Mr. Deripaska to independent third parties. The basis of calculation of payments under the New Purchase of Assets Contract is as follows:

Auto-repair truck	USD72,900 based on terms CIF- Conakry
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The annual aggregate transaction amount is derived from the total contract price under the New Purchase of Assets Contract, which was based on the amount of assets to be supplied and its contract price.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The New Purchase of Assets Contract is entered into for the purpose of acquiring auto-repair truck. The Company considers that the transactions contemplated under the New Purchase of Assets Contract are for the benefit of the Company, as “Ural Motor Vehicles Plant” JSC offered the auto-repair truck to the Group at a competitive price and the quality of the auto-repair truck satisfies the requirement of the Group.

The Directors (including the independent non-executive Directors) consider that the New Purchase of Assets Contract is on normal commercial terms which are fair and reasonable and the transactions contemplated under the New Purchase of Assets Contract 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 New Purchase of Assets Contract, save for (i) Mr. Deripaska, who is a director of Basic Element and is interested in more than 50% of the issued share capital of Basic Element; (ii) Ms. Gulzhan Moldazhanova, who is a director of Basic Element; and (iii) Ms. Olga Mashkovskaya, who is a deputy chief executive officer for finance of Basic Element. Basic Element is the holding company of “Ural Motor Vehicles Plant” JSC. Accordingly, Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions approving the New Purchase of Assets Contract.

LISTING RULES IMPLICATIONS

“Ural Motor Vehicles Plant” JSC is held by Basic Element as to more than 30% of the issued share capital. Basic Element is in turn held by Mr. Deripaska (an executive Director) as to more than 50% of the issued share capital. Accordingly, “Ural Motor Vehicles Plant” JSC is therefore an associate of Mr. Deripaska and thus is a connected person of the Company under the Listing Rules.

The estimated annual aggregate transaction amount of the continuing connected transactions under the New Purchase of Assets Contract and the Previously Disclosed 2016 Purchase of Vehicles Contracts for the financial year ending 31 December 2016 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 New Purchase of Assets Contract and the Previously Disclosed 2016 Purchase of Vehicles Contracts will be included in the next 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.

"Ural Motor Vehicles Plant" JSC is principally engaged in producing and selling automotive equipment.

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.
"Basic Element"	Basic Element Limited, a company incorporated in Jersey
"Board"	the board of Directors.
"CIF"	one of the Incoterms - Cost, Insurance and Freight (named port of destination), generally meaning the seller must pay the costs, insurance and freight to bring the goods to the port of destination.
"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 transactions"	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.
“Mr. Deripaska”	Mr. Oleg Deripaska, an executive Director.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Previously Disclosed 2016 Purchase of Vehicles Contracts”	the agreements between members of the Group and the associates of Mr. Deripaska, pursuant to which the associates of Mr. Deripaska agreed to sell vehicles/spare parts to members of the Group in 2016, as disclosed in the announcement of the Company dated 4 September 2015.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules.
“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
Aby Wong Po Ying
Company Secretary

23 December 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.