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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

The Company announces that members of the Group, as sellers, have entered into the 2016 Raw Materials Supply Contracts with the associates of Mr. Deripaska/En+, as buyers.

2016 RAW MATERIALS SUPPLY CONTRACTS

The Company announces that members of the Group, as seller, have entered into the following raw materials supply contracts with the associates of Mr. Deripaska/En+, as buyers, with particulars set out below (the “**2016 Raw Materials Supply Contracts**”):

	Date of contract	Seller	Buyer (an associate of Mr. Deripaska/En+)	Raw materials to be supplied	Estimated delivery volume for the year ending 31 December 2016	Estimated consideration payable for the year ending 31 December 2016, excluding VAT (USD)	Payment terms
1	Expected to be on or around 30 December 2015	RUSAL Krasnoyarsk Aluminium Smelter Open Joint Stock Company	KraMZ-Auto LLC	Petrol, diesel fuel, oil, lubricants	Diesel fuel: 850 tons Gasoline A-92: 105 tons Other petroleum products: 29.25 tons	564,016 <i>(Note 1)</i>	Payment by the 15th day of the month following the month of delivery

	Date of contract	Seller	Buyer (an associate of Mr. Deripaska/ En+)	Raw materials to be supplied	Estimated delivery volume for the year ending 31 December 2016	Estimated consideration payable for the year ending 31 December 2016, excluding VAT (USD)	Payment terms
2	29 December 2015	RUSAL Bratsk Aluminium Smelter Open Joint Stock Company	KraMZ-Auto LLC	Petrol, diesel fuel, oil, lubricants	Liquid Cooling, Transmission oil -23 103 kg, Diesel fuel - 200 tons, Motor oil - 1480 litres	130,378 (Note 2)	Payment within 10 working days after actual delivery, or by mutual settlements if there are counter-obligations
3	28 December 2015	RUSAL Sayanogorsk Aluminium Smelter Open Joint Stock Company ("RUSAL Sayanogorsk")	KraMZ-Auto LLC	Petrol, diesel fuel, oil, lubricants	Gasoline — 60 tons Diesel fuel - 480 tons Fuel (Other) — 19.64 tons	319,447 (Note 3)	Payment after actual delivery and no later than 10 working days after receipt of invoice
4	28 December 2015	RUSAL Sayanogorsk	Stroyservice Limited Liability Company ("Stroyservice LLC")	Petrol, diesel fuel, lumber and building materials	Gasoline - 88.73 tons Diesel fuel - 97.422 tons Lumber and building materials - 20.9 m ³	1,655,241 (Note 4)	Payment after actual delivery and no later than 10 working days after receipt of invoice
5	29 December 2015	RUSAL Achinsk OJSC ("RUSAL Achinsk"),	Achinsk Cement LLC	Limestone	705,112 tons	2,475,269 (Note 5)	Payment for the first week is made no later than the 30th date of the previous shipment. Payment for each of the subsequent weeks is made no later than the last working day of previous week

	Date of contract	Seller	Buyer (an associate of Mr. Deripaska/ En+)	Raw materials to be supplied	Estimated delivery volume for the year ending 31 December 2016	Estimated consideration payable for the year ending 31 December 2016, excluding VAT (USD)	Payment terms
6	29 December 2015	RUSAL Achinsk	Achinsk Cement LLC	Nepheline sludge	410,840 tons	825,283 (Note 6)	Payment for the first week is made no later than the 30th date of the previous shipment. Payment for each of the subsequent weeks is made no later than the last working day of previous week
7	29 December 2015	RUSAL Achinsk	Achinsk Cement LLC	Pulverized coal	12,000 tons	509,762 (Note 7)	Payment for the first week is made no later than the 30th date of the previous shipment. Payment for each of the subsequent weeks is made no later than the last working day of previous week
8	29 December 2015	RUSAL Achinsk	Achinsk Cement LLC	Clay from overburden	73,747 tons	52,179 (Note 8)	Payment for the first week is made no later than the 30th date of the previous shipment. Payment for each of the subsequent weeks is made no later than the last working day of previous week

	Date of contract	Seller	Buyer (an associate of Mr. Deripaska/ En+)	Raw materials to be supplied	Estimated delivery volume for the year ending 31 December 2016	Estimated consideration payable for the year ending 31 December 2016, excluding VAT (USD)	Payment terms
9	29 December 2015	RUSAL Achinsk	Achinsk Cement LLC	Diesel fuel	7.2 tons	4,374 <i>(Note 9)</i>	Payment for first week should be made not later than 30th day of previous month (payment for first 7 days) in amount of 25% of beforehand approved volume of sales. Payment for following weeks should be made not later than last business day of previous week
10	29 December 2015	RUSAL Achinsk	Achinsk Cement LLC	Heating oil	3,650 tons	587,030 <i>(Note 10)</i>	Payment for first week should be made not later than 30th day of previous month (payment for first 7 days) in amount of 25% of beforehand approved volume of sales. Payment for following weeks should be made not later than last business day of previous week

	Date of contract	Seller	Buyer (an associate of Mr. Deripaska/ En+)	Raw materials to be supplied	Estimated delivery volume for the year ending 31 December 2016	Estimated consideration payable for the year ending 31 December 2016, excluding VAT (USD)	Payment terms
11	29 December 2015	RUSAL Achinsk	Achinsk Cement LLC	Coal	166,164 tons	5,624,013 <i>(Note 11)</i>	Payment for first week should be made not later than 30th day of previous month (payment for first 7 days) in amount of 25% of beforehand approved volume of sales. Payment for following weeks should be made not later than last business day of previous week
	Total estimated consideration payable for the year:					12,746,992	

Notes:

1. The contract price is agreed between the parties and based on per unit price - diesel fuel: USD556.84/ton; Gasoline A-92: USD634.55/ton; other petroleum products: USD823.11/ton.
2. The contract price is agreed between the parties and based on per unit price — liquid cooling, transmission oil: USD0.61/kg; diesel fuel: USD564.77/ton; motor oil: USD2.28/litre.
3. The contract price is agreed between the parties and based on per unit price — gasoline: USD666.49/ton; diesel fuel: USD592.65/ton; fuel (other): USD650/ton.
4. The contract price is agreed between the parties and based on per unit price — gasoline: USD666.49/ton; diesel fuel: USD592.65/ton; lumber and building materials: USD73.60/ m³.
5. The contract price is agreed between the parties and based on per unit price of USD3.51/ton.
6. The contract price is agreed between the parties and based on per unit price of USD2.01/ton.

7. The contract price is agreed between the parties and based on per unit price of USD42.48/ton.
8. The contract price is agreed between the parties and based on per unit price of USD0.71/ton.
9. The contract price is agreed between the parties and based on per unit price of USD607.47/ton.
10. The contract price is agreed between the parties and based on per unit price of USD160.83/ton.
11. The contract price is agreed between the parties and based on per unit price of USD33.85/ton.

For each of the contracts set out in the table above, the consideration is to be satisfied in cash via wire transfer and the scheduled termination date is 31 December 2016. Each of the contracts is renewable upon agreement of both parties.

THE AGGREGATION APPROACH

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transactions under the 2016 Raw Materials Supply Contracts and the Previously Disclosed 2016 Raw Materials Supply Contract are required to be aggregated together, 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 2016 Raw Materials Supply Contracts and the Previously Disclosed 2016 Raw Materials Supply Contract is estimated to be approximately USD12.846 million for the year ending 31 December 2016.

The consideration payable under the 2016 Raw Materials Supply Contracts is calculated by multiplying the unit price by the volume. The unit price of the relevant raw materials are set out in the note to the table above, which is based on the total production cost or original purchase price plus gross margin where applicable.

The consideration payable under the under the 2016 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 amount is the maximum amount of consideration payable under the terms of the 2016 Raw Materials Supply Contracts based on the delivery volume for the year ending 31 December 2016 estimated by Directors and the demand from the buyers.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the entering into of the 2016 Raw Materials Supply Contracts is for the benefit of the Company as the sale is profitable and the Group is assured of payment on a timely basis and there are less financial risks. As to contracts no. 1 to 3, the sale of raw materials to the relevant buyer is to ensure continuous operations of the buyers as those buyers provide services to members of the Group (including transportation, repair and construction services).

The Directors (including the independent non-executive Directors) consider that the 2016 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 under the 2016 Raw Materials Supply Contracts, save for:

- (i) (a) Mr. Deripaska, who is a director of Basic Element and is interested in more than 50% of the issued share capital of Basic Element; (b) Ms. Gulzhan Moldazhanova, who is a director of Basic Element; and (c) Ms. Olga Mashkovskaya, who is a deputy chief executive officer for finance of Basic Element. Basic Element is the holding company of Achinsk Cement LLC. Accordingly, Mr. Deripaska, Ms. Gulzhan Moldazhanova and Ms. Olga Mashkovskaya did not vote on the Board resolutions approving the raw materials supply contracts with Achinsk Cement LLC;
- (ii) Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova who are directors of En+, being the holding company of KraMZ-Auto LLC and Stroyservice LLC. Mr. Deripaska is also indirectly interested in more than 30% of the issued share capital of KraMZ-Auto LLC. Accordingly, Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions approving the raw materials supply contracts with KraMZ-Auto LLC and Stroyservice LLC;

LISTING RULES IMPLICATIONS

Achinsk Cement LLC 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. Achinsk Cement LLC is therefore an associate of Mr. Deripaska and is thus a connected person of the Company.

Each of KraMZ-Auto LLC and Stroyservice LLC 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. Each of KraMZ-Auto LLC and Stroyservice LLC is therefore an associate of Mr. Deripaska and of En+, and is thus a connected person of the Company.

Accordingly, the transactions contemplated under the 2016 Raw Materials Supply Contracts constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount for the financial year ending 31 December 2016 of the continuing connected transactions under the 2016 Raw Materials Supply Contracts and the Previously Disclosed 2016 Raw Materials Supply Contract, 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 2016 Raw Materials Supply 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.

Achinsk Cement LLC is principally engaged in the production of cement.

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

Stroyservice LLC is principally engaged in the provision of transportation services and construction materials.

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 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, a substantial 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
“Mr. Deripaska”	Mr. Oleg Deripaska, an executive Director
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules
“Previously Disclosed 2016 Raw Materials Supply Contract”	the raw materials supply contract pursuant to which a member of the Group was the seller and an associate of En+ was the buyer in relation to the financial year ending 31 December 2016, as disclosed in the announcement of the Company dated 18 December 2015

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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

30 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 and 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.