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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS TRANSPORTATION CONTRACT

Reference is made to the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 4 March 2016, 6 April 2016 and 20 May 2016 in relation to the Previously Disclosed Transportation Contracts.

The Company announces that, on 30 May 2016, the addendum to the transportation contract, dated 3 March 2016, was entered into between a member of the Group and an associate of En+, pursuant to which the associate of En+ agreed to provide transportation services to the member of the Group.

THE ADDENDUM TO THE TRANSPORTATION CONTRACT

Reference is made to the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 4 March 2016, 6 April 2016 and 20 May 2016 in relation to the Previously Disclosed Transportation Contracts.

The Company announces that, on 30 May 2016, the addendum to the transportation contract, dated 3 March 2016, was entered into between a member of the Group and an associate of En+, pursuant to which the associate of En+ agreed to provide

transportation services to the member of the Group (the “**Addendum to the Transportation Contract**”) with major terms set out below:

	Date of contract	Customer (member of the Group)	Service provider (associate of En+)	Transportation services	Estimated consideration payable for the year ending 31 December 2016 excluding VAT (USD)	Scheduled termination date	Payment terms
1	On 30 May 2016	Limited Liability Company “Russian Engineering Company” (branch in Krasnoyarsk)	KraMZ-Auto	Motor transportation	12,421 (Note 1)	31 December 2016	Payment to be made in two equal installments of 50% of the total amount, one before the 15th of the month following the report month, and the other before the 30th of the month following the report month after the receipt of the original copy of the invoice for the total amount of services performed and accepted, on the basis of performed works acceptance certificates signed by the parties.
	Total estimated consideration payable for the year ending 31 December 2016:				USD12,421		

Note:

1. The service fee is based on the schedules for transportation services indicating vehicle types engaged, quantity of vehicle-hours and vehicle-hour cost (ranging from USD5.26 to USD31.50 depending on vehicle type).

The consideration under the Addendum to the Transportation 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 transactions contemplated under the Addendum to the Transportation Contract and the Previously Disclosed 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 Addendum to the Transportation Contract and the Previously Disclosed Transportation Contracts for the financial year ending 31 December 2016 are estimated to be approximately USD15.566 million.

The Company invited several organizations to take part in the tender in relation to the relevant required transportation services and chose the contractor offering the best terms and conditions (taking into account the price, availability of extra vehicles to meet the requirements, location in relation to the production sites and the business relationship with the service provider). Accordingly, the Addendum to the Transportation Contract was entered into.

The contract price under the Addendum to the Transportation 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 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 Addendum to the Transportation Contract, which was based on the need of transportation services by the Group for the relevant year.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Addendum to the Transportation Contract is entered into for the purpose of motor transportation. The Company considers that the transactions contemplated under the Addendum to the Transportation Contract 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 which is subject to state regulation.

The Directors (including the independent non-executive Directors) consider that the Addendum to the Transportation Contract is on normal commercial terms which are fair and reasonable and the transactions contemplated under the Addendum to the Transportation 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 Addendum to the Transportation Contract, 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 Addendum to the Transportation 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 Addendum to the Transportation Contract constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the Addendum to the Transportation Contract and the Previously Disclosed Transportation 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 Addendum to the Transportation Contract 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 and sale of aluminium, including alloys and value-added products, and alumina.

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(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.
“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.
“Previously Disclosed Transportation Contracts”	the series of transportation contracts entered into 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 in 2016 and 2017, as disclosed in the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 4 March 2016, 6 April 2016 and 20 May 2016.

“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“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.
“VAT”	value added tax.

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

31 May 2016

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, Dr. 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.