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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS

REPAIR SERVICES

Reference is made to the announcements of the Company dated 2 July 2015, 30 December 2015, 12 January 2016, 5 February 2016, 30 March 2016 and 20 May 2016 in relation to the Previously Disclosed Repair Services Contracts.

The Company announces that members of the Group entered into contracts/addendum with the associates of En+, pursuant to which the associates of En+ agreed to provide repair services to members of the Group.

THE REPAIR SERVICES CONTRACTS

The Company announces that members of the Group entered into contracts/addendum with associates of En+, pursuant to which the associates of En+ agreed to provide repair services to members of the Group (the “**Repair Services Contracts**”), details of which are set out below.

No.	Date of contract/ addendum	Customer (member of the Group)	Contractor (associate of En+)	Term of contract	Repair services	Estimated consideration payable for the year ending 31 December 2016, excluding VAT (USD)	Payment terms
1	Contract dated 4 July 2016	RUSAL Achinsk	Bratskenenergoremont	Up to 31 December 2016	Extensive repairs of boiler	2,078,399 (Note 1)	50% prepayment of the cost of the monthly services to be made until the 5th date of the month, 50% payment to be made within 10 calendar days after receiving an invoice
2	Addendum dated 4 July 2016, which is an addendum to the contract dated 11 January 2016 as announced by the Company on 12 January 2016 (contract no. 1)	Limited Liability Company "Russian Engineering Company"	Joint Stock Company "Irkutskenergoremont"	Up to 31 December 2016	Production equipment maintenance and repair services	5,747 (Note 2)	Within 40 calendar days of the Performed Works Certificate signed by the customer based on an issued invoice
3	Contract dated 4 July 2016	JSC "RUSAL Sayanogorsk Aluminum Plant"	OVE	Up to 31 December 2016	Repair of safety devices and inspection of railway tracks in 2016	7,996 (Note 3)	Within 10 calendar days from the date of receipt of invoice, on the basis of signed certificates of services rendered
	Total estimated consideration for the year:					2,092,142	

Notes:

1. The basis of calculation of payments is the price of contract offered by the associate of En+ which is based on the estimated cost for the relevant repair works.
2. The service fee is based on the actual cost of monthly servicing works taking into account labour cost (approximately USD2.71 per man hour).
3. The service fee is based on the schedule of fixing devices.

The consideration is to be satisfied in cash via wire transfer or set-off.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

The contract prices payable under the Repair Services Contracts have been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for repair services of the same type and quality and those offered by the associates of En+ to independent third parties. The Company invited several organizations to take part in the tender in relation to the relevant required repair services and chose the contractor offering the best terms and conditions (taking into account the price, quality offered by the contractors and availability of professionals with the required skill and experience) and then entered into the contract with the chosen contractor.

Based on the terms of the Repair Services Contracts and the Previously Disclosed Repair Services Contracts, the annual aggregate transaction amount that is payable by the Group to the associates of En+ for the financial year ending 31 December 2016 is estimated to be approximately USD14.212 million.

The annual aggregate transaction amount is estimated by the Directors based on the amount of repair services to be received and their contract price.

THE AGGREGATION APPROACH

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transactions contemplated under the Repair Services Contracts and the Previously Disclosed Repair Services Contracts should be aggregated, as they were entered into by the Group with the associates of the same group of connected persons who are parties connected or otherwise associated with one another, and the subject matter of each of the contracts relates to the receipt of repair and maintenance services by members of the Group.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the Repair Services Contracts are for the benefit of the Company, as the contractors offered a competitive price.

The Directors (including the independent non-executive Directors) consider that the Repair Services Contracts have been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the transactions contemplated under the Repair Services Contracts 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 Repair Services Contracts, save for Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+, being the holding company of Bratskenergoremont, Joint Stock Company “Irkutskenergoremont” and OVE. 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 resolution approving the Repair Services Contracts.

LISTING RULES IMPLICATIONS

Each of Bratskenergoremont, Joint Stock Company “Irkutskenergoremont” and OVE is directly or indirectly held by En+ as to more than 30% of the issued share capital and is therefore an associate of En+ which is a substantial shareholder of the Company 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 Repair Services Contracts and the Previously Disclosed Repair Services 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 the independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Details of the Repair Services Contracts and the Previously Disclosed Repair Services 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 and sale of aluminium, including alloys and value-added products, and alumina.

Bratskenergoremont is principally engaged in activities for supporting of operability of the equipment, production of electric installation, all-construction works and others.

Joint Stock Company “Irkutskenergoremont” is principally engaged in activities for supporting of operability of thermal power plants.

OVE is principally engaged in the provision of transportation services and railway transport.

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.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange.
“Mr. Deripaska”	Mr. Oleg Deripaska, an executive Director.
“OVE”	OJSC Otdeleniye Vremennoy Eksploatasii, an indirect subsidiary of En+.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.

“Previously Disclosed Repair Services Contracts”	the repair services contracts between members of the Group and the associate of En+, pursuant to which the associate of En+ agreed to provide repair services to member of the Group during the year 2016, as disclosed in the announcements of the Company dated 2 July 2015, 30 December 2015, 12 January 2016, 5 February 2016, 30 March 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

5 July 2016

As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev and Mr. Siegfried Wolf, 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), Mr. Philip Lader, Dr. Elsie Leung Oi-sie, Mr. Mark Garber, Mr. Dmitry Vasiliev and Mr. Bernard Zonneveld.

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.