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UNITED COMPANY RUSAL PLC
(Incorporated under the laws of Jersey with limited liability)
(Stock Code: 486)

**NEW AND REVISED ANNUAL CAPS
FOR CERTAIN CONTINUING CONNECTED TRANSACTIONS**

Reference is made to certain continuing connected transactions relating to electricity and capacity supply and aluminium sales involving United Company RUSAL Plc (the “**Company**”) and its subsidiaries (the “**Group**”) described in the prospectus of the Company dated 31 December 2009 (the “**Prospectus**”), the 2009 Annual Report dated 30 April 2010 (“**2009 Annual Report**”) and the 2010 Annual Report dated 28 April 2011 (“**2010 Annual Report**”).

The board of directors of the Company (the “**Board**”) announces that the Group expects that the existing annual cap for the year ending 31 December 2011 for the E&C Contracts (as defined below) may be exceeded.

The annual cap for the E&C Contracts is proposed to be separated in accordance with different groups of connected parties that are unrelated to each other. The annual caps for the E&C Contracts for the year ending 31 December 2011 are proposed to be revised and the annual cap for the E&C Contracts with En+ Associates (as defined below) for the year ending 31 December 2011 is subject to the approval of the independent shareholders in accordance with The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

The Board also announces the proposed annual caps for the two years ending 31 December 2012 and 31 December 2013 for both the E&C Contracts and the Aluminium Sales Contracts (as defined below).

In summary, the following matters require, and are all subject to, the approval of the independent shareholders under the Listing Rules:

- (i) Revised 2011 Cap for E&C Contracts with En+ Associates (as defined below);
 - (ii) Proposed 2012/2013 Caps for E&C Contracts with En+ Associates (as defined below); and
 - (iii) Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Deripaska's Associates (as defined below),
- (collectively, the “**Relevant Proposals**”).

A circular containing:

- (a) further details of the continuing connected transactions relating to the Relevant Proposals;
- (b) the letter from, and recommendations of, the independent board committee (“**IBC**”) in respect of the Relevant Proposals;
- (c) the letter from the Independent financial adviser (“**IFA**”) to IBC and the independent shareholders in respect of the Relevant Proposals; and
- (d) the notice convening the EGM,

will be despatched by the Company to its shareholders within 15 business days after the publication of this announcement.

Unless otherwise specified, capitalised terms used in this announcement shall have the same meaning as defined in the 2010 Annual Report.

1. **Introduction**

As disclosed in each of the Prospectus, the 2009 Annual Report and the 2010 Annual Report, the Group is a party to a number of existing continuing connected transactions with respect to electricity and capacity supply and with respect to aluminium sales. In this connection, on 18 December 2009, the Company was granted a waiver by The Stock Exchange of Hong Kong Limited from strict compliance with the announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of certain electricity and capacity supply contracts and certain aluminium sales contracts entered into between members of the Group and the associates of Mr. Oleg Deripaska (“**Mr. Deripaska**”), the associates of En+ Group Limited

(“**En+**”) and the associates of Mr. Victor Vekselberg (“**Mr. Vekselberg**”) and the Company will comply with the requirements of the Listing Rules for continuing connected transactions upon expiry of the current term of the annual caps on 31 December 2011. Since the existing continuing connected transactions with respect to electricity and capacity supply and with respect to aluminium sales shall continue and the Company also expects that additional electricity and capacity supply and additional aluminium sales contracts may be entered into between members of the Group and the associates of Mr. Deripaska, the associates of En+ and the associates of Mr. Vekselberg, the Company hereby announces the new 2012 and 2013 annual caps for all these continuing connected transactions. The Company also announces, with respect to certain continuing connected transactions, the revised 2011 annual cap and the separation of the revised 2011 annual cap in accordance with different groups of connected parties that are unrelated to each other.

2. **Electricity and capacity supply contracts**

The revision of the 2011 annual cap

As set out on pages 305 to 308 of the Prospectus and pages 71 to 72 of the 2010 Annual Report:

- (a) prior to the date of the Prospectus, members of the Group entered into long term electricity and capacity supply contracts with associates of En+; and
- (b) members of the Group also enter into, from time to time as part of their ordinary course of business, electricity and capacity supply contracts comprising short-term and miscellaneous contracts with associates of En+ and with associates of Mr. Vekselberg,

(collectively, the “**E&C Contracts**”). Further details of the E&C Contracts are set out below.

In view of (i) changes to the rules for purchase of electricity and capacity in 2011 which are mandatory for participants in the wholesale electricity supply market in Russia, (ii) changes to the settlement rules in the electricity market in Russia, (iii) changes to the overall capacity market in Russia, (iv) the substantial increase of the transmission tariffs in Russia and (v) the transactions under the Provision of Power Contracts (as defined in the Company’s announcement dated 3 January 2011), the Directors expect that the existing annual cap for the E&C Contracts for the year ending 31 December 2011 as described on page 308 of the Prospectus, which is USD812 million (the “**Existing 2011 Cap for E&C Contracts**”), may be exceeded.

(a) *Long-term E&C Contracts*

The Group has entered into the following long term E&C Contracts with associates of En+:

- on 1 December 2009, OJSC RUSAL Bratsk (“**BrAZ**”), a subsidiary of the Company, and Irkutsk Joint Stock Power and Electricity Company (“**Irkutskenergo**”), a power generating company controlled by En+ as to more than 30% of its issued share capital, entered into a long-term E&C Contract pursuant to which BrAZ agreed to purchase electricity and capacity from Irkutskenergo for a period of nine years from 2010 to 2018. Fifty percent of the price under the contract must be paid before the 15th day of the month of supply and the remaining fifty percent of the price must be paid before the 25th day of the month of supply. The consideration is satisfied in cash via wire transfer. The actual monetary value of electricity and capacity purchased for the year ended 31 December 2010 under this E&C Contract was USD130 million;
- on 15 November 2009, OJSC Siberian-Urals-Aluminium Company (“**OJSC SUAL**”), a subsidiary of the Company, and Irkutskenergo entered into a long term E&C Contract pursuant to which OJSC SUAL agreed to purchase electricity and capacity for Irkutsk aluminium smelter, a branch of OJSC SUAL, from Irkutskenergo for a period of nine years from 2010 to 2018. Fifty percent of the price under the contract must be paid before the 15th day of the month of supply and the remaining fifty percent of the price must be paid before the 25th day of the month of supply. The consideration is satisfied in cash via wire transfer. The actual monetary value of electricity and capacity purchased for the year ended 31 December 2010 under this E&C Contract was USD76 million; and
- on 4 December 2009, OJSC RUSAL Krasnoyarsk (“**KrAZ**”), a subsidiary of the Company, and JSC Krasnoyarskaya Hydro-Power Plant (“**Krasnoyarskaya HPP**”), a hydroelectric power station controlled by En+ as to 65.11% of its issued share capital, entered into a long-term E&C Contract pursuant to which KrAZ has agreed to purchase electricity from Krasnoyarskaya HPP for a period of eleven years from 2010 to 2020. Fifty percent of the price under the contract must be paid before the 15th day of the month of supply and the

remaining fifty percent of the price must be paid before the 25th day of the month of supply. The consideration is satisfied in cash via wire transfer. The actual monetary value of electricity and capacity purchased for the year ended 31 December 2010 under this E&C Contract was USD82 million.

The prices for long-term E&C Contracts are not regulated strictly by the Non-Commercial Partnership Market Council (“**Market Council**”) and the costs of electricity supplied by Irkutskenergo and Krasnoyarskaya HPP are based on a fixed formula which is tied to the market prices of electricity and the prices of aluminium quoted on the London Metals Exchange (“**LME**”) to link electricity costs to the Group’s revenue.

(b) *Short-term E&C Contracts*

The Group also enters into short-term E&C Contracts from time to time with power generating plants which are controlled either through equity ownership, or management arrangements, by CJSC Integrated Energy Systems, a corporation of which more than 30% of the issued share capital is controlled by Mr. Vekselberg, one of the ultimate beneficial owners of SUAL Partners, which is a substantial shareholder of the Company. All such contracts were entered into at government prescribed prices, on terms determined by the Market Council and OJSC “TSA”, an entity controlled by the Market Council, a non-profit partnership that regulates the electricity market in Russia, with no possible negotiation on the price paid by the Group.

Further, members of the Group, including, BrAZ, KrAZ, OJSC RUSAL Sayanogorsk, OJSC RUSAL Novokuznetsk and OJSC SUAL enter into, from time to time as part of their ordinary course of business, short-term E&C Contracts with duration not exceeding one year with Irkutskenergo and Krasnoyarskaya HPP, companies controlled by En+.

The electricity and capacity supplied under these short-term E&C Contracts are derived from hydro-electric power plants operated by Irkutskenergo and Krasnoyarskaya HPP in Siberia. In the first six months of the year 2010, approximately 50% of the electricity supplied by Irkutskenergo under these contracts was provided at government prescribed fixed prices, on terms determined by the Market Council and OJSC “TSA” with the remaining 50% supplied at market prices. In the second six months, the proportion was 30% and 70% respectively. The portion linked to market prices was supplied in accordance with the Regulations on Transitional Wholesale Electric Power (Capacity) Market approved by the Russian Government, the Wholesale

Power Trade System Accession Agreement (the “**Accession Agreement**”) and related rules and regulations. Such contracts are entered into on an arm’s length basis on pricing terms approved by the Market Council, an independent industry body which is responsible for making any amendments to the Accession Agreement or the market rules and regulations. The portion provided at fixed prices prescribed by the government is supplied at prices which are set by the Russian government through the Federal Service for Tariffs.

Payment under each of these contracts is made in four installments during each month and consideration is satisfied in cash via wire transfer.

In addition, members of the Group, including OJSC “Sevuralboxitroda”, “SUAL-Silicon-Ural” LLC, OJSC RUSAL SAYANAL, OJSC “Ural Foil” and OJSC “South Ural Cryolite Plant” enter into, from time to time as part of their ordinary course of business, short-term E&C Contracts with CJSC MAREM+, a company controlled by En+, for the supply of electricity and capacity purchased at the wholesale energy and capacity market. The purchase of electricity and capacity at the wholesale market is effected at a price which is determined daily (for electricity) and monthly (for capacity), based on the trading results at the wholesale market, subject to unpredictable external fluctuations. The price under these contracts is derived from the wholesale market price. Payments are effected by tentatively scheduled four installments during each month, each being 25% of the planned contracted volume of electricity and capacity while the final payment is effected in the middle of the month following the month of billing. The consideration is satisfied in cash via wire transfer.

The actual monetary value of electricity and capacity purchased for the year ended 31 December 2010 under these E&C Contracts was USD 36 million for companies controlled by CJSC Integrated Energy Systems, USD 87 million for Irkutskenergo and Krasnoyarskaya HPP and nil for CJSC MAREM+.

(c) *Miscellaneous E&C Contracts*

The Group has also, from time to time in its ordinary and usual course of business enters into miscellaneous electricity and capacity transmission contracts with Irkutskaya Electricity Company and energy supply contracts with Irkutskenergosbyt LLC to furnish the electricity supply mentioned above, each being a company controlled by En+ as to more than 30% of its issued share capital prior to the date of this announcement.

The consideration paid or payable under such miscellaneous electricity and capacity transmission contracts is determined by reference to the tariffs which are regulated by the Tariff Service of the Irkutsk region and on terms which are uniform for all consumers (tariffs are differentiated depending on voltage levels).

Under the supply services contract with Irkutskaya Electricity Company, 50% of the price under the contract must be paid before the 15th day of the month of supply and the remaining 50% of the price must be paid before the 25th day of the month of supply. The consideration is satisfied in cash via wire transfer.

Under the supply services contract with Irkutskenergosbyt LLC, 100% of the installed capacity and 50% of the estimated electricity shall be paid before the 15th day of the current month and the remaining 50% of the estimated electricity shall be paid before the 25th day of the current month. The difference between the cost of energy and power, determined by metering devices, and previously paid amounts shall be paid before the 10th day of the month following the billing month. The consideration is satisfied via bank transfer.

The actual monetary value of electricity and capacity transmission purchased for the year ended 31 December 2010 under these E&C Contracts was USD 163 million.

Separation of annual caps for the E&C Contracts

The Existing 2011 Cap for E&C Contracts as set out on page 308 of the Prospectus covers the aggregate of the amount paid under *all* of the E&C Contracts. To align with the approach taken in relation to the Aluminium Sales Contracts (as defined below), the Board has considered and proposes to separate the annual caps for E&C Contracts to distinguish between E&C Contracts entered into between members of the Group and:

- (i) associates of En+ (“**E&C Contracts with En+ Associates**”); and
- (ii) associates of Mr. Vekselberg (“**E&C Contracts with Mr. Vekselberg’s Associates**”).

The Board notes that the associates of En+ and the associates of Mr. Vekselberg are not themselves connected to each other for the purposes of the Listing Rules.

Historical transaction figures for E&C Contracts

A breakdown of the approximate historical transaction figures for the E&C Contracts is as follows:

- With respect to E&C Contracts with En+ Associates:

For the three years ended 31 December 2008, 31 December 2009 and 31 December 2010 and eight months ended 31 August 2011, the amount purchased under the E&C Contracts with En+ Associates was USD 378 million, USD 403 million, USD 520 million and USD 547 million (unaudited) respectively.

- With respect to E&C Contracts with Mr. Vekselberg's Associates:

For the three years ended 31 December 2008, 31 December 2009 and 31 December 2010 and eight months ended 31 August 2011, the amount purchased under the E&C Contracts with Mr. Vekselberg's Associates was USD 29 million, USD 30 million, USD 36 million and USD 125 million (unaudited) respectively.

Revised 2011 Caps for the E&C Contracts and the reasons for revising the Existing 2011 Cap for E&C Contracts

Whilst the Existing 2011 Cap for E&C Contracts has not been exceeded as at the date of this announcement, it is expected that the amounts payable under the E&C Contracts for the year ending 31 December 2011 may exceed the Existing 2011 Cap for E&C Contracts.

In view of (i) changes to the rules for purchase of capacity in 2011 which are mandatory for participants in the wholesale electricity supply market in Russia, (ii) changes to the settlement rules in the electricity market in Russia, (iii) changes to the overall capacity market in Russia, (iv) the substantial increase of the transmission tariffs in Russia, and (v) the transactions under the Provision of Power Contracts, the Company proposes to revise the Existing 2011 Cap for E&C Contracts to:

- (i) USD 970 million (net of VAT and using the exchange rate at USD 1 = RUB 28.5 subject to possible change due to the fluctuations of the RUB/USD exchange rate) for E&C Contracts with En+ Associates ("**Revised 2011 Cap for E&C Contracts with En+ Associates**"); and

(ii) USD 263 million (net of VAT and using the exchange rate at USD 1 = RUB 28.5 subject to possible change due to the fluctuations of the RUB/USD exchange rate) for E&C Contracts with Mr. Vekselberg’s Associates (“**2011 Cap for E&C Contracts with Mr. Vekselberg’s Associates**”),

(collectively, the “**Revised 2011 Caps for the E&C Contracts**”).

The Revised 2011 Caps for the E&C Contracts were calculated on the basis of (i) the abovementioned historical figures, (ii) the estimated amounts resulting from the changes to the rules for purchase of capacity in the wholesale electricity supply market in Russia, (iii) the expected energy demand for our aluminium smelting processes for the year ending 31 December 2011, (iv) taking into account the change of settlement rules on the electricity market of Russia, (v) changes to the overall capacity market in Russia, (vi) the substantial increase of the transmission tariffs in Russia and (vii) the transactions under the Provision of Power Contracts, using the exchange rate at USD 1 = RUB 28.5 subject to possible change due to the fluctuations of the RUB/USD exchange rate.

In light of the aforesaid, the Board (including the independent non-executive Directors) considers that the each of the Revised 2011 Caps for the E&C Contracts are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Proposed annual caps for E&C Contracts for 2012 and 2013

The Board has considered and proposes the following annual caps in respect of the E&C Contracts for the years ending 31 December 2012 and 31 December 2013:

With respect to E&C Contracts with En+ Associates (the “**Proposed 2012/2013 Caps for E&C Contracts with En+ Associates**”):

Period	Annual Cap
Year ending 31 December 2012	USD 1,261 million (net of VAT and using the exchange rate at USD 1 = RUB 28.5 subject to possible change due to the fluctuations of the RUB/USD exchange rate)
Year ending 31 December 2013	USD 1,385 million (net of VAT and using the exchange rate at USD 1 = RUB 28.5 subject to possible change due to the fluctuations of the RUB/USD exchange rate)

With respect to E&C Contracts with Mr. Vekselberg's Associates (the **“Proposed 2012/2013 Caps for E&C Contracts with Mr. Vekselberg's Associates”**):

Period	Annual Cap
Year ending 31 December 2012	USD 251 million (net of VAT and using the exchange rate at USD 1 = RUB 28.5 subject to possible change due to the fluctuations of the RUB/USD exchange rate)
Year ending 31 December 2013	USD 282 million (net of VAT and using the exchange rate at USD 1 = RUB 28.5 subject to possible change due to the fluctuations of the RUB/USD exchange rate)

The Proposed 2012/2013 Caps for E&C Contracts with En+ Associates and the Proposed 2012/2013 Caps for E&C Contracts with Mr. Vekselberg's Associates being, collectively, the **“Proposed 2012/2013 Caps for E&C Contracts”**.

The Proposed 2012/2013 Caps for E&C Contracts were calculated on the basis of (i) the abovementioned historical figures, (ii) the estimated amounts resulting from the changes to the rules for purchase of capacity in the wholesale electricity supply market in Russia, (iii) the expected energy demand for our aluminium smelting processes for the years 2012 and 2013, (iv) taking into account the change of settlement rules on the electricity market of Russia, (v) changes to the overall capacity market in Russia, (vi) the substantial increase of the transmission tariffs in Russia and (vii) the transactions under the Provision of Power Contracts, using the exchange rate at USD 1 = RUB 28.5 subject to possible change due to the fluctuations of the RUB/USD exchange rate. The need to secure alternative electricity supplies in case of possible industrial accidents or breakdowns at major electricity suppliers was also taken into consideration.

Reasons for and benefits of entering into the E&C Contracts

The Company considers that the E&C Contracts will help secure a stable source of supply of electricity and capacity for the aluminium smelters of the Group and reduce unpredictability in price movements amidst the deregulating electricity supply market in Russia. Linking the electricity cost to the price of its products also tends to reduce the effect of volatility in the market price of aluminium on the Group's margins.

The Board (including the independent non-executive Directors) considers that the Proposed 2012/2013 Caps for E&C Contracts are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

3. Aluminium Sales Contracts

As set out on pages 308 to 311 of the Prospectus and pages 73 and 74 of the 2010 Annual Report, members of the Group have entered into aluminium sales contracts with associates of certain shareholders of SUAL Partners (among which only Mr. Vekselberg is a director of the Company) and with associates of Mr. Deripaska (collectively, the “**Aluminium Sales Contracts**”).

Aluminium Sales Contracts with associates of Mr. Vekselberg (“*Aluminium Sales Contracts with Mr. Vekselberg’s Associates*”)

(a) *OJSC KUMZ*

Kamensk-Uralsky Metallurgical Works Joint-Stock Company (“OJSC KUMZ”) is a company controlled by certain shareholders of SUAL Partners (among which only Mr. Vekselberg is a director of the Company) as to more than 30% who, in aggregate, have a controlling interest in SUAL Partners. OJSC KUMZ is an associate of Mr. Vekselberg who is a non-executive Director of the Company. Accordingly, transactions between companies of the Group and OJSC KUMZ, discussed below, constitute continuing connected transactions of the Company under the Listing Rules.

On 4 October 2007, the Group through Open Joint Stock Company “United Company RUSAL Trading House” (“**RUSAL TH**”), a wholly-owned subsidiary of the Company, entered into a long-term contract to supply aluminium to OJSC KUMZ, for a period until December 2021. The price is set on arm’s length terms, which is linked to the price of aluminium on the LME.

As disclosed in the Company’s announcement dated 18 March 2011, during 2010, the Group through RUSAL TH, entered into a series of spot contracts with OJSC KUMZ, supplemental to the long-term aluminium sales contracts with OJSC KUMZ, under which RUSAL TH agreed to supply aluminium produced by the Group’s smelters to OJSC KUMZ, the exact products and price of which would be determined on arm’s length terms on a monthly basis. Similar spot contracts between members of the Group and OJSC KUMZ have been concluded in 2011 and are expected to be concluded in 2012 and 2013.

The total consideration for the aluminium supplied under these contracts to OJSC KUMZ during the year ended 31 December 2010 amounted to USD 176.17 million. The consideration under the long-term contract is required to be paid within 30 days from delivery. The spot contracts require 100% prepayment. All consideration is satisfied in cash via wire transfer.

(b) *OJSC Khimprom*

Khimprom Joint Stock Company (“**OJSC Khimprom**”) is more than 30% indirectly owned by Mr. Vekselberg. As Mr. Vekselberg is a non-executive Director of the Company, the transactions between members of the Group and OJSC Khimprom, discussed below, constitute continuing connected transactions of the Company under the Listing Rules.

In the Company’s announcement dated 18 March 2011, it was disclosed that during 2010, OJSC SUAL entered into short-term sale contracts with OJSC Khimprom to supply aluminium at arm’s length prices which were determined with reference to the price of aluminium on the LME. Under each of these contracts aluminium was to be supplied during the same month the contract was entered into. The total consideration for the aluminium supplied under this contract to OJSC Khimprom during the year ended 31 December 2010 amounted to USD 0.19 million and was prepaid. Similar short-term sale contracts between members of the Group and OJSC Khimprom have been concluded in 2011 and are expected to be concluded in 2012 and 2013.

Aluminium Sales Contracts with associates of Mr. Deripaska (“Aluminium Sales Contracts with Mr. Deripaska’s Associates”)

Mr. Deripaska, the Chief Executive Officer and an executive Director of the Company, indirectly controls more than 30% of each of (i) LLC Tradecom, (ii) limited liability company “Krasnoyarsk Metallurgical Plant” (“**KraMZ**”), (iii) Joint Stock Company Dmitrov “Aluminium Rolling Mill” (“**DOZAKL**”), (iv) LLC Torgovo-Zakupochnaya Kompaniya GAZ (“**LLC GAZ**”), (v) Joint Stock Company “Barnaultransmash” (“**Barnaultransmash**”), and (vi) OJSC Glavstroy-MOSMEK (“**Glavstroy-MOSMEK**”). Each of these companies is therefore an associate of Mr. Deripaska for the purposes of the Listing Rules. As such, the transactions between members of the Group and LLC Tradecom, KraMZ, DOZAKL, LLC GAZ, Barnaultransmash and Glavstroy-MOSMEK, discussed below, constitute continuing connected transactions of the Company under the Listing Rules after the Listing Date.

The following contracts have been entered into between members of the Group and the companies referred to above:

(a) *Agreements referred to in the 2009 Annual Report*

- On 14 December 2006, the Group through OJSC United Company Rusal Trading House (“**RUSAL TH**”), entered into a long-term contract to

supply aluminium to LLC Tradecom for a period until December 2021. Pursuant to the contract, the Group would supply aluminium to the purchaser at arm's length prices tied to the price of aluminium on the LME. The consideration under the contract must be prepaid.

The consideration for the aluminium supplied under this contract to LLC Tradecom during the year ended 31 December 2010 amounted to USD 262.58 million.

As disclosed in the Company's announcement dated 18 March 2011 headed "Update on Aluminium Sales Contracts - Continuing Connected Transactions", a substitution agreement was signed by the relevant parties on 17 March 2011. Since then, KramZ substituted LLC Tradecom as the buyer to the above long-term supply contract.

- On 28 February 2009, the Group, through RUSAL TH, entered into a framework agreement with LLC GAZ pursuant to which the Group agreed to supply aluminium at arm's length prices determined on a monthly basis until 31 December 2010. The agreement was to be automatically extended for another calendar year unless the parties declared their intention to terminate it. As at 31 December 2010, the parties had not declared an intention to terminate the agreement and therefore tacitly consented to its extension for another calendar year.

For 2010, no less than 84% of the consideration was prepaid and the remaining 16% was paid within 30 business days from shipment. The consideration was satisfied in cash via wire transfer.

The consideration for the aluminium supplied under this contract to LLC GAZ during the year ended 31 December 2010 amounted to USD 22.47 million.

Similar agreements are expected to be concluded between the members of the Group and LLC GAZ or its subsidiaries or other associates of Mr. Deripaska for 2012 and 2013.

(b) *Agreements referred to in the announcements dated 18 March 2011*

- On 14 December 2006, the Group, through RUSAL TH, entered into a long-term contract to supply aluminium to DOZAKL for a period until 31 December 2021 at arm's length prices tied to the price of aluminium on the LME.

The total consideration for the aluminium supplied under this contract to DOZAKL during the year ended 31 December 2010 amounted to USD 1.79 million and was to be paid within 20 days from delivery. The consideration was satisfied in cash via wire transfer.

- On 14 February 2009, RUSAL Foil Limited Liability Company (“**LLC RUSAL Foil**”), a wholly-owned subsidiary of the Company, entered into a contract to supply aluminium tape to DOZAKL until 28 February 2010. On 11 February 2010, LLC RUSAL Foil entered into another contract with DOZAKL to supply aluminium tape to DOZAKL until 31 December 2010 at arm’s length prices tied to the price of aluminium on the LME.

The total consideration was to be paid within 20 days from delivery. The consideration was satisfied in cash via wire transfer.

The consideration for the aluminium tape supplied under this contract to DOZAKL during the year ended 31 December 2010 amounted to USD 9.53 million. Similar contracts between members of the Group and DOZAKL have been concluded in 2011 and are expected to be concluded in 2012 and 2013.

- On 6 February 2009, the Group, through RUSAL TH, entered into an agreement to supply aluminium products to Glavstroy-MOSMEK for a period until 31 December 2009. The agreement was to be automatically extended for the next calendar year unless the parties declared an intention to terminate it and each extended term would include an automatic extension clause. As at 31 December 2010 and 31 December 2009 respectively, the parties had not declared an intention to terminate the agreement and therefore tacitly consented to its extension for the next calendar year.

Under this agreement, RUSAL TH supplies aluminium at arm’s length prices determined on a monthly basis. The consideration for the aluminium supplied under this agreement to Glavstroy-MOSMEK during the year ended 31 December 2010 amounted to USD 3.11 million. 100% pre-payment was made by Glavstroy-MOSMEK.

Similar agreements are expected to be concluded for 2012 and 2013.

- On 28 January 2009, the Group, through RUSAL TH, entered into a contract to supply aluminium to Barnaultransmash for a period until 30 August 2009. RUSAL TH and Barnaultransmash did not declare their intention to terminate the contract and therefore tacitly consented to its extension for 2010 and 2011.

Under this contract, RUSAL TH supplies aluminium at arm's length prices determined on a monthly basis. The total consideration for the aluminium supplied under this contract to Barnaultransmash during the year ended 31 December 2010 amounted to USD 1.14 million and was prepaid in cash via wire transfer. Similar contracts are expected to be concluded between members of the Group and Barnaultransmash in 2012 and 2013.

- On 27 September 2010, RUSAL RESAL Limited Liability Company, a wholly-owned subsidiary of the Company, entered into a short-term agreement to supply aluminium to LLC GAZ for a period until 31 December 2010 at arm's length prices determined on a monthly basis. The agreement was to be automatically extended for another calendar year unless the parties declared their intention to terminate it. This agreement was subsequently extended for another calendar year by the parties in writing.

The total consideration for the aluminium supplied under this agreement to LLC GAZ during the year ended 31 December 2010 amounted to USD 1.64 million and was to be paid within 30 days from delivery. The consideration was satisfied in cash via wire transfer. Similar contracts are expected to be concluded between members of the Group and LLC GAZ in 2012 and 2013.

Historical transaction figures for Aluminium Sales Contracts

A breakdown of the approximate historical transaction figures for the Aluminium Sales Contracts is as follows:

- With respect to Aluminium Sales Contracts with Mr. Vekselberg's Associates:

For the three years ended 31 December 2008, 31 December 2009 and 31 December 2010 and eight months ended 31 August 2011, the aggregate consideration received under the Aluminium Sales Contracts with Mr. Vekselberg's Associates was USD 292 million, USD 44.66 million, USD 176.36 million and USD 136 million (unaudited) respectively.

- With respect to Aluminium Sales Contracts with Mr. Deripaska's Associates:

For the three years ended 31 December 2008, 31 December 2009 and 31 December 2010 and eight months ended 31 August 2011, the aggregate consideration received under the Aluminium Sales Contracts with Mr. Deripaska's Associates was USD 332 million, USD 180 million, USD 302.26 million and USD 224 million (unaudited) respectively.

Proposed annual caps for Aluminium Sales Contracts for 2012 and 2013

The Board has considered and proposes the following annual caps in respect of the Aluminium Sales Contracts for the years ending 31 December 2012 and 31 December 2013.

With respect to the Aluminium Sales Contracts with Mr. Vekselberg's Associates (**"Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Vekselberg's Associates"**):

Period	Annual Cap
Year ending 31 December 2012	USD 325 million (net of VAT)
Year ending 31 December 2013	USD 360 million (net of VAT)

With respect to the Aluminium Sales Contracts with Mr. Deripaska's Associates (**"Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Deripaska's Associates"**):

Period	Annual Cap
Year ending 31 December 2012	USD 605 million (net of VAT)
Year ending 31 December 2013	USD 690 million (net of VAT)

The Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Vekselberg's Associates and the Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Deripaska's Associates being, collectively, the **"Proposed 2012/2013 Caps for Aluminium Sales Contracts"**.

The Proposed 2012/2013 Caps for Aluminium Sales Contracts were calculated on the basis of the historical figures, changes in the quantity of aluminium supplied by the Group due to changes in global demand for aluminium relating to a volatile global macroeconomic environment and the increase in demand of the Russian purchasers.

Reasons for and benefits of entering into the Aluminium Sales Contracts

As a part of the Group's ordinary course of business and antimonopoly requirements to supply aluminium to Russian purchasers, members of the Group

have entered into long-term Aluminium Sales Contracts in Russia. It is common for industrial concerns to enter into long-term supply contracts for raw materials to ensure that production does not become interrupted. Given that the price of the aluminium supplied under these Aluminium Sales Contracts is based on the market price of aluminium, the Directors are of the view that these contracts have been entered into in the usual and ordinary course of business of the Group and are in the interests of the Company and its shareholders as a whole.

The Board (including the independent non-executive Directors) considers that the Proposed 2012/2013 Caps for Aluminium Sales Contracts are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

4. **Listing Rules Implications**

Mr. Vekselberg (through his interest in SUAL Partners) and Mr. Deripaska (through his interest in En+) are interested in approximately 24.42% and 47.63% of the issued share capital of the Company respectively as at the date of this announcement.

As both Mr. Vekselberg and Mr. Deripaska are substantial shareholders of the Company and Directors, transactions between their associates and the Group constitute connected transactions for the Company under the Listing Rules.

As En+ is a substantial shareholder of the Company, transactions between its associates and the Group constitute connected transactions for the Company under the Listing Rules.

(a) *E&C Contracts*

As the Existing 2011 Cap for E&C Contracts may be exceeded, the Company is required by Rule 14A.36 of the Listing Rules to re-comply with the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratio(s) (calculated in accordance with the relevant rules under the Listing Rules) with respect to the Revised 2011 Cap for E&C Contracts with En+ Associates and the Proposed 2012/2013 Caps for E&C Contracts with En+ Associates are more than 5%, these contracts will be subject to reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratio(s) (calculated in accordance with the relevant rules under the Listing Rules) with respect to the 2011 Cap for E&C Contracts with Mr. Vekselberg's Associates and Proposed 2012/2013 Caps for E&C Contracts with Mr. Vekselberg's Associates are more than 0.1% but less than 5%, these contracts will be subject to the reporting and announcement requirements and the annual review requirements (but are exempted from the independent shareholders' approval requirements) under Chapter 14A of the Listing Rules.

(b) *Aluminium Sales Contracts*

As the applicable percentage ratio(s) (calculated in accordance with the relevant rules under the Listing Rules) with respect to the Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Vekselberg's Associates are more than 0.1% but less than 5%, these contracts will be subject to the reporting, announcement and the annual review requirements (but are exempted from the independent shareholders' approval requirements) under Chapter 14A of the Listing Rules.

As the applicable percentage ratio(s) (calculated in accordance with the relevant rules under the Listing Rules) with respect to the Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Deripaska's Associates are more than 5%, these contracts will be subject to reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

(c) *Directors' material interests*

None of the Directors have a material interest in the continuing connected transactions set out above save for:-

- Mr. Vekselberg, a non-executive director of the Company, is interested in each of CJSC Integrated Energy Systems, OJSC KUMZ and OJSC Khimprom as to more than 30%.
- Mr. Deripaska who is interested in Irkutskenergo and Krasnoyarskaya HPP and is the ultimate beneficial owner of more than 50% of En+ Group Limited as at the date of this announcement and is therefore interested in KraMZ, LLC GAZ, DOZAKL, Glavstroy-MOSMEK and Barnaultransmash.

Accordingly, Mr. Vekselberg has abstained from voting on the board resolutions approving the 2011 Cap for E&C Contracts with Mr. Vekselberg's Associates, the Proposed 2012/2013 Caps for E&C Contracts with Mr. Vekselberg's Associates and the Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Vekselberg's Associates, and Mr. Deripaska has abstained from voting on the board resolutions approving the Revised 2011 Cap for E&C Contracts with En+ Associates, the Proposed 2012/2013 Caps for E&C Contracts with En+ Associates and the Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Deripaska's Associates.

5. Approval by independent shareholders

The Company will seek the independent shareholders' approval at the extraordinary general meeting ("EGM"), which is expected to be held in respect of the Relevant Proposals.

As Mr. Deripaska, directly and indirectly through his interest in En+, is interested in approximately 47.63% of the issued share capital of the Company, each of the Relevant Proposals are subject to approval from the independent shareholders under the Listing Rules.

In view of the interests of Mr. Deripaska and En+ in the Company, they and their respective associates will abstain from voting in relation to the resolutions approving each of the Revised 2011 Cap for E&C Contracts with En+ Associates, the Proposed 2012/2013 Caps for E&C Contracts with En+ Associates and the Proposed 2012/2013 Caps for Aluminium Sales Contracts with Mr. Deripaska's Associates.

In accordance with the Listing Rules, an IBC was established by the Company to give recommendations to the independent shareholders in respect of the Relevant Proposals and has considered the issue. An IFA has also been appointed to advise the IBC and the independent shareholders in relation to the Relevant Proposals.

A circular containing:

- (a) further details of the continuing connected transactions relating to the Relevant Proposals;

- (b) the letter from, and recommendations of, the IBC in respect of the Relevant Proposals;
- (c) the letter from the IFA to IBC and the independent shareholders in respect of the Relevant Proposals; and
- (d) the notice convening the EGM,

will be despatched by the Company to its shareholders within 15 business days after the publication of this announcement.

6. General

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. Spread across 19 countries in 5 continents, the operations and offices of the Company employ over 72,000 people.

Irkutskenergo is a power generating company.

Krasnoyarskaya HPP is a hydroelectric power station.

CJSC Integrated Energy Systems is principally engaged in production and supply of power.

CJSC MAREM+ is principally engaged in sales of electricity and capacity.

Irkutskaya Electricity Company is principally engaged in electricity transmission.

Irkutskenergosbyt LLC is principally engaged in sales of electricity and capacity.

OJSC KUMZ is principally engaged in metallurgy.

OJSC Khimprom is principally engaged in producing chemicals.

LLC Tradecom is principally engaged in providing agent services.

KraMZ is principally engaged in metallurgy.

LLC GAZ is principally engaged in car production.

DOZAKL is principally engaged in producing different metal products.

Glavstroy-MOSMEK is principally engaged in construction.

Barnaultransmash is principally engaged in machinery.

By Order of the board of directors of
United Company RUSAL Plc
Tatiana Soina
Director

27 September 2011

As at the date of this announcement, our executive directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev, Mr. Petr Sinshinov, Ms. Tatiana Soina, Mr. Alexander Livshits and Ms. Vera Kurochkina, our non-executive directors are Mr. Victor Vekselberg (Chairman), Mr. Dmitry Afanasiev, Mr. Len Blavatnik, Mr. Ivan Glasenberg, Mr. Alexander Popov, Mr. Dmitry Razumov, Mr. Anatoly Tikhonov and Mr. Artem Volynets, and our independent non-executive directors are Dr. Peter Nigel Kenny, Mr. Philip Lader, Mr. Barry Cheung Chun-Yuen and Ms. Elsie Leung Oi-sie.

All announcements and press releases published by United Company RUSAL Plc are available on its website under the links <http://www.rusal.ru/en/investors/info.aspx> and <http://www.rusal.ru/en/press-center/press-releases.aspx>, respectively.