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

**CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the announcements of the Company dated 24 November 2010 and 20 December 2011 in relation to, among other things, certain purchase of raw materials agreements.

The Company announces that on 30 December 2011, RUSAL TH, being a subsidiary of the Company, as buyer, entered into the Caustic Soda Supply Agreement with Khimprom, being an associate of Mr. Vekselberg, as seller.

The Company also announces that during February 2012, Ural Foil, being a subsidiary of the Company, as buyer, will enter into the Aluminium Semi-finished Products Supply Agreement with KUMZ, being an associate of Mr. Vekselberg, as seller.

Reference is made to the announcements of the Company dated 24 November 2010 and 20 December 2011 in relation to, among other things, certain purchase of raw materials agreements.

**CAUSTIC SODA SUPPLY AGREEMENT**

The Company announces that on 30 December 2011, RUSAL TH, being a subsidiary of the Company, entered into the Caustic Soda Supply Agreement with Khimprom, being an associate of Mr. Vekselberg, as seller, pursuant to which RUSAL TH agreed to purchase and Khimprom agreed to supply caustic soda in the estimated amount of 19,200 tonnes for the year ending 31 December 2012, for an estimated total consideration of approximately USD9.12 million.

Under the Caustic Soda Supply Agreement, the consideration is to be paid within 30 days from the date of shipment and is to be satisfied in cash via wire transfer.

### **ALUMINIUM SEMI-FINISHED PRODUCTS SUPPLY AGREEMENT**

The Company announces that during February 2012, Ural Foil, being a subsidiary of the Company, will enter into the Aluminium Semi-finished Products Supply Agreement with KUMZ, being an associate of Mr. Vekselberg, as seller, pursuant to which Ural Foil agreed to purchase and KUMZ agreed to supply aluminium semi-finished products for the year ending 31 December 2012, for an estimated total consideration of approximately USD4,500.

Under the Aluminium Semi-finished Products Supply Agreement, the consideration is to be paid in advance and is to be satisfied in cash via wire transfer.

### **THE AGGREGATION APPROACH**

Pursuant to Rule 14A.25 of the Listing Rules, the continuing connected transactions contemplated under the Caustic Soda Supply Agreement and the Aluminium Semi-finished Products Supply Agreement will be aggregated with the continuing connected transactions under the Previously Disclosed Raw Materials Purchase Agreements, 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 matters of each of the agreements relate to the purchase of raw materials by members of the Group for the purposes of the Group's production.

### **THE ANNUAL AGGREGATE TRANSACTION AMOUNT**

Based on the terms of the Caustic Soda Supply Agreement, the Aluminium Semi-finished Products Supply Agreement and the Previously Disclosed Raw Materials Purchase Agreements, the annual aggregate transaction amount that is payable by the Group to the associates of Mr. Vekselberg and SUAL Partners for the financial year ending 31 December 2012 is estimated to be up to approximately USD109.54 million.

This annual aggregate transaction amount is estimated by the Directors based on the amount of raw materials to be supplied and their contract price for the purpose of the Group's production.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

The Directors consider that the transactions contemplated under the Caustic Soda Supply Agreement and the Aluminium Semi-finished Products Supply Agreement are for the benefit of the Company, as Khimprom and KUMZ, supply the raw materials of good quality and at a competitive price. The consideration payable under the Caustic Soda Supply Agreement and the Aluminium Semi-finished Products Supply Agreement has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for raw materials of the same type and quality as those offered by the associates of Mr. Vekselberg to independent third parties.

The Directors (including the independent non-executive Directors) consider that the Caustic Soda Supply Agreement and the Aluminium Semi-finished Products Supply Agreement 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 Caustic Soda Supply Agreement and the Aluminium Semi-finished Products Supply Agreement 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 by the Caustic Soda Supply Agreement and the Aluminium Semi-finished Products Supply Agreement, save for Mr. Vekselberg, who is indirectly interested in Khimprom and KUMZ. Accordingly, Mr. Vekselberg had abstained from voting on the Board resolutions to approve the Caustic Soda Supply Agreement and the Aluminium Semi-finished Products Supply Agreement.

## **LISTING RULES IMPLICATIONS**

Mr. Vekselberg is a non-executive Director of the Company and is indirectly interested in approximately more than 30% in SUAL Partners, a substantial shareholder of the Company.

Mr. Vekselberg is indirectly interested in more than 30% in each of Khimprom and KUMZ. Accordingly, each of Khimprom and KUMZ is an associate of Mr. Vekselberg and thus a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Caustic Soda Supply Agreement and the Aluminium Semi-finished Products Supply Agreement constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the Caustic Soda Supply Agreement, the Aluminium Semi-finished Products Supply Agreement and the Previously Disclosed Raw Materials Purchase Agreements for the financial year ending 31 December 2012 is more than 0.1% but less than 5% under the applicable percentage ratios (other than the profits ratio). Accordingly, pursuant to Rule 14A.34 of the Listing Rules, the transactions contemplated under these agreements are only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40 and the requirements set out in Rules 14A.35(1) and 14A.35(2) of the Listing Rules. These transactions are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the Caustic Soda Supply Agreement, the Aluminium Semi-finished Products Supply Agreement and the Previously Disclosed Raw Materials Purchase Agreements will be included in the relevant annual report and accounts of the Company in accordance with Rule 14A.46 of the Listing Rules where appropriate.

## **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY, KHIMPROM AND KUMZ**

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 five continents, the operations and offices of the Company employ more than 72,000 people.

Khimprom is principally engaged in the production of chemicals.

KUMZ is principally engaged in metallurgy.

## **DEFINITIONS**

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

“associate”	has the same meaning ascribed thereto under the Listing Rules.
“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”	has the same meaning ascribed thereto under the Listing Rules.
“Director(s)”	the director(s) of the Company.
“Group”	the Company and its subsidiaries.
“Khimprom”	Open Joint Stock Company “Khimprom”, a company incorporated under the laws of the Russian Federation.
“KUMZ”	Kamensk-Uralsky Metallurgical Works Open Joint-Stock Company, a company incorporated under the laws of the Russian Federation.
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
“Mr. Vekselberg”	Mr. Victor Vekselberg, the chairman and a non-executive director of the Company.
“Previously Disclosed Raw Materials Purchase Agreements”	the New Raw Materials Supply Agreements as defined and disclosed in the Company’s announcement dated 20 December 2011 and the New Raw Materials Purchase Agreements and the Disclosed Purchase Agreements as defined and disclosed in the Company’s announcement dated 24 November 2010.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“RUSAL TH”	Open Joint Stock Company “United Company RUSAL Trading House”, an indirect wholly-owned subsidiary of the Company.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“SUAL Partners”	SUAL Partners Limited, a company incorporated under the laws of Bahamas, which is a substantial shareholder of the Company.

“substantial shareholder”	has the same meaning ascribed thereto under the Listing Rules.
“Ural Foil”	Joint Stock Company “Ural Foil”, an indirect wholly-owned subsidiary of the Company.
“USD”	United States dollars, the lawful currency of the United States of America.

By Order of the Board of Directors of  
**United Company RUSAL Plc**  
**Vladislav Soloviev**  
*Director*

13 February 2012

*As at the date of this announcement, our executive Directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev, 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. Dmitry Troshenkov, Mr. Dmitry Razumov, Mr. Anatoly Tikhonov, Mr. Artem Volynets and Mr. Petr Sinshinov, 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 the Company 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.*