

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 24 November 2010 in relation to, among other things, certain purchase of raw materials agreements.

The Company announces that during December 2011, certain members of the Group as buyers, will enter into certain raw materials supply agreements with Energoprom Management as seller.

Reference is made to the announcement of the Company dated 24 November 2010 in relation to, among other things, certain purchase of raw materials agreements.

NEW RAW MATERIALS SUPPLY AGREEMENTS

The Company announces that during December 2011, certain members of the Group as buyers, will enter into the following raw materials supply agreements with Energoprom Management as seller, with particulars set out below (the “**New Raw Materials Supply Agreements**”):

Buyer (member of the Group)	Raw materials to be purchased	Estimated consideration payable for the year ending 31 December 2011 (USD)	Delivery volume for the year ending 31 December 2011	Estimated consideration payable for the year ending 31 December 2012 (USD)	Delivery volume for the year ending 31 December 2012	Duration and extension clause	Payment terms
Closed joint stock company “Kremniy”	Anode paste	3,125	2.5 tonnes	0.04 million	30 tonnes	Up to 31 December 2012, subject to a tacit extension for one year in case of absence of termination notice from either party	100% pre-payment
RUSAL TH OJSC	Carbon and graphite products (electrodes)	N/A	N/A	18.24 million	5,640 tonnes	Up to 31 December 2012, renewable subject to both parties agree	Upon delivery
RUSAL TH OJSC	Pre-baked anode blocks	N/A	N/A	26.64 million	30,900 tonnes	Up to 31 December 2012, renewable subject to both parties agree	Within 15 calendar days from the date of shipment
RUSAL TH OJSC	Green petroleum coke	N/A	N/A	22.59 million	180,000 tonnes	Up to 31 December 2012, renewable subject to both parties agree	Within 25 calendar days after receipt of pro forma invoices for dispatched products
RUSAL TH OJSC	Calcined petroleum coke	N/A	N/A	32.90 million	135,000 tonnes	Up to 31 December 2012, renewable subject to both parties agree	Within 3 business days upon receiving the pro forma invoices for shipped products
Total estimated consideration:		3,125	2.5 tonnes	100.41 million			

For each of the New Raw Materials Supply Agreements set out above, the consideration 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 New Raw Materials Supply Agreements will be aggregated with the continuing connected transactions under the Previously Disclosed Raw Materials Purchase Agreements, as they are entered into by the Group with the associates of the same connected person 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 New Raw Materials Supply Agreements and the Previously Disclosed Raw Materials Purchase Agreements, the annual aggregate transaction amount that is payable by the Group to associates of SUAL Partners for the financial years ending 31 December 2011 and 31 December 2012 are estimated to be up to approximately USD55.01 million and USD100.41 million respectively.

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 New Raw Materials Supply Agreements are for the benefit of the Company, as Energoprom Management, which is a reliable supplier, supplies the raw materials of a better quality than other suppliers and at costs lower than the prevailing market rate. The consideration payable under the New Raw Materials Supply Agreements has been determined based on the best price available at the market, at the closest location and in compliance with the specification requirements of aluminium and silicon smelters.

The Directors (including the independent non-executive Directors) consider that the New Raw Materials Supply Agreements has been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the transactions contemplated under the New Raw Materials Supply Agreements 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 have a material interest in the transactions contemplated by the New Raw Materials Supply Agreements, save for Mr. Vekselberg and Mr. Blavatnik, each being a non-executive director of the Company who are indirectly interested in approximately 35.84% and 30.56% respectively in SUAL Partners, and thus are indirectly interested in Energoprom Management. Accordingly, each of Mr. Vekselberg and Mr. Blavatnik had abstained from voting on the Board resolutions to approve the New Raw Materials Supply Agreements.

LISTING RULES IMPLICATIONS

SUAL Partners has a controlling interest of more than 30% in Energoprom Management. Accordingly, Energoprom Management is an associate of SUAL Partners and thus a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the New Raw Materials Supply Agreements constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the New Raw Materials Supply Agreements and the Previously Disclosed Raw Materials Purchase Agreements for the financial years ending 31 December 2011 and 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 New Raw Materials Supply Agreements and the Previously Disclosed Raw Materials Purchase Agreements will be included in the next 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 AND ENERGOPROM MANAGEMENT

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.

Energoprom Management is principally engaged in manufacturing high-technology electrode and cathode products, the main consumers of which are producers of steel, aluminum, silicon and ferrous alloys.

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.
“Energoprom Management”	Energoprom Management CJSC or ZAO Energoprom Management, a company incorporated under the laws of the Russian Federation.
“Group”	the Company and its subsidiaries.
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

“Mr. Blavatnik”	Mr. Len Blavatnik, a non-executive director of the Company.
“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 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.
“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.
“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
Tatiana Soina
Director

20 December 2011

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 Glaserberg, 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.