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

**CONTINUING CONNECTED TRANSACTIONS**  
**PURCHASE OF RAILCARS**

Reference is made to the announcements of the Company dated 28 December 2012, 21 May 2014 and 8 September 2014 in relation to certain continuing connected transactions regarding the purchase of vehicles.

**THE ADDITIONAL RAILCARS SUPPLY AGREEMENT**

The Company announces that on 24 November 2014, RUSAL Trans, a member of the Group, as the buyer, and Ruzhimash, an associate of Mr. Deripaska, as the supplier, entered into an additional agreement to the railcars supply agreement dated 27 December 2012 (as disclosed in the Company's announcement dated 28 December 2012) pursuant to which the parties agreed to extend the term of the agreement to up to 31 December 2015, and RUSAL Trans agreed to buy and Ruzhimash agreed to develop, manufacture and sell approximately 300 railcars in 2015 for a total consideration of up to approximately USD25.17 million (of which approximately USD1.56 million is to be pre-paid by 30 November 2014 and the remainder is to be settled during 2015) (the "**Additional Railcars Supply Agreement**").

Under the Additional Railcars Supply Agreement, the consideration for the railcars to be supplied in 2015 is to be satisfied in cash via wire transfer. The cost for the relevant research and development and 70% of the price for the railcars shall be pre-paid, and the remaining 30% of the price for the railcars shall be paid within 7 days from the date of signing the act of acceptance of railcars according to the invoice.

## **THE AGGREGATION APPROACH**

Pursuant to Rule 14A.81 of the Listing Rules, the consideration payable under the Additional Railcars Supply Agreement in 2014 is required to be aggregated with the Previously Disclosed Purchase of Vehicles Agreements since these agreements were entered into by members of 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 such agreements relate to the purchase of vehicles by members of the Group.

## **THE ANNUAL AGGREGATE TRANSACTION AMOUNT**

The contract price payable under the Additional Railcars 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 railcars of the same type and quality and those offered by Ruzhimmash to independent third parties. The basis of calculation of payments under the Additional Railcars Supply Agreement is the price (being approximately USD82,836 per railcars, plus the cost of research and development of approximately USD323,832) offered by Ruzhimmash.

Based on the terms of the Additional Railcars Supply Agreement and the Previously Disclosed Purchase of Vehicles Agreements, the annual aggregate transaction amount that is payable by members of the Group to the associates of Mr. Deripaska during the financial years ending 31 December 2014 and 31 December 2015 is estimated to be up to approximately USD16.9 million and approximately USD23.61 million respectively.

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

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

The transactions contemplated under the Additional Railcars Supply Agreement are entered into for the purposes of acquiring specialized alumina and aluminium transportation railcars. The Company considers that the transactions contemplated under the Additional Railcars Supply Agreement are for the benefit of the Company, as Ruzhimmash offered the development, manufacturing and supply of railcars to the Group at costs more favourable than the prevailing market.

The Directors (including the independent non-executive Directors) consider that the Additional Railcars Supply Agreement 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 Additional Railcars 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 under the Additional Railcars Supply Agreement, save for (i) Mr. Deripaska, who is a director of Basic Element and is interested in more than 50% of the issued share capital of Basic Element; (ii) Ms. Gulzhan Moldazhanova, who is a director of Basic Element; and (iii) Ms. Olga Mashkovskaya, who is a deputy chief executive officer for finance of Basic Element. Basic Element is the holding company of Ruzhimmash. Accordingly, Mr. Deripaska, Ms. Gulzhan Moldazhanova and Ms. Olga Mashkovskaya did not vote on the Board resolutions approving the Additional Railcars Supply Agreement.

## **LISTING RULES IMPLICATIONS**

Ruzhimmash is held by Basic Element as to more than 30% of the issued share capital. Basic Element is in turn held by Mr. Deripaska (an executive Director) as to more than 50% of the issued share capital. Accordingly, Ruzhimmash is an associate of Mr. Deripaska and is thus a connected person of the Company under the Listing Rules and the transactions contemplated under the Additional Railcars Supply Agreement constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the Additional Railcars Supply Agreement and the Previously Disclosed Purchase of Vehicles Agreements for each of the financial years ending 31 December 2014 and 31 December 2015 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 agreements 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 Additional Railcars Supply Agreement and the Previously Disclosed Purchase of Vehicles Agreements 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 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.

Ruzhimmash is principally engaged in the development, production and sales of freight rolling stock for railway transport and its repair.

## **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
“Basic Element”	Basic Element Limited, a company incorporated in Jersey
“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
“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
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules

“Previously Disclosed Purchase of Vehicles Agreements”	the purchase of vehicles agreements entered into between members of the Group as buyers and the associates of Mr. Deripaska as sellers, as disclosed in the Company’s announcements dated 28 December 2012, 21 May 2014 and 8 September 2014
“RUSAL Trans”	RUSAL Trans LLC, an indirect wholly-owned subsidiary of the Company
“Ruzhimmash”	OJSC Ruzhimmash, a company incorporated under the laws of the Russian Federation
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollars, the lawful currency of the United States

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

26 November 2014

*As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Ms. Vera Kurochkina, 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, Ms. Elsie Leung Oi-sie and Mr. Mark Garber.*

*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.*