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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS TRANSPORTATION CONTRACT

Reference is made to the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 4 March 2016, 6 April 2016, 20 May 2016, 31 May 2016, 5 July 2016, 14 July 2016 and 26 August 2016 in relation to the Previously Disclosed Transportation Contracts.

The Company announces that on 1 October 2016, a member of the Group and an associate of En+ entered into the addendum, pursuant to which the associate of En+ agreed to provide transportation services to the member of the Group.

THE NEW TRANSPORTATION CONTRACT

Reference is made to the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 4 March 2016, 6 April 2016, 20 May 2016, 31 May 2016, 5 July 2016, 14 July 2016 and 26 August 2016 in relation to the Previously Disclosed Transportation Contracts.

The Company announces that on 1 October 2016, a member of the Group and an associate of En+ entered into an addendum with major terms set out below (the “**Addendum**”):

| Date of addendum | Customer (member of the Group) | Service provider (associate of En+) | Transportation services | Estimated consideration payable for the year ending 31 December 2016 and 31 December 2017 excluding VAT (USD) | Scheduled termination date | Payment terms |
|---|---|-------------------------------------|---|---|----------------------------|---|
| Addendum dated 1 October 2016, which is an addendum to the contract dated 1 January 2015 | Joint stock company "RUSAL Bratsk aluminum plant" | KraMZ- Auto | Carriage of goods, loading and unloading of load-lifting mechanisms, special techniques and mechanisms for their management and the provision of transport services to passenger cars | 2016: 468, 865 2017: 555, 425 <i>(Note 1)</i> | 31 December 2017 | Within 10 banking days after the receipt of the invoice |
| Total estimated consideration payable for the year ending 31 December 2016 and 31 December 2017 | | | | 2016: 468, 865 2017: 555, 425 | | |

Note:

1. The service fee is calculated by multiplying the price per unit of services rendered (expressed in mash/hour depending on type and kind of equipment used) by the number of hours of usage.

The consideration under the above addendum is to be paid in cash via bank transfer or the offsetting of reciprocal obligations between the parties.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transactions contemplated under the New Transportation Contract and the Previously Disclosed Transportation Contracts should be aggregated, as they were entered into by members of the Group with the associates of En+, and the subject matter of each contract relates to the provision of transportation services by the associates of En+ to the Group.

The annual aggregate transaction amount that is payable by the Group to the associates of En+ under the New Transportation Contract and the Previously Disclosed Transportation Contracts for the financial years ending 31 December 2016 is estimated to be approximately USD16.469 million.

The basis of calculation of payment under the New Transportation Contracts is the service fee proposed by KraMZ-Auto. The Company invited several organizations to take part in the tender in relation to the required transportation services and chose the contractor offering the best terms and conditions (taking into account the price and quality offered by the service provider, the ability to meet the needs of the plants and the business relationship with the service provider) and then entered into contract with the chosen service provider. Accordingly, the New Transportation Contract was entered into.

The contract price under the New Transportation Contract has been arrived at after arm's length negotiation with reference to the market price and on terms no less favourable than those prevailing in the Russian market for transportation services of the same type and quality and those offered by the associates of En+ to independent third parties. The annual aggregate transaction amount is derived from the total contract price under the New Transportation Contract, which was based on the need of transportation services by the Group for the relevant year.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The New Transportation Contract was entered into for the purpose of goods, cargo and passenger forwarding. The Company considers that the transactions contemplated under the New Transportation Contract are for the benefit of the Company, as the services provided are at a competitive price and the service provider is capable of meeting the Group's transportation needs and is conveniently located.

The Directors (including the independent non-executive Directors) consider that the New Transportation Contract is on normal commercial terms which are fair and reasonable and the transactions contemplated under the New Transportation Contract 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 New Transportation Contract, save for Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+, being the holding company of KraMZ-Auto. 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 New Transportation Contract.

LISTING RULES IMPLICATIONS

KraMZ-Auto is an indirect subsidiary of En+, and is therefore an associate of En+ which is a substantial shareholder of the Company. Accordingly, KraMZ-Auto is a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the New Transportation Contracts constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the New Transportation Contract and the Previously Disclosed Transportation 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 shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the New Transportation Contract and the Previously Disclosed Transportation Contracts 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 and sale of aluminium, including alloys and value-added products, and alumina.

KraMZ-Auto is principally engaged in the provision of transportation services.

DEFINITIONS

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

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| “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(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. |
| “En+” | En+ Group Limited, a company incorporated in Jersey, a substantial shareholder of the Company. |
| “Group” | the Company and its subsidiaries. |
| “KraMZ-Auto” | KraMZ-Auto Limited Liability Company, an indirect subsidiary of En+. |
| “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 Transportation Contracts” | the series of transportation contracts entered into between members of the Group and the associates of En+, pursuant to which the associates of En+ agreed to provide transportation services to members of the Group in 2016 and 2017, as disclosed in the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 4 March 2016, 6 April 2016, 20 May 2016, 31 May 2016, 5 July 2016, 14 July 2016 and 26 August 2016. |

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| “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

4 October 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.