

Metinvest, Air Liquide start construction of air-separating unit at Yenakiieve Steel

Metinvest, the international vertically integrated steel and mining group of companies, and Air Liquide, the world leader in gases for industry, health and environment, today started construction of the air-separating unit (ASU) on site of Metinvest's Yenakiieve Steel mill. The construction is being carried out as part of the contract of technical gases delivery for Metinvest, signed in 2011.

The ASU, with designed daily capacity of 1,700 tonnes of oxygen, nitrogen and argon, will be built on site of Yenakiieve Steel and operated solely by Air Liquide. The ASU commissioning is scheduled for mid-2014. The unit will cover Yenakiieve Steel's needs in technical gases and make gases for other industrial sites in Ukraine.

Metinvest is to invest EUR 26mn in the project, and Air Liquide's approximate EUR 100mn investments will be financed by the European Bank for Reconstruction and Development (EBRD).

"Despite unfavorable market conditions, we continue to proceed with our long-term Technological strategy, which includes numerous investment project aimed to enhance competitiveness of our business. Construction of ASU at Enakieve is one of the most of the peer projects across CIS. The ongoing partnership with well-known investors as Air Liquide and EBRD is an evidence of Metinvest's strong credit worldwide", - commented Igor Syry, Metinvest's CEO.

"For us it is a great honour that Metinvest chose Air Liquide as its long-term partner for its first industrial gases outsourcing project. In addition to investing into the new air separation unit for Metinvest, Air Liquide is planning to build a high-level technical and operational expertise in Ukraine to support the long-term development in the market of Ukraine, which is prospective in terms of process gases supply", - noted Guy Salzgeber, the Vice-President of Air Liquide in Northern and Central Europe and a member of the Executive Committee of Air Liquide.

"This project is one of great importance for solid and successful performance of Yenakiieve Steel. We are committed to make all possible to ensure sustainable development of Air Liquide business in Ukraine", - concluded Igor Syry, CEO of Metinvest.

Editorial notice:

Metinvest – is a vertically integrated steel and mining group of companies, managing every link of the value chain, from mining and processing iron ore and coal to making and selling semi-finished and finished steel products. The Group comprises steel and mining production facilities located in Ukraine, Europe and the USA and has a sales network covering all key global markets. Metinvest Group is structured into two operating divisions: Metallurgical and Mining Divisions and has a strategic vision to become the leading vertically integrated steel producer in Europe, and to deliver sustainable growth and profitability resilient to business cycles and providing investors with returns at above the industry benchmarks. The Group generated US\$3.2billion of revenues and a 16.7% EBITDA margin for the first quarter 2012. The major shareholders of METINVEST B.V. (a holding company of Metinvest Group) are SCM Group (71.25%) and Smart-Holding (23.75%), partnering in the Company's management.

METINVEST HOLDING, LLC is the managing company of Metinvest Group.

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