

Best available technology will be used in EMZ's new sinter plant

Metinvest signed a contract with the leading metallurgical equipment manufacturer, Austrian Siemens VAI. The Contract includes detailed engineering of the new sinter plant construction at Yenakievo Iron and Steel Works (EMZ).

The President of Ukraine, Viktor Yanukovich, and the President of SCM (Metinvest's major shareholder), Rinat Akhmetov participated in the Contract Signature Ceremony. The Contract was signed by Metinvest's CEO, Igor Syry and the Vice President of Siemens VAI, Christoph Aichinger.

Viktor Yanukovich, the President of Ukraine:

It has been a great effort undertaken during the recent years. The enterprise was not only preserved, but also modernized significantly. The plant reached good growth rate. We have been concerned about the environment for these years. I am very grateful to the owners, Mr. Akhmetov personally, for the real investments that are being made to resolve this issue.

In Yenakievo, Metinvest is implementing an ambitious project to build a new sinter plant at EMZ that will meet the most modern environmental and technological standards in the world. As a result of a thorough and lengthy selection process, Siemens VAI was chosen to perform as the Engineering Partner under the Project. Siemens VAI has an extensive experience of building the most advanced sinter plants in the world. Metinvest has already cooperated with Siemens VAI successfully with regards to a number of production facilities at Ilyich I&SW and Azovstal I&SW.

Christoph Aichinger, Siemens VAI Vice President:

I officially state that EMZ's sinter plant concept is the best available technology in the world. It is state-of-the-art process and EMZ will become the benchmark both for Ukraine and for the CIS in terms of sinter quality, productivity and ecology.

The Contract with Siemens VAI represents the final stage of preparations for the construction of the new sinter plant at EMZ. In the beginning, the project cost was estimated at \$250 million. In the course of preparations, Metinvest decided to invest another \$110 million to install a modern and reliable gas cleaning system.

Since the project inception at EMZ, Metinvest has invested around \$18.6 million. The next project steps involve obtaining the approval of Ukrainian environmental authorities and the construction permit. Construction will commence in 2Q 2014, the sinter plant will be commissioned in the end of 2016. The new sinter plant will allow doubling sinter output at EMZ. At the same time, sinter process emissions will decrease 10 times, and EMZ as a whole will reduce emissions by 7 times.