

Metinvest implements the largest environmental project in the history of independent Ukraine

Metinvest Group signed a contract with Italy's Termokimik Corporation, a leading producer of environmental equipment for industrial companies, to develop the basic engineering to upgrade the sinter plant at Ilyich Iron & Steel Works of Mariupol (MMKI). Total investments in the project will amount to about \$220 million. This is the largest environmental project in the history of independent Ukraine. The reconstruction of the sinter plant will allow the enterprise to achieve international environmental standards in terms of emissions of dust and sulfur oxide.

The contract for the first phase of the project, the development of basic engineering, was signed by Metinvest Group CEO Igor Syry and Termokimik Corporation President and CEO Gianluigi Castellani. The signing ceremony was attended by Donetsk Regional Administration Head Andrey Shishatsky and Mariupol City Mayor Yuriy Khotlubei.

The project to reconstruct the gas cleaning system at MMKI's sinter plant includes the replacement of existing equipment with state-of-the-art equipment to clean gas from dust to the maximum possible degree. Plants for cleaning sinter gas from sulfur oxide will also be built at the enterprise. The first phase of the project involves basic engineering and design, with manufacturing and installation of the equipment to begin in 2015.

The completion of all of the reconstruction phases is scheduled for 2020. As the project continues, the sinter plant will reach best international environmental standards for emissions treatment. Namely, emissions of dust and sulfur oxide from the sintering zone will decrease by 85% and 30%, respectively, and emissions of dust from the cooling zone will decline by 90%.

Igor Syry, CEO of Metinvest Group:

"Metinvest Group continues to modernize its sinter-making facilities to make the air cleaner in the cities where we operate. This task was set for us by the Company's shareholder. Zaporizhstal's sinter plant is being reconstructed and a new sinter plant will be built at Yenakiieve Iron and Steel Works. The reconstruction of gas cleaning equipment at the sinter plant of MMKI will become the largest environmental project in Ukraine's steel industry. Despite the current challenges of the steel market, we understand that these investments will help us establish competitive, environmentally-friendly world-class operations in the future."

Yuriy Zinchenko, general director of MMKI:

"People have always been the priority of Metinvest Group. These are residents of cities where we are present and employees of our enterprises. We care about the quality of their life and, therefore, the environment. The impact of MMKI's sinter plant on the ecology of Mariupol will decrease as the project to reconstruct the gas cleaning is implemented. This project is a major part of the municipal program on environmental protection and improvement in 2012-2020. Thus, Metinvest is consistent in delivering its commitments to the city as far as ecology goes, and we have no intent to suspend the work."

Paolo Cavezzale, commercial director of Termokimik Corporation:

"This project will be delivered using state-of-the-art technologies and in line with the stringent requirements of Metinvest. It's a top-notch project in terms of ecology, and will surely be beneficial to all citizens of Mariupol. The project is unique given its brownfield nature. There are currently no other large-scale projects to construct sinter plant gas cleaning systems like this elsewhere in the world. We are sure the Mariupol project will become part of international industrial history."