

JOINT VENTURE FOR THE DEVELOPMENT OF A FERTILIZER PLANT IN THE RUSSIAN FEDERATION

- **JV composed by KuibyshevAzot (68%) and Maire Tecnimont (32%), for the implementation of a greenfield urea plant in Tolyatti**
- **Maire Tecnimont involved as end-to-end technical partner: project developer, technology licensor and EPC contractor; total investment cost preliminarily estimated to be around €160 million**

Tolyatti, July 20, 2017 – **PJSC KuibyshevAzot**, one of the leading companies of the Russian chemical industry, and **Maire Tecnimont**, one of the major international contractors, jointly announce the **incorporation of a joint-venture (“JV”) to develop, build, finance, maintain and operate a green-field urea plant**, to be implemented in Tolyatti, in the Samara region of the Russian Federation. KuibyshevAzot will hold 68% of the JV, and Maire Tecnimont, through its fully owned project development company MET Development, the remaining 32%. Total investment cost for the project is preliminarily estimated to be around €160 million. Maire Tecnimont’s equity contribution is preliminarily estimated to be around €11 million, taking into account financial leverage and expected contributions from third parties.

The urea plant will have the capacity of 1,500 metric tons per day and will utilize Urea 2000Plus® Pool Reactor technology by Stamicarbon, Maire Tecnimont fully owned subsidiary, while the granulation unit is based on Stamicarbon’s fluid bed granulation technology. The plant will be realized and integrated within KuibyshevAzot’s key industrial site in Tolyatti, in the Samara region. Both parties have already started the Basic Engineering and Project Documentation works (“BE&PD”) under the coordination of Tecnimont, Maire Tecnimont’s main EPC contractor, in collaboration with Stamicarbon and Russian Design Institute JSC NIIK. Stamicarbon is the market leader in the development and licensing of urea production technology with more than 240 urea plants worldwide using its state-of-the-art technologies.

In parallel, parties are closely collaborating in the project structuring activities in order to raise non-recourse project financing. The parties intend to attract financing from foreign banks with the support of the Italian Export Credit Agency, SACE (part of CDP Group). In addition, SIMEST (part of CDP Group supporting foreign investments of Italian companies) is also evaluating the possibility to share MET Development’s investment in the project. Following the financial closing and the

Maire Tecnimont S.p.A.

Registered Office
Viale Castello della Magliana, 27, 00148 Rome, Italy
T +39 06 412235300 F +39 06412235610

Operative Office
Via Gaetano De Castillia 6A, 20124 Milan, Italy
T +39 02 63131 F +39 02 63139777

completion of the BE&PD works – anticipated in Q2 2018 - the JV shall enter into a Lump Sum Turn Key (LSTK) EPC contract with Tecnimont.

The agreement is another example of KuibyshevAzot's impressive and successful growth strategy in setting up joint-ventures with leading industrial players and implementing state-of-the-art technologies to sustain its leadership positions. For Maire Tecnimont, this joint-venture provides further evidence of the Group's strategic and proactive approach focused on both an early involvement in clients' investment initiatives, as well as on their timely feasibility assessment.

Aleksandr V. Gerasimenko, General Director of PJSC KuibyshevAzot, commented: "A new urea plant project implemented in Tolyatti together with our Italian partners will allow KuibyshevAzot to attract state-of-the-art technologies to the company's industrial site, increase output of the product demanded by consumers and strengthen the company's position in the mineral fertilizer market."

Pierroberto Folgiero, Chief Executive Officer of Maire Tecnimont Group, commented: "This is a significant step forward in our industrial strategy which confirms the reliable value proposition of an integrated company such as Maire Tecnimont, offering not only technology and EPC best in class expertise, but also project development capabilities. We are very keen to strategically cooperate with a prestigious industry leader such as KuibyshevAzot in one of our core business areas, fertilizers."

KuibyshevAzot PJSC

KuibyshevAzot PJSC is one of the leading enterprises in Russian chemical industry. The company is located in Tolyatti, Samara region, and carries out its activities in the following major fields: caprolactam and products of its processing (polyamide-6, high tenacity industrial yarns, cord fabric, engineering plastics, polyamide and mixed fabrics); ammonia and ammonia fertilizers; industrial gases. KuibyshevAzot PJSC takes the leading position in Russia for production of caprolactam and polyamide, industrial and textile yarns, cord fabric, polyamide and mixed with PA fabrics in Russia, and is also one of the leading manufacturers of nitrogen fertilizers in Russia. For more information: www.kuazot.ru

Maire Tecnimont S.p.A.

Maire Tecnimont S.p.A., a company listed on the Milan Stock Exchange, leads an industrial group (Maire Tecnimont Group) playing a major role in the international Engineering & Construction (E&C), Technology & Licensing and Energy Business Development & Ventures markets, with specific competences in plant building, particularly in the hydrocarbons segment (Oil & Gas, Petrochemicals and Fertilizers), as well as in Power Generation and Infrastructures. The Maire Tecnimont Group operates in approximately 30 countries, through about 45 operative companies and a workforce of about 5,100 employees, along with approximately 3,000 additional Electrical & Instrumentation professionals. For more information: www.mairetecnimont.com.

Maire Tecnimont S.p.A.

Public Affairs

Carlo Nicolais

public.affairs@mairetecnimont.it

Media Relations

Simona Raffaelli, A. Mele, I. Mastrogregori

Tel. +39 02 89011300

mairetecnimont@imagebuilding.it

Investor Relations

Riccardo Guglielmetti

Tel. +39 02 6313-7823

investor-relations@mairetecnimont.it

KuibyshevAzot PSJC

Public Relations: Information
Department

Kosova Elena, Head of Department

Tel.: (8482) 56-10-47; E-mail:

KosovaEY@kuzot.ru

Vadekhin Konstantin, Deputy Head of
Department

Tel.: (8482) 56-10-47; E-mail:

VadehinKA@kuzot.ru

Investment projects issues:

Head of External Assets Management
Department

Molotova Sofia

Tel.: (8482) 56-10-68; E-mail:

MolotovaSY@kuzot.ru