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Linde and NLMK sign long-term industrial gases supply agreement in Russia

- Linde awarded contract for long-term gases supply by leading steel manufacturer NLMK Group
- Linde will invest around EUR 100 million for new plant in Lipetsk, Russia

Munich, 21 November 2018 – The technology company The Linde Group and the NLMK Group, a leading international manufacturer of high-quality steel products, have signed an agreement for the long-term supply of oxygen, nitrogen, and argon to the Novolipetsk Steel site in Russia.

Linde is to invest around EUR 100 million into a new state-of-the-art air separation unit (ASU), build, own and operate it at the customer's site, the steel works located in Lipetsk, Russia. NLMK operates a blast furnace as well as steelmaking and metal rolling facilities at the location.

The new air separation unit will have a production capacity of around 72,000 normal cubic metres of gaseous oxygen per hour (Nm³/h) and is expected to come on stream in the fourth quarter of 2021.

“We are delighted to have been awarded this significant contract and to continue our strategic partnership with NLMK, a leader in its industry. We will use this opportunity to once again prove our capabilities in building and operating advanced production units that deliver gas reliably, at the right parameters, and in the most efficient way. This, in turn, is going to help our customer achieve even greater productivity levels,” stated Professor Dr Aldo Belloni, CEO of Linde AG.

“Partnership with The Linde Group will guarantee reliable supply of NLMK plant with industrial gases taking into account expected steel production volumes growth on Lipetsk site. New ASU will significantly reduce our costs, improve efficiency of production processes and help to elaborate on the goals of our next period of strategic development” – stressed Sergey Chebotaryov, Vice President of Energetics of NLMK Group.

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About The Linde Group

The Linde Group's Gases Division is a world leading supplier of industrial, process and specialty gases, serving customers of all sizes across almost all industries and trades, also supporting science, research and medicine. The company offers a wide range of compressed and liquefied gases, as well as chemicals. The gas portfolio extends from gas production right up to delivery, rounded off by a broad industrial and medical gas application and service offering. Although only rarely visible in operation, Linde gases are used in almost every production chain in steel production, chemical processing, energy sector, welding, food processing, glass production, electronics, environmental protection, fuel technologies and healthcare. They helped producing the cars we drive, growing and preserving the food we eat, putting the fizz in the water we drink, fabricating the glass to drink from and so much more.

In the 2017 financial year, The Linde Group generated revenue of EUR 17.113 bn, making it one of the leading gases and engineering companies in the world, with approximately 58,000 employees working in more than 100 countries worldwide. The strategy of The Linde Group is geared towards long-term profitable growth and focuses on the expansion of its international business, with forward-looking products and services. Linde acts responsibly towards its shareholders, business partners, employees, society and the environment in every one of its business areas, regions and locations across the globe. The company is committed to technologies and products that unite the goals of customer value and sustainable development.

For more information, see The Linde Group online at www.linde.com.

About NLMK Group

NLMK Group is the largest steelmaker in Russia and one of the most efficient in the world. NLMK Group's steel products are used in various industries, from construction and machine building to the manufacturing of power-generation equipment and offshore windmills. NLMK operates production facilities in Russia, Europe and the United States. The Company's steel production capacity exceeds 17 million tons per year. NLMK has the most competitive cash cost among global manufacturers and one of the highest profitability levels in the industry. In 9M 2018, the Company generated \$9 billion in revenue and \$2.7 billion in EBITDA. Net debt/EBITDA stood at 0.25x. The Company has investment grade credit ratings from S&P, Moody's, Fitch and RAEX (Expert RA). NLMK's ordinary shares with a 16% free-float are traded on the Moscow Stock Exchange (ticker "NLMK") and its global depositary shares are traded on the London Stock Exchange (ticker "NLMK:LI"). The share capital of the Company is divided into 5,993,227,240 shares with a par value of RUB1. For more details on NLMK shareholder capital please [follow the link](#). The jury of the prestigious S&P Platts Global Metals Awards held by S&P Global Platts, a leading international industry analytical periodical, announced NLMK Group as winner of the Industry Leadership Awards – Steel in 2016, and awarded it the CEO of the Year in 2018.

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