

### **TOTAL VOSTOK**

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# Total Vostok Launches Construction of a Lubricant Blending Plant in Vorsino, in the Kaluga Region of Russia



The future lubricant blending plant in Vorsino.
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Total Vostok has announced the beginning of construction of a plant to blend, package and store lubricants in the Freight Village Vorsino in the Kaluga region.

Anatoly Artamonov, Governor of Kaluga, and Fabien Voisin, Managing Director of Total Vostok, today signed an investment agreement for the future plant, which is scheduled to come on stream in 2018.

"Russia is a strategic country for Total, which has operated there for more than 25 years. Today's announcement once again illustrates our ambition to keep investing there, not only in exploration and production, but also in the marketing of petroleum products and services. Russia is the world's fifth-largest lubricant market. With this industrial investment, Total intends to speed its development in the country, thereby further strengthening its presence and pursuing its growth." Commented Patrick Pouyanné, Total's Chairman and Chief Executive Officer, during the Foreign Investment Advisory Council executive committee meeting held on the same day in presence of the Prime Minister Dmitry Medvedev.

The plant, that represents a \$50 million investment, will initially have production capacity of 40,000 metric tons a year, which could subsequently be increased to up to 75,000 metric tons in support of sales growth. It will apply stringent safety standards and be equipped with the most advanced

technologies, including an automated blending system, ultra-fast machines for filling and packaging, storage infrastructure and a testing laboratory.

The planned facility will produce a wide range of lubricants intended both for automobiles and for various industries, such as energy, steelmaking and mining. The lubricants will include Quartz motor oils for cars, Rubia-type motor oils for heavy vehicles, Azolla- and Equivis-type hydraulic oils, Seriola- and Carter-type industrial oils and the Fuel Economy range of lubricants that reduce energy consumption for both trucks and cars, as well as for off-road equipment.

Total's plant in the Freight Village Vorsino will occupy a seven-hectare site that is strategically located. Connected to both major roads and rail lines, it will be ideally situated to supply both the Russian domestic market and Belarus and certain export markets in Central Asia.

This investment is fully in line with the localization strategy promoted by Russian authorities to reduce dependence on imports and enable local customers to benefit from an optimized supply chain that shortens production time and lowers storage costs. Moreover, the new plant will result in the creation of 50 direct jobs.

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## **About Total**

Total is a global integrated energy producer and provider, a leading international oil and gas company, and the world's second-ranked solar energy operator through our affiliate SunPower. Our 96,000 employees are committed to better energy that is safer, cleaner, more efficient, more innovative and accessible to as many people as possible. As a responsible corporate citizen, we focus on ensuring that our operations in more than 130 countries worldwide consistently deliver economic, social and environmental benefits. <a href="https://www.total.com">www.total.com</a>

In the lubricant segment, Total produces and markets oils in 150 countries under the Total and Elf brands for the automobile, motorcycle, transportation, farming, fishing, construction and aviation sectors, and specialty products for industry and marine use. Total Lubrifiants effectively manages the entire chain, from the production of ISO 9001-certified base oils to the supply of the Company's plants, logistics, and the marketing of finished products. Because each business has specific needs with regard to lubricants, Total has created comprehensive, tailored product ranges that deploy advanced technologies for all consumer and business user activities.

## **About Total Vostok**

Active in Russia's lubricant segment since 1993, Total, through its affiliate Total Vostok, is currently the market's sixth-largest player. Created in 2008, Total Vostok supplies its B2C and B2B customers with a very wide range of automotive and industrial lubricants under the Total and Elf brands, as well as special fluids and fuels, additives and bitumen.

# **About Total EP in Russia**

Total has been present in Russia for 25 years in oil and gas exploration and production. In 2015, Total produced 290,000 barrels of oil equivalent per day, through its 18.9% stake in Novatek, Russia's largest independent gas producer; its interest in the Termokarstovoye field operated by a joint venture between Novatek (51%) and Total (49%); and its 20% stake in the Kharyaga PSC in the Nenets autonomous region. In addition, Total is partnered with Novatek in the giant Yamal LNG project, which is being developed in the Yamalo-Nenets autonomous region. <a href="https://www.ru.total.com">www.ru.total.com</a>