



Rostec

VSMPO-AVISMA and Boeing have extended their titanium production contract for another 10 years

*Moscow, November 18
Press Release*

VSMPO-AVISMA, the largest Russian producer of titanium, aluminum, and steel semi-finished products, and the American company Boeing, a leading aerospace corporation and the world's largest manufacturer of commercial aircraft, have extended the terms of agreement for the supply of titanium alloys through the next 10 years.

The initial agreement for the supply of titanium products, signed by VSMPO-AVISMA and Boeing in 2010, was to last until 2018.

"This is a very important step for both sides, as Boeing is a strategic partner for us," said Mikhail Voevodin, general director of VSMPO-AVISMA. "We are expanding our business significantly, focusing more on products with high added value in order to support the growing output of Boeing aircraft, including the new 787-9, 787-10 and 777X models, the construction of which has a high titanium content."

Voevodin continued, "The agreement, potentially worth billions of dollars, will support VSMPO-AVISMA's long-term strategy. For us, it means new long-term contracts, maximum capacity utilization, and further development of production."

Cooperation between VSMPO-AVISMA and Boeing began in 1993, when the Russian corporation was named one of the titanium suppliers for the American company. In 2006, they signed an agreement establishing Ural Boeing Manufacturing, a joint venture in Upper Salda that processes titanium forgings. Total investment in the project amounted to around \$70 million, and production began in 2009. Since then, the joint venture has regularly increased its production volume and improved the quality and depth of its machining products. Currently, plans to build another plant are being discussed. VSMPO-AVISMA and Boeing have also established together an innovative research center for titanium technologies.

In 2012 VSMPO-AVISMA produced 29,300 tons of titanium. At the moment, the Russian company provides Boeing with almost 40% of its titanium needs.

VSMPO-AVISMA is the world's largest titanium producer and utilizes a full production cycle, from raw material processing to finished products. The corporation produces goods that can be found in 50 countries worldwide, and it is deeply integrated into the global aerospace industry, a key strategic supplier for many companies. It currently employs about 20,000 people. VSMPO-AVISMA management owns a controlling share of the company (50% + 1) and Rostec owns a block share (25% + 1).

BOEING is a leading aerospace company and the world's largest manufacturer of commercial aircraft. Boeing also designs and manufactures helicopters, electronic and defense systems, missiles, satellites, carrier rockets, and advanced information and communication systems. A major service provider for NASA, Boeing services the Space Shuttle and International Space Station. The company also provides numerous services to its customers in the commercial airline field, who span 150 countries. One of the largest American exporters, the company is headquartered in Chicago. More than 165,000 employees work for the company in the United States and 70 other countries.