



## **TÉCNICAS REUNIDAS CLOSES THE LARGEST CONTRACT EVER WITH THE TURKISH OIL COMPANY TÜPRAS**

### **The upgrade of the Izmit refinery amounts to 2,4 billion dollars**

Tüpras and Técnicas Reunidas (TR) signed today the outstanding agreements related to the financing of the Izmit Residue Upgrade Project (RUP). With this signature, the "Lump Sum Turn Key" (LSTK) contract becomes effective. The contract involves the engineering, procurement and construction of the project. Its value is 2,404 billion dollars and the execution of the project is expected to be completed 36 months after commencement of construction. In 2010, TR started the execution on this project under a "cost plus" scheme, with the option of conversion to LSTK.

The purpose of the project is to increase the conversion capacity of the Izmit refinery, which will enable it to process heavier and high sulphur content crude oils, to reduce the deficit of gasoil in Turkey and to adapt the refining projects to the EU environmental specifications.

The project will include the following main units: Hydrocraker (50,300 b/d), Vacuum (47,200 b/d), Delayed Coker (51,600 b/d), Hydrogen (160,000 Nm<sup>3</sup>/h), Sulphur Recovery (2x210 t/d), Amine Regeneration (1,100 m<sup>3</sup>/d), Sour Water Stripper unit (126 t/h) as well as a Cogeneration unit (120 MW).

The RUP project has a high technological and environmental content. For instance, the engineering developed by TR promotes an optimized use of energy, the Hydrocracking unit will be the one with the highest design pressure in the world, the Hydrogen unit will be the largest designed by TR and one of the largest globally and, the Flare, with 180 meters height, will be the second tallest in the world. This is one of the largest projects currently entrusted to a single EPC company which shows TR's international leadership in executing large and complex projects. This complex refining upgrade also reflects Tüpras full confidence on the quality of Spanish engineering.

The contract reflects TR's ongoing strong commitment to Turkey where TR has been working since 1990 and has already completed 6 different projects. Currently, in addition to the Izmit project, TR is executing a natural gas project for Botas, the state-owned gas distribution company in Turkey.

This will be also a key project for Spain. TR is designing the full refinery upgrade project in Spain, employing 545 engineers at the peak with more than 2 million hours of engineering. Also, the project will imply some major purchases of equipment and materials that will be manufactured in Spain, and therefore supporting the Spanish industrial sector.

Tüpras is the leading oil company in Turkey, with a crude oil processing capacity of 28.1 million tons per year throughout its four refineries. The KOÇ Group, owner of Tüpras, is the largest business group in Turkey, with participation in industrial, commercial and financial sectors.

TR is among the leading international engineering and construction companies in oil and gas production, refining and petrochemicals and power generation projects.