

## JTI Invests in Innovations in Yelets

**Yelets, Lipetsk Region, February 1, 2016** – The JTI Yelets factory (part of JTI Group) has invested over 300 million rubles in a sustainable cogeneration plant producing heat and power from natural gas. The company's own heat and power plant will help improve the environment in Yelets, reduce the burden on the city's grid and ensure uninterrupted power supply.

The cogeneration plant has no equal in Lipetsk Region by efficiency, which reaches 88 percent. The CHP has an electrical output of 3,638 MW and heat output of 3,089 Gcal/h. Unlike a regular power plant, where all the produced heat is lost to the environment, the cogeneration station uses heat for production and heating purposes, which helps reduce carbon dioxide and other air pollutants by a factor of 2 to 3 and make the air in the city cleaner.

“The JTI Yelets factory continues to develop rapidly and implement innovations. The company has invested over 75 million US dollars in the factory over the past eight years and the new project is yet another evidence of our commitment to continuous improvement. The launch of the cogeneration plant will improve not only the plant's power efficiency and environmental safety, but the city's energy infrastructure as well,” said **Timur Mutaev, General Director of JTI Yelets**.

In addition to the stand-alone power plant, the factory also constructed a new cable line to supply power to several neighboring socially significant buildings, including the fire department. When disconnecting from the city power grid, the factory will present this cable line to Yelets municipal services.

“Cogeneration systems are still rare in Lipetsk Region and in Russia as a whole due to relatively high initial investment and an average payback period of 5 to 6 years. However, in a long term perspective its economic and environmental advantages are undisputable. JTI successfully uses cogeneration at a number of factories in Europe and now we have implemented the best European practices here in Yelets,” added **JTI Yelets chief engineer Alexander Bogatikov**.

###

**For more information please contact:**

Maria Belevitneva, Communications Manager, JTI Russia: [maria.belevitneva@jti.com](mailto:maria.belevitneva@jti.com)  
Tel.: +7 903 676 3036

## About JTI

JTI, a member of the Japan Tobacco Group of Companies, is a leading international tobacco manufacturer. With headquarters in Geneva, Switzerland, and about 26,000 employees worldwide, JTI has operations in more than 120 countries. Its core revenue in the fiscal year ended December 31, 2014, was USD 11.9 billion. For more information, visit [www.jti.com](http://www.jti.com).

JTI is the largest tobacco manufacturer in Russia and investor in the Russian tobacco industry. The company's direct investments in the Russian economy exceeded USD 1.9 billion. JTI's Russian operations include JTI Marketing and Sales division and four factories: Petro in Saint Petersburg, Liggett-Ducat in Moscow, Cres Neva in Leningrad Region, and JTI Yelets in Lipetsk Region. JTI's manufacturing facilities and sales offices in 68 Russian regions employ over 4,500 people. According to various rankings, JTI is one of the most attractive employers based on such criteria as career opportunities and compensation package<sup>1</sup>. JTI is also among the 5 largest foreign companies in Russia, according to Forbes' ranking.

---

<sup>1</sup> According to *Headhunter*'s survey "Gender Differences in Companies," 2015; "Career Start" rankings on Career.ru portal; "Best Company for Work and Career 2013" ranking by *Elite Personnel* newspaper, 2013; "Best Employers in Russia 2012" by *Vedomosti* newspaper, No. 33 (3295), 2013.