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EuroChem Completes Acquisition of OJSC Astrakhan Oil and Gas Company

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Zug, Switzerland, 2 April 2015 – EuroChem Group AG (“EuroChem” or the “Group” or the “Company”), one of the world’s leading agrochemical companies, today announces the successful completion of its acquisition of OJSC Astrakhan Oil and Gas Company (OJSC AOGC).

EuroChem has acquired a 100% stake in OJSC AOGC for a total consideration of RUB 6.4bn. The deal comprised the acquisition of a state-owned stake via a public offering and acquisition from international private companies. The transaction was approved by the Federal Antimonopoly Service of Russia in 2014.

OJSC AOGC holds a licence for the development of the right-bank section of the Astrakhan gas condensate field, with reserves amounting to around 220bn m3 of category C1+C2 gas.

Commenting on today’s announcement, Dmitry Strezhnev, CEO of EuroChem, said:

“The acquisition of OJSC AOGC is a further step towards strengthening our vertically-integrated business. It will provide EuroChem’s production facilities in Russia with in-house raw materials as the Company continues to optimise production costs, increase competitiveness and reduce dependence on external suppliers. In particular, the project will help us hedge risks related to the rise in gas prices in southern Russia, where EuroChem has two production facilities. I am confident that this investment will have a long-term positive effect for both EuroChem and the Astrakhan Region.”

The Company has established a dedicated Oil and Gas division to develop projects related to the exploration, production and processing of hydrocarbons. In 2012, EuroChem acquired OJSC Severneft-Urengoy, a gas producer that provides to EuroChem around 1bn m3 of gas per annum or up to 25% of the Group’s annual consumption. EuroChem also holds two licences for the exploration and production of hydrocarbons in the Saratov Region of Russia.

EuroChem is a leading global agrochemical company, producing primarily nitrogen and phosphate fertilizers, as well as certain organic synthesis products and iron ore. The Group is vertically integrated with activities spanning from mining and hydrocarbons extraction to fertilizer production, logistics, and distribution. EuroChem is currently developing two sizeable potash deposits in Russia with its VolgaKaliy and Usolskiy Potash greenfield projects. Headquartered in Zug, Switzerland, the Group operates production facilities in Belgium, Lithuania, and Russia and employs more than 22,000 employees globally.

For more information, please visit www.eurochemgroup.com or contact:

Investors	Media
Olivier Harvey	Vladimir Torin
Head of Investor Relations olivier.harvey@eurochemgroup.com	Head of Public Relations vladimir.torin@eurochemgroup.com
	Larisa Millings
	FTI Consulting eurochem@fticonsulting.com

Контакты

Media

Vladimir Torin

Head of Communications Department

Email: pr@eurochem.ru

Investor Relations

Olivier Harvey

Head of Investor Relations

Email: ir@eurochem.ru

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