



DEME

Dredging, Environmental
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DEME awarded new €105 million contract for reclamation site of Olympic Winter Games 2014 in Sochi, Russia

Zwijndrecht – 23 August 2010. The Belgian dredging, marine engineering and environmental Group DEME, has been awarded a contract for dredging, transport over a distance of 120 km. and reclamation works to prepare the Imeretinskaya Lowland area at Sochi for construction of the Olympic village for the 2014 Olympic Winter Games. The contract has a value of €105 million. For DEME this is a new link to the Olympic Games, since their environmental specialist company DEC have completed the remediation of the site for the London Olympics 2012 earlier this year.

The ultimate client of the project is SC Olympstroy, the Russian State Corporation managing the design, construction, renovation and putting into operation of the Venues needed for holding the Winter Olympic Games XXII and Paralympics Winter Games in Sochi city in the year 2014 and for development of Sochi city as a mountain climatic resort. Sochi is famous for being what is called the 'Riviera of the Black Sea'. The quality and timing of the works is being closely monitored by the International Olympic Committee.



On 5 January 2010, the Russian President Dmitry Medvedev proclaimed that “quality preparation for the Olympic Games in 2014 gives us a unique opportunity to solve several problems at once. The first task is the development of the city of Sochi, the creation of a modern, high-quality mountain climatic resort, where millions of our Russian citizens and citizens from other countries will come to relax”.

The project involves 8 million m³ sand winning in the Black Sea, transport over a distance of 120 km. and direct shore delivery via a floating pipeline system to reclaim a swamp area of 412 ha to 2.5 m above Black Sea zero level. The area to be



reclaimed is located at the east side of Sochi, between the rivers Mzymta and Psou.

The initial contract was signed by DEME in January of this year. A further extension to this contract was signed on 18th August 2010. Site preparation works and mobilization were started in May 2010. The actual dredging works started early July 2010 with the 11.650 m³ capacity trailing suction hopper dredger “Brabo”. The “Brabo” will be joined in September by DEME’s 17,000 m³ capacity jumbo trailing suction hopper dredger “Nile River”. The contractual execution period is 14 months.

About DEME

The Belgian dredging, environmental and marine engineering group DEME was established in 1991 from the merger between Dredging International and Baggerwerken Decloedt. A global market leader, the Group diversified from dredging operations and reclamation to hydraulic engineering projects at sea, services to the oil and gas companies, wreck clearance, installation of offshore wind farms and environmental activities such as soil remediation, sludge recycling and revalidation of brownfields. The Group owns one of the most up-to-date, highly technological and versatile fleets for dredging and hydraulic engineering, with vessels and ships of all sizes and for any operational area. DEME employs more than 3,700 people, The Flemish Group is implementing more than 50 projects simultaneously around the world. DEME’s annual turnover amounts to € 1.5 billion and its operating cash flow margin (EBITDA) is more than 20 percent. End 2009, DEME’s order portfolio valued in excess of € 2.1 billion.

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