

## Siemens Cuts Ties With Russian State Companies Over Crimea Breach

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**Siemens Press Service** 

Germany's flagship manufacturing firm Siemens has suspended cooperation with Russian state companies following reports that its electricity turbines were delivered to Crimea, in violation of European Union sanctions.

In an online <u>statement</u> published Friday, Siemens said Russia had "illegally moved to Crimea against clear contractual agreements" four gas turbines the firm delivered for a project on the Russian mainland in Taman.

Siemens said it is pressing charges against the Russian contractor, Technopromexport (TPE).

The German company also said it is suspending deliveries of power generation equipment to Russian state companies, terminating a license agreement with Russian companies for the supply of equipment for power stations, and divesting a minority interest in the Russian company, Interautomatika. The Reuters news agency <u>reported</u> several weeks ago that Siemens-made turbines had been used in the construction of two power plants on the Crimean peninsula, which was annexed by Russia in March 2014. The power plants are seen as crucial to reduce Crimea's dependence on power supplies from Ukraine.

Reuters said at the time the delivery might have taken place without Siemens' knowledge, which the company has since confirmed.

Presidential spokesman Dmitry Peskov on Friday declined to comment on Siemens' announcement.

"This is a matter for the companies involved, and dialogue and cooperation will continue along those lines," he <u>said</u>.

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