9M/Q3 2011 FINANCIAL PERFORMANCE HIGHLIGHTS:

- MMK Group 9M 2011 sales amounted to USD 7,063 mln, 22% higher y-o-y.
- MMK Group Q3 2011 sales amounted to USD 2,430 mln, in line with Q2 2011.
- Growth was driven by increased revenue from sales of high value added (HVA) products (up 29% y-o-y for 9M 2011 and up 11% q-o-q for Q3 2011).
- The share of (HVA) products in MMK Group’s sales was 37% in 9M 2011 and 34% in Q3 2011.
- 9M 2011 EBITDA totalled USD 1,133 mln, 6% lower y-o-y.
- Q3 2011 EBITDA totalled USD 350 mln, a q-o-q decline of 8%.
- Including one-off effects, the Q3 2011 loss amounted to USD 205 mln. Excluding one-offs, Q3 2011 profit amounted to USD 59.
- In Q4 2011 steel production is expected to see a slight q-o-q decline in connection with the traditional seasonal slowdown in activity on both domestic and export markets.

MMK GROUP CONSOLIDATED INCOME STATEMENT HIGHLIGHTS

<table>
<thead>
<tr>
<th>USD mln or %</th>
<th>9M 2011</th>
<th>9M 2010</th>
<th>+/-</th>
<th>Q3 2011</th>
<th>Q2 2011</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales, incl.:</td>
<td>7,063</td>
<td>5,775</td>
<td>22%</td>
<td>2,430</td>
<td>2,417</td>
<td>1%</td>
</tr>
<tr>
<td>Revenue from HVA products sales</td>
<td>1,547</td>
<td>1,199</td>
<td>29%</td>
<td>573</td>
<td>515</td>
<td>11%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>412</td>
<td>503</td>
<td>-18%</td>
<td>94</td>
<td>163</td>
<td>-42%</td>
</tr>
<tr>
<td>EBITDA*</td>
<td>1,133</td>
<td>1,199</td>
<td>-6%</td>
<td>350</td>
<td>380</td>
<td>-8%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>16.0%</td>
<td>20.8%</td>
<td></td>
<td>14.4%</td>
<td>15.7%</td>
<td></td>
</tr>
<tr>
<td>Profit for period</td>
<td>-58</td>
<td>190</td>
<td>-</td>
<td>-205</td>
<td>13</td>
<td></td>
</tr>
</tbody>
</table>

* EBITDA calculation is presented in the Notes to MMK’s Consolidated Financial Statements

- Sales growth in 9M 2011 was driven by increased revenue from HVA products, which grew at a faster pace and amounted to USD 1,547 mln (29% higher y-o-y); revenue from HVA sales in Q3 2011 increased 11% q-o-q and equalled USD 573 mln.
- MMK’s average steel price decreased by 6% q-o-q in Q3 2011 to USD 760. This decline was primarily due to the USD strengthening against the RUB and changes in the product assortment.
- The contract price for iron ore was 2% lower in Q3 2011 and coking coal price decreased 3%, while scrap price remained stable.
- The decrease in average MMK steel prices contributed to a 42% q-o-q decline in operating profit in Q3 2011.
- Q3 2011 EBITDA amounted to USD 350 mln and MMK’s EBITDA margin was 14.4%. Q3 2011 EBITDA was 8% lower q-o-q, primarily due to lower average steel prices while raw materials prices remained almost unchanged at high levels.
- The loss for Q3 2011 amounted to USD 205 mln. This was due to a negative FX effect of USD 252 mln and an impairment of fixed assets of USD 12 mln. Excluding these factors, the profit for 3Q 2011 equalled USD 59 mln.
BALANCE SHEET HIGHLIGHTS

- Total assets as of September 30, 2011 declined 2% from December 31, 2010, and amounted to USD 16,327 mln.
- Property, plant & equipment (PP&E) declined 4% during the 9-month period to USD 11,721 mln at the end of Q3 2011. This decline was primarily due to the FX effect from transforming the value of PP&E into the reporting currency.
- Gross debt at 30 September 2011 was USD 4,391 mln.
- During 9M 2011, MMK borrowed USD 2,375 mln and repaid USD 1,440 mln in debt.
- Cash and cash equivalents together with highly liquid assets amounted to USD 1,317 mln at the end of Q3 2011, bringing net debt at the reporting date to USD 3,074 mln.
- MMK invested USD 264 mln in PP&E during Q3 2011 (USD 328 mln in Q2 2011, USD 381 mln in Q1 2011, USD 543 mln in Q4 2010). Total planned capital expenditure (capex) for 2011 is USD 1.1 bln (2010: USD 2.2 bln).
- Capex is focused on construction of MMK's plant in Turkey and Mill 2000 in Magnitogorsk, which is designed to produce high-quality automotive cold-rolled steel. These projects are part of MMK's strategy to increase production of HVA products and substitute imports in the Russian and Turkish markets.
- In parallel to investments into acquiring and construction of PP&E, MMK worked on financing the purchase of the 50% minus one share stake in MMK-Atakas that was owned by the Atakas family. The transaction was closed in September 2011, for a total amount of USD 475 mln. After the transaction completion MMK-Atakas was renamed as MMK Metalurji.

MMK GROUP OPERATIONAL HIGHLIGHTS

- Crude steel output in 9M 2011 amounted to 9.1 mln tonnes (+5% y-o-y).
- Finished steel products output in 9M 2011 equalled 8.3 mln tonnes (+6% y-o-y).
- MMK Group HVA steel products output was 3,038 thousand tonnes in 9M 2011 (+4% y-o-y)

<table>
<thead>
<tr>
<th>'000 tonnes</th>
<th>9M 2011</th>
<th>9M 2010</th>
<th>+/-</th>
<th>Q3 2011</th>
<th>Q2 2011</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude steel</td>
<td>9,087</td>
<td>8,654</td>
<td>5%</td>
<td>3,182</td>
<td>2,792</td>
<td>13%</td>
</tr>
<tr>
<td>MMK finished steel products</td>
<td>8,023</td>
<td>7,737</td>
<td>6%</td>
<td>2,789</td>
<td>2,527</td>
<td>10%</td>
</tr>
<tr>
<td>MMK-Metiz finished steel products*</td>
<td>362</td>
<td>330</td>
<td>10%</td>
<td>126</td>
<td>114</td>
<td>10%</td>
</tr>
<tr>
<td>MMK Metalurji finished steel products</td>
<td>274</td>
<td>111</td>
<td>147%</td>
<td>162</td>
<td>84</td>
<td>93%</td>
</tr>
<tr>
<td><strong>MMK Group higher value added steel products</strong></td>
<td><strong>3,038</strong></td>
<td><strong>2,930</strong></td>
<td><strong>4%</strong></td>
<td><strong>991</strong></td>
<td><strong>970</strong></td>
<td><strong>2%</strong></td>
</tr>
<tr>
<td><strong>MMK Group higher value added steel products share</strong></td>
<td><strong>37%</strong></td>
<td><strong>37%</strong></td>
<td><strong>34%</strong></td>
<td><strong>37%</strong></td>
<td><strong>37%</strong></td>
<td><strong>37%</strong></td>
</tr>
</tbody>
</table>

* including processing of MMK products

MMK steel operations in Russia

- Finished steel products output in 9M 2011 reached 8,023 thousand tonnes, 6% higher y-o-y. This growth was driven by faster economic recovery in MMK's priority domestic market compared to the global economy, as well as the ramp-up of production of new products at MMK.
- MMK HVA steel products output in 9M 2011 amounted to 2,475 thousand tonnes, almost unchanged y-o-y.
- MMK 9M 2011 domestic shipments amounted to 5,507 thousand tonnes of finished steel products, up 8% y-o-y. The domestic market accounts for 69% of MMK sales.
- HVA steel products accounted for 40% of domestic shipments in 9M 2011.
MMK’s major domestic clients remain pipe-makers, machine building and car manufacturing companies, which together accounted for 52% of domestic shipments in 9M 2011.

MMK’s domestic sales are focused in the Urals and Volga regions. Shipments to these regions accounted for 67% of domestic shipments and 47% of total shipments in Q3 2011. Demand for MMK steel in these key regions grew by 13% y-o-y in 9M 2011.

In monetary terms, shipments to Russia and the CIS accounted for 75% of total steel products sales in Q3 2011.

MMK export shipments totalled 2,515 thousand tonnes in 9M 2011. The largest export markets for MMK remain the Middle East and Europe.

Unlike domestic sales, hot-rolled steel remains the main export product, accounting for 84% of export sales in 9M 2011.

**MMK steel operations in Turkey**

Finished steel products at MMK Metalurji in Q3 2011 amounted to 162 thousand tonnes, representing a two-fold q-o-q increase. The increase is due to the launch of the full production cycle.

MMK Metalurji sales in 9M 2011 amounted to USD 294 mln, and in Q3 2011 sales were USD 169 mln.

EBITDA in Q3 2011 was USD 28 mln, representing an EBITDA margin of 16.6%. The strong EBITDA performance in Q3 2011 compensated for the negative EBITDA for 6M 2011, bringing MMK Metalurji’s 9M 2011 EBITDA into positive territory.

MMK Metalurji is expected to produce around 600 thousand tonnes of steel products in 2011. Full production capacity (2.3 mtpa of finished steel products) should be reached in early 2012.

**BELON OPERATIONAL HIGHLIGHTS – MMK GROUP COAL SEGMENT**

Production of coking coal concentrate amounted to 2,334 thousand tonnes in 9M 2011, and 849 thousand tonnes in Q3 2011.

MMK Group coal segment sales equalled USD 490 mln in 9M 2011, up 24% y-o-y. Q3 2011 sales equalled USD 173 mln, which was up 9% q-o-q.

9M 2011 EBITDA amounted to USD 176 mln, taking the EBITDA margin to 36%. Q3 2011 EBITDA increased 41% q-o-q and amounted to USD 62 mln, representing an EBITDA margin of 36%.

Following a large-scale replacement of longwalls in Q1, Q2 and the beginning of Q3 2011, coking coal and coking coal concentrate production volumes are expected to continue to grow in Q4 2011.

**SUBSEQUENT EVENTS**

On November 25, 2011 MMK announced it had reached an agreement to purchase 100% of the shares of the Australian mining company Flinders Mines Limited (“Flinders”) for AUD 554 mln (approx. USD 540 mln at exchange rate as of announcement date).

The primary asset owned by Flinders is the PIOP iron ore project in the Pilbara region of Western Australia. Flinders’s total JORC resources amount to 917.3 mln tonnes of high-quality iron ore, a significant portion of which does not require beneficiation due to its average Fe content of 55.2%. The deposit has significant potential for further growth in resources. Production is expected to launch in 2015, with an annual capacity of around 15 mln tonnes.

Through its purchase of Flinders, MMK gains access to development of a high quality iron ore deposit with excellent economic parameters, as well as low operating costs and capital expenditure requirements.
MARKET OUTLOOK

In Q4 2011 MMK operates at around 80% capacity utilization rate. We expect positive momentum to recover in 1H 2012 with respect to both demand and steel prices. Overall Russian steel consumption in 2012 is expected to grow 8 to 10%, mostly driven by the auto manufacturing, machine-building and construction sectors.

* * *

MMK management will hold conference call on December 5, 2011 at 5.00 pm Moscow time, 1.00 pm London time, 8.00 am New York time.

Dial-in number: +7 3519 24 93 05. Password: 1234

IFRS financial statements are available at: http://eng.mmk.ru/for_investor/financial_statements/

* * *

About MMK

MMK is among the world's largest steel producers and is one of the leaders of Russia's steel industry. The company's operations in Russia include a large steel producing complex encompassing the entire production chain, from preparation of iron ore to downstream processing of rolled steel. MMK turns out a broad range of steel products with a predominant share of higher value added products. In 2010 the company produced 11.4 mln tonnes of crude steel and 10.4 mln tonnes of commercial steel products. MMK Group revenue in 2010 stood at USD 7.719 bn, EBITDA at USD 1.606 bn, profit for the period - USD 232 mln.

Contacts:

Andrey Serov
tel.: +7 (3519) 245297
serov.ae@mmk.ru

Kirill Golubkov
tel.: +7(916) 675 3081
kgolubkov@mmk.ru

Elena Evstigneeva
tel.: +7 (985) 763 4443
evstigneevaed@mmk.ru

Alexander Proskurov
tel.: +7 (3519) 246303
proskurov@mmk.ru

MMK Communications Department