Q4 and 12M 2011 IFRS Financial Results Presentation
12M 2011 Financials

- Revenue USD 9,306 mln – 21% growth to 12M 2010
- EBITDA USD 1,336 mln – 17% decrease to 12M 2010
- EBITDA margin – 14.4%

Q4 2011 Financials

- Revenue USD 2,243 mln – 8% decrease to the Q3 2011
- EBITDA USD 203 mln – 42% decrease to Q3 2011
- EBITDA margin – 9.1%

Q4 and 12M 2011 Key Operational Figures

- MMK Group finished steel output: 11,158 ths. tonnes in 12M 2011; 2,859 ths. tonnes in Q4 2011
- High value added (HVA) products output: 4,066 ths. tonnes in 12M 2011; 1,028 ths. tonnes in Q4 2011
- Share of HVA products in sales, MMK Group – 36%
- Share of domestic sales in revenue – 75%

Balance Sheet Figures as of December 31, 2011

- As of December 31, 2011 total debt equaled to USD 4,416 mln
- Cash and cash equivalents as of December 31, 2011 equaled to USD 424 mln, liquid assets stood at USD 717 mln
- As of December 31, 2011 net debt equaled to USD 3,992 mln
Growth Output Driven by HVA Products

- MMK Group finished products output in 12M 2011 rose 7% y-o-y and amounted to 11.2 mln tonnes

- 12M 2011 MMK Group HVA products output amounted to 4,066 ths. tonnes, 2% higher y-o-y

- Belon's production of coking coal concentrate in FY 2011 was 3,2 ths. tonnes, 9% higher y-o-y

OJSC MMK finished products sales

Key operational indicators

<table>
<thead>
<tr>
<th></th>
<th>Q4 '11</th>
<th>Q3 '11</th>
<th>+/-</th>
<th>12M 11</th>
<th>12M 10</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cast iron</td>
<td>2 277</td>
<td>2 440</td>
<td>-7%</td>
<td>9 496</td>
<td>9 233</td>
<td>3%</td>
</tr>
<tr>
<td>Crude steel incl.</td>
<td>3 826</td>
<td>3 015</td>
<td>27%</td>
<td>11 724</td>
<td>11 419</td>
<td>3%</td>
</tr>
<tr>
<td>MMK</td>
<td>2 826</td>
<td>3 015</td>
<td>-6%</td>
<td>11 174</td>
<td>11 419</td>
<td>-2%</td>
</tr>
<tr>
<td>MMK Metalurji</td>
<td>283</td>
<td>163</td>
<td>74%</td>
<td>471</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Finished products output incl.</td>
<td>2 623</td>
<td>2 789</td>
<td>-6%</td>
<td>10 646</td>
<td>10 245</td>
<td>4%</td>
</tr>
<tr>
<td>Slabs and billets</td>
<td>102</td>
<td>0</td>
<td>-</td>
<td>157</td>
<td>209</td>
<td>-25%</td>
</tr>
<tr>
<td>Long products</td>
<td>372</td>
<td>479</td>
<td>-22%</td>
<td>1 499</td>
<td>1 065</td>
<td>41%</td>
</tr>
<tr>
<td>Flat hot-rolled products</td>
<td>1 343</td>
<td>1 546</td>
<td>-13%</td>
<td>5 708</td>
<td>5 524</td>
<td>3%</td>
</tr>
<tr>
<td>High value-added (HVA) products</td>
<td>807</td>
<td>764</td>
<td>6%</td>
<td>3 283</td>
<td>3 448</td>
<td>-5%</td>
</tr>
<tr>
<td>Thick plate (Plate Mill 5000)</td>
<td>171</td>
<td>178</td>
<td>-4%</td>
<td>899</td>
<td>943</td>
<td>-5%</td>
</tr>
<tr>
<td>Flat cold-rolled products</td>
<td>302</td>
<td>245</td>
<td>23%</td>
<td>1 027</td>
<td>1 116</td>
<td>-8%</td>
</tr>
<tr>
<td>Downstream products*</td>
<td>334</td>
<td>341</td>
<td>-2%</td>
<td>1 357</td>
<td>1 388</td>
<td>-2%</td>
</tr>
<tr>
<td>MMK-Metiz finished products</td>
<td>103</td>
<td>126</td>
<td>-18%</td>
<td>465</td>
<td>450</td>
<td>3%</td>
</tr>
<tr>
<td>MMK Metalurji finished products</td>
<td>233</td>
<td>160</td>
<td>46%</td>
<td>505</td>
<td>156</td>
<td>224%</td>
</tr>
<tr>
<td>Belon coking coal concentrate</td>
<td>882</td>
<td>849</td>
<td>4%</td>
<td>3 216</td>
<td>2 960</td>
<td>9%</td>
</tr>
</tbody>
</table>

* - galvanized steel products, colour-coated steel products, formed section, band, tin plate, etc.
While retaining presence in key export markets, MMK continues to supply end-customers in Russian and the CIS.

12M 2011 share of domestic sales was 67%, providing 75% of total revenue.

HVA products satisfy domestic market demand.

Higher share of HVA products in domestic shipments allows MMK to have price premium from domestic sales. Q4 2011 average steel products price per tonne on domestic market was USD 783, on export markets – USD 558.

**Domestic market price premium, USD**

**Sales by market, ths. tonnes**

**Outrunning growth of revenues from HVA products sales, USD mln**

30%
OJSC MMK Domestic Sales Structure

- Q4 2011 domestic shipments amounted to 1,673 ths. tonnes. 12M 2011 domestic shipments amounted 7,181 ths. tonnes
- HVA products account for 43% of domestic shipments in Q4 2011
- In Q4 2011 shipments to the highest metal-consuming regions – the Urals and Volga Region - accounted for 63% of sales
- MMK’s largest clients remain pipe-makers, car manufactures, construction and heavy machinery companies

Domestic sales by region
Q4 2011

Domestic sales of finished products
Q4 2011

Domestic sales by industry
Q4 2011
OJSC MMK Presence on Key Export Markets

- Q4 export shipments amounted to 950 th. tonnes. 12M 2011 MMK export shipments amounted to 3,465 th. tonnes
- Hot-rolled steel remains the main export product, accounting for 75% of export sales in Q4 2011
- Middle East and Europe remain the largest export markets of MMK
- Exports account for 33% of overall shipments in 12M 2011
- Exports accounted for 25% in 12M 2011 revenues

**Export shipments by region**

**Q4 2011**

- Middle East: 62%
- Asia and Far East: 21%
- Europe: 11%
- North America: 4%
- Africa: 1%
- Middle and Latin America: 1%

**Export shipments by product type**

- Flat hot-rolled products: 75%
- Flat cold-rolled products: 4%
- Mill 5000 products: 4%
- Slabs and billets: 11%
- Long products: 6.2%
- Downstream products: 0%

**Share of export shipments in revenue**

- Domestic
  - 2004: 54%
  - 2005: 59%
  - 2006: 61%
  - 2007: 66%
  - 2008: 72%
  - 2009: 64%
  - 2010: 75%
  - 2011: 75%
- Exports
  - 2004: 46%
  - 2005: 41%
  - 2006: 39%
  - 2007: 34%
  - 2008: 28%
  - 2009: 36%
  - 2010: 25%
  - 2011: 25%
MMK Group Q4 2011 Financial Highlights

- Sales growth in Q4 2011 decreased 8% and totaled USD 2,243 mln
- While revenue from HVA products sales in Q4 2011 lowered only 7% q-o-q
- MMK Group Q4 2011 EBITDA equaled USD 203 mln

**MMK Group financial highlights, USD mln**

<table>
<thead>
<tr>
<th></th>
<th>Q4 11</th>
<th>Q3 11</th>
<th>+/-</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,243</td>
<td>2,430</td>
<td>-187</td>
<td>-8%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>-47</td>
<td>94</td>
<td>-141</td>
<td>-150%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>203</td>
<td>350</td>
<td>-147</td>
<td>-42%</td>
</tr>
</tbody>
</table>

**EBITDA margin** 9.1% 14.4%

**MMK Group revenue, USD mln**

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1,652</td>
<td>2,068</td>
<td>2,055</td>
<td>1,944</td>
</tr>
<tr>
<td>2011</td>
<td>2,216</td>
<td>2,417</td>
<td>2,430</td>
<td>2,243</td>
</tr>
</tbody>
</table>

**MMK Group EBITDA, USD mln**

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>374</td>
<td>437</td>
<td>388</td>
<td>407</td>
</tr>
<tr>
<td>2011</td>
<td>403</td>
<td>380</td>
<td>350</td>
<td>203</td>
</tr>
</tbody>
</table>
MMK Key Performance Indicators Analysis

- Q4 2011 revenue decreased q-o-q mainly due to MMK output volumes decline and lower steel prices

- Steel segment (Russia) EBITDA decrease in Q4 2011 is due to decline of output volumes in Magnitogorsk as well as 8% steel prices drop against the slowdown of the world economy

- Q4 2011 cash-cost of slab declined mainly due to decreasing raw materials prices

Relevant charts and tables are included in the document.
MMK Group Operating Costs and Cost of Sales Structure

**MMK Group operational costs, USD mln**

<table>
<thead>
<tr>
<th></th>
<th>Q4 11</th>
<th>Q3 11</th>
<th>+/-</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>1,987</td>
<td>2,023</td>
<td>-36</td>
<td>-2%</td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>127</td>
<td>111</td>
<td>16</td>
<td>14%</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>127</td>
<td>149</td>
<td>-22</td>
<td>-15%</td>
</tr>
<tr>
<td>Other operating (expenses)/income, net</td>
<td>49</td>
<td>53</td>
<td>-4</td>
<td>-8%</td>
</tr>
<tr>
<td>Total operating costs</td>
<td>2,290</td>
<td>2,336</td>
<td>-46</td>
<td>-2%</td>
</tr>
</tbody>
</table>

**Cost of sales structure**

2011

- Labour costs: 900
- Amortisation: 864
- Other Group Companies: -224
- OJSC MMK material costs: 6107
- Change in un invoiced products balance: -137
- Others: 245

**OJSC MMK material costs structure**

2011

- Coals: 25%
- Iron ore (sinter): 16%
- Power from outside sources: 2%
- Iron ore (pellets): 15%
- Other main materials: 12%
- Auxiliary materials: 9%
- Fuel from outside sources: 7%
- Scrap: 14%
- Other operating (expenses)/income, net: -4

**MMK Group operational costs**

Q4 2011

- Cost of sales: 6%
- Selling and distribution expenses: 5%
- General and administrative expenses: 87%
- Other operating (expenses)/income, net: 2%
MMK Debt Profile

Debt structure breakdown by maturity profile
31.12.2011

- 70%
- 30%

Debt structure by currency
31.12.2011

- 44%
- 34%
- 22%

Long term debt maturity profile, USD mln

<table>
<thead>
<tr>
<th>Year</th>
<th>Debt Amount (USD mln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>940</td>
</tr>
<tr>
<td>2013</td>
<td>1261</td>
</tr>
<tr>
<td>2014</td>
<td>879</td>
</tr>
<tr>
<td>2015</td>
<td>297</td>
</tr>
<tr>
<td>2016 and beyond</td>
<td>630</td>
</tr>
</tbody>
</table>

MMK Group liquid assets, USD mln

As of March 30, 2012 the cost of FMG share portfolio on the MMK Group balance sheet amounted to about USD 940 mln

* Lease incl.
Capex in Q4 2011 amounted to USD 181 mln (USD 264 mln in Q3 2011, USD 328 mln in Q2 2011, USD 381 mln in Q1 2011)
Future Growth Factors

- Key beneficiary of steel market recovery
- Growing volumes and share of HVA products to secure sustainably high efficiency
- Focus on specialty steel products to replace imports in Russia and to enjoy domestic market price premium
- Direct exposure to growing industry sectors in the domestic market – auto manufacturing, machine-building and construction sectors
- Realization of the projects, aiming growing integration in raw materials
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