### MMK Group Highlights

#### 12M 2012 Financials
- Revenue: USD 9,328 mln, 0.2% growth y-o-y
- EBITDA: USD 1,356 mln, 1.5% growth y-o-y
- EBITDA margin: 14.5%

#### Q4 2012 Financials
- Revenue: USD 2,068 mln, 11% decrease q-o-q
- EBITDA: USD 296 mln, 25.6% decrease q-o-q
- EBITDA margin: 14.3%

#### 2012 Key Operational Figures
- MMK Group finished steel products output: 11,936 th. tonnes, 7% up y-o-y
- High value added (HVA) products output: 4,880 th. tonnes, more than 20% up y-o-y
- Share of HVA products in sales, MMK Group: 41%
• MMK Group finished products output in 12M 2012 rose 7% y-o-y and amounted to 11.9 mln tonnes

• 12M 2012 MMK Group HVA products output amounted to 4,880 ths. tonnes, 20% higher y-o-y

• Belon's production of coking coal concentrate in 12M 2012 was 3,325 ths. tonnes, 3.4% higher y-o-y

Key operational indicators

<table>
<thead>
<tr>
<th></th>
<th>12M 12</th>
<th>12M 11</th>
<th>%</th>
<th>Q4 '12</th>
<th>Q3 '12</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cast iron</td>
<td>10 121</td>
<td>9 496</td>
<td>7%</td>
<td>2 514</td>
<td>2 571</td>
<td>-2%</td>
</tr>
<tr>
<td>Crude steel incl.</td>
<td>13 037</td>
<td>12 195</td>
<td>7%</td>
<td>2 969</td>
<td>3 357</td>
<td>-12%</td>
</tr>
<tr>
<td>MMK</td>
<td>12 247</td>
<td>11 724</td>
<td>4%</td>
<td>2 931</td>
<td>3 187</td>
<td>-8%</td>
</tr>
<tr>
<td>MMK Metalurji</td>
<td>790</td>
<td>471</td>
<td>68%</td>
<td>38</td>
<td>170</td>
<td>-78%</td>
</tr>
<tr>
<td>OJSC MMK finished products output</td>
<td>11 029</td>
<td>10 646</td>
<td>4%</td>
<td>2 629</td>
<td>2 858</td>
<td>-8.0%</td>
</tr>
<tr>
<td>MMK-Metiz finished products*</td>
<td>493</td>
<td>465</td>
<td>6%</td>
<td>114</td>
<td>129</td>
<td>-12%</td>
</tr>
<tr>
<td>MMK Metalurji finished products</td>
<td>900</td>
<td>505</td>
<td>78%</td>
<td>152</td>
<td>211</td>
<td>-28%</td>
</tr>
<tr>
<td>Belon coking coal concentrate</td>
<td>3 325</td>
<td>3 126</td>
<td>6%</td>
<td>803</td>
<td>985</td>
<td>-18%</td>
</tr>
</tbody>
</table>

* - incl. made from MMK's steel

OJSC MMK finished products sales, th. tonnes

2012 OJSC MMK capacity utilization rate

Steel: 84%, Long steel: 91%, HRC: 89%, CRC: 67%, Galv. Steel*: 92%, Colour coated steel: 82%

* Launch of mill 2000 complex in July 2012 is included
MMK consider domestic market to be of higher priority for the company due to geographical proximity and better product mix.

MMK 2012 share of domestic sales was 77%, providing 83% of revenue.

Higher share of HVA products in domestic shipments allows MMK to have price premium from domestic sales. Q4 2012 average steel products price per tonne on domestic market was USD 700, on export markets – USD 473.

**Domestic market price premium, USD**

- Q3 2012 - USD 226
- Q4 2012 – USD 227

**MMK sales by market, th. tonnes**

- Domestic market (Russia + CIS)
- Export

**MMK Group HVA products output growth, th. tonnes**

- 12M 2011: 4,063
- 12M 2012: 4,880
- Increase: 20%
OJSC MMK Domestic Sales Structure

- 12M 2012 domestic shipments amounted to 8,449 ths. tonnes
- Shipments to the highest metal-consuming regions – the Urals and Volga Region - accounted for 62% of sales
- MMK’s largest clients remain pipe-makers, car manufacturers, construction and heavy machinery companies
- HVA products account for 40% of domestic shipments in 2012

### Domestic sales of finished products

- **2012**
  - HVA 40%
  - Flat cold-rolled products 13%
  - Mill 5000 products 9%
  - Flat hot-rolled products 40%
  - Downstream products 18%

### Domestic sales by region

- **2012**
  - Volga Region 22%
  - Ural 40%
  - Central Region 12%
  - Siberia 7%
  - South 5%
  - Far East 0.6%
  - North-West 2%
  - CIS 11%

### Domestic sales by industry

- **2012**
  - CIS sales 10.9%
  - Spot sales 23.7%
  - Pipe production 26.3%
  - Fuel and energy companies 0.4%
  - Construction sector 12.5%
  - Machine building 10.9%
  - Food industry 0.6%
  - Bridge building 0.8%
  - Automobile sector 4.6%
  - Hardware and semi-integrated factories 9.3%
OJSC MMK Presence on Key Export Markets

- 12M 2012 export shipments amounted to 2,580 ths. tonnes (23% of total shipments)
- Exports accounted for 17% in 2012 revenues
- Middle East, Europe, Asia and Far East remain the largest export markets of MMK
- Hot-rolled steel remains the main export product, accounting for 79% of export sales in 2012

**Export shipments by region**

<table>
<thead>
<tr>
<th>Region</th>
<th>Share of Export Shipments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle East</td>
<td>45%</td>
</tr>
<tr>
<td>Europe</td>
<td>30%</td>
</tr>
<tr>
<td>Asia and Far East</td>
<td>13%</td>
</tr>
<tr>
<td>Africa</td>
<td>6%</td>
</tr>
<tr>
<td>Middle and Latin America</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Share of export shipments in revenue**

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic</th>
<th>Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>61%</td>
<td>39%</td>
</tr>
<tr>
<td>2007</td>
<td>66%</td>
<td>34%</td>
</tr>
<tr>
<td>2008</td>
<td>72%</td>
<td>28%</td>
</tr>
<tr>
<td>2009</td>
<td>64%</td>
<td>36%</td>
</tr>
<tr>
<td>2010</td>
<td>75%</td>
<td>25%</td>
</tr>
<tr>
<td>2011</td>
<td>75%</td>
<td>25%</td>
</tr>
<tr>
<td>2012</td>
<td>83%</td>
<td>17%</td>
</tr>
</tbody>
</table>
MMK Group 2012 Financial Highlights

- Sales in 2012 marginally increased y-o-y and totaled USD 9,328 mln

- Cost of sales in 2012 grew by 1.6% y-o-y and equaled USD 7,881 mln. The growth was mostly due to increase of depreciation after launch of new facilities

- MMK Group 2012 EBITDA increased 1.5% y-o-y and equaled USD 1,356 mln, securing EBITDA margin of 14.5%

**MMK Group financial highlights, USD mln**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>+/-</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>9,328</td>
<td>9,306</td>
<td>22</td>
<td>0.2%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-7,881</td>
<td>-7,756</td>
<td>-125</td>
<td>1.6%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>266</td>
<td>365</td>
<td>-99</td>
<td>-27.1%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,356</td>
<td>1,336</td>
<td>20</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

**EBITDA and EBITDA margin, USD mln**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>1,336</td>
<td>1,356</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>14.4%</td>
<td>14.5%</td>
</tr>
</tbody>
</table>
MMK Key Performance Indicators Analysis

- The main MMK Group 2012 EBITDA growth driver was Russian steel segment profitability growth by 13% y-o-y

- Coal segment EBITDA decrease in 2012 was mostly due to unfavorable market conditions

- Q4 2012 cash-cost of slab decreased mainly due to decreasing raw materials prices and amounted to USD 374

**EBITDA analysis, USD mln**

**Cash-cost of slab evolution, USD**
**MMK Group Operating Costs and Cost of Sales Structure**

### MMK Group operational costs, USD mln

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>+/-</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>7 881</td>
<td>7 756</td>
<td>125</td>
<td>2%</td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>549</td>
<td>499</td>
<td>50</td>
<td>10%</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>575</td>
<td>560</td>
<td>15</td>
<td>3%</td>
</tr>
<tr>
<td>Other operating (expenses)/income, net</td>
<td>57</td>
<td>126</td>
<td>-69</td>
<td>-55%</td>
</tr>
<tr>
<td>Total operating costs</td>
<td>9 062</td>
<td>8 941</td>
<td>121</td>
<td>1%</td>
</tr>
</tbody>
</table>

### Cost of sales structure

#### 2012

- **OJSC MMK material costs:** 5352
- **Labour costs:** 894
- **Amortisation:** 927
- **Other Group Companies:** 269
- **Others:** 292

#### Change in uninvoiced products balance: 96

### OJSC MMK material costs structure

#### 2012

- **Iron ore (sinter):** 15% 19%
- **Iron ore (pellets):** 15%
- **Coals:** 22%
- **Scrap:** 15%
- **Other main materials:** 12%
- **Auxiliary materials:** 10%
- **Power from outside sources:** 3%
- **Fuel from outside sources:** 8%
MMK Debt Profile

Debt structure breakdown by maturity profile

- Long-term debt: 42%
- Short-term debt and current portion of long-term debt: 58%

Debt structure by currency

- RUR: 38%
- USD: 40%
- Euro: 22%

3,880 USD mln

Debt maturity profile, USD mln

- 2013: 1,631
- 2014: 983
- 2015: 543
- 2016: 286
- 2017 and beyond: 424

Debt structure by currency

- RUR: 40%
- USD: 38%
- Euro: 22%

3,880 USD mln

Effective Debt control, USD mln

- 30.06.2012: 3,04
- 31.12.2012: 2,86

* Interest rate SWAP not incl.
Capex in Q4 2012 amounted to USD 153 mln, 12M 2012 capex amounted to USD 674 mln (42% down y-o-y)
Main investment projects for 2012 are c/r mill 2000, modernization of h/r mill 2500 and Belon’s investment programme
Working capital optimization allowed the company to get additional USD 314 mln of cash flow in 2012
12M 2012 FCF equaled to USD 511 mln
Future Growth Factors

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

• THIS PRESENTATION IS FOR INFORMATION ONLY.
• THIS PRESENTATION IS FOR DISTRIBUTION IN UK ONLY AMONG THE PEOPLE HAVING PROFESSIONAL SKILL IN THE ISSUES RELATED TO INVESTMENTS WITHIN THE MEANING OF ARTICLE 19(5) OF DIRECTIVE ON FINANCIAL ADVERTISEMENT APPROVED IN 2005 ON THE BASIS OF LAW ON FINANCIAL SERVICES AND MARKETS 2000, OR THOSE PEOPLE, AMONG WHICH IT MAY BE LAWFULLY DISTRIBUTED. THIS INFORMATION IS CONFIDENTIAL AND PROVIDED TO YOU EXCLUSIVELY FOR YOUR REFERENCE. BY ACCEPTANCE OF THIS INFORMATION THE RECIPIENT HEREOF CONFIRMS THAT HE OR SHE IS A SPECIALIST IN THE SPHERE OF INVESTMENTS WITHIN THE MEANING OF ARTICLE 19(5) OF DIRECTIVE ON FINANCIAL ADVERTISEMENT APPROVED IN 2005 ON THE BASIS OF LAW ON FINANCIAL SERVICES AND MARKETS 2000, ACTING IN HIS OR HER NATURE.
• THIS PRESENTATION DOES NOT CONSTITUTE AN OFFER OR A PART THEREOF, OR INVITATION TO SELL OR TO ISSUE, OR TO SUBSCRIBE FOR OR OTHERWISE PURCHASE ANY SHARES IN THE COMPANY OR ANY OTHER SECURITIES AND NOTHING CONTAINED HEREIN SHALL FORM THE BASIS OF ANY CONTRACT OR COMMITMENT WHATSOEVER.
• THE INFORMATION CONTAINED HEREIN IS SUBJECT TO VERIFICATION, COMPLETION AND MAY BE SIGNIFICANTLY CHANGED. NONE OF THE PERSONS IS LIABLE TO UPDATE OR MAINTAIN TOPICALITY OF THE INFORMATION CONTAINED HEREIN, AND THIS INFORMATION AND OPINIONS REFLECTED THEREIN COULD BE CHANGED WITHOUT ANY NOTIFICATION THEREABOUT.
• THIS INFORMATION DOES NOT CONSTITUTE AN OFFER OF THE SECURITIES TO BE SOLD IN RUSSIA, THE UNITED STATES OR ANY OTHER JURISDICTION. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE OFFERED OR SOLD INTO THE UNITED STATES EXCEPT IN A TRANSACTION REGISTERED UNDER SUCH ACT, OR NOT REQUIRED TO BE REGISTERED THERE UNDER, OR PURSUANT TO AND EXEMPTION FROM REGISTRATION REQUIREMENTS THEREOF. NO OFFERING OF SECURITIES IS BEING MADE INTO THE UNITED STATES. NO SECURITIES WILL BE REGISTERED UNDER THE APPLICABLE SECURITIES ACT OF ANY STATE OR TERRITORIAL ENTITY OF CANADA AND JAPAN. THIS PRESENTATION IS NOT SUBJECT TO MAILING, TRANSFERRING OR OTHER TYPE OF DISTRIBUTION IN THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA AND JAPAN, OR TO THE TERRITORY OR FROM THE TERRITORY OF THE SPECIFIED COUNTRIES TO THE NAME OF ANY ANALYST IN THE SPHERE OF SECURITIES OR OTHER PERSON IN ANY OF THE SPECIFIED JURISDICTIONS. YOU AGREE TO AVOID FROM DISTRIBUTION OF ANY REPORT RESULTING FROM THE SURVEY OR SIMILAR DOCUMENTS ON THE TERRITORY OF THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA AND JAPAN, SAVE AS IN ACCORDANCE WITH THE FEDERAL LAWS OF THE UNITED STATES ON SECURITIES INCLUDING SECURITIES ACT, AS WELL AS THE APPLICABLE LAWS OF CANADA, AUSTRALIA AND JAPAN, ACCORDINGLY.
• SUCH STATEMENTS RELATED TO THE FUTURE ARE LINKED TO THE RISKS, UNCERTAINTIES AND ASSUMPTIONS, AS WELL AS TO OTHER FACTORS, WHICH MAY LEAD TO THE EVENT THAT ACTUAL RESULTS OF THE COMPANY’S ACTIVITY AND ACTIVITY OF THE MARKETS, ON WHICH IT OPERATES OR INTENDS TO OPERATE IN, THEIR FINANCIAL STATUS, LIQUIDITY, CHARACTERISTICS, PROSPECTS AND ABILITIES COULD MATERIALLY DIFFER FROM THOSE, WHICH ARE EXPRESSED WITH THE HELP OF SUCH STATEMENTS RELATED TO THE FUTURE. THE IMPORTANT FACTORS, WHICH MAY RESULT IN SUCH DIFFERENCES, INCLUDE, INTER ALIA: CHANGING BUSINESS CONDITIONS AND OTHER MARKET CONDITIONS, COMMON ECONOMIC CONDITIONS IN RUSSIA, EU COUNTRIES, THE UNITED STATES OF AMERICA OR ANYWHERE ELSE, AS WELL AS THE ABILITY OF THE COMPANY TO MEET THE TRENDS IN THE INDUSTRY. THE MATERIAL DIFFERENCE OF THE ACTUAL RESULTS, FEATURES AND ACHIEVEMENTS MAY BE THE RESULT OF ADDITIONAL FACTORS, THE COMPANY AND ALL ITS DIRECTORS, OFFICERS, EMPLOYEES AND ADVISORS HEREWITH STATE THAT THEY ARE NOT OBLIGED TO ISSUE ANY UPDATE OF OR REVISE ANY STATEMENTS RELATED TO THE FUTURE CONTAINED HEREIN, OR DISCLOSE ANY CHANGES IN THE FORECASTS OF THE COMPANY OR EVENTS, CONDITIONS AND CIRCUMSTANCES, WHICH SUCH STATEMENTS RELATED TO THE FUTURE ARE BASED ON, SAVE AS IN THE CASES PROVIDED FOR BY THE APPLICABLE LAWS.
• RECEIPT OF ANY COPY OF THIS INFORMATION TESTIFIES THE ACCEPTANCE OF THE ABOVE LIMITATIONS.