



**MAGNITOGORSK  
IRON & STEEL  
WORKS**

OPEN JOINT STOCK COMPANY

# Presentation of the OJSC MMK Group Q1 2010 IFRS Financial Statements



The presentation contains selected data from the financial statements of MMK Group.  
Detailed information is provided in the financial statements of the Group Q1 2010 prepared according to IFRS.



## OJSC MMK's Key Production Indicators

thousand tons

Description	Q1 2010	Q1 2009	Change	Change, %
6% humidity coke	1 287	908	379	41,7%
Pig iron	2 236	1 592	644	40,5%
Crude steel	2 732	2 070	662	32,0%
<i>Incl. EAF steel</i>	447	448	-1	-0,2%
<i>BOF steel</i>	2 285	1 622	663	40,9%





## Historical Structure of OJSC MMK's commercial products' mix

Description	thousand tons			
	Q1 2010	Q1 2009		Change
Billets and slabs	0	0	0	0
Long products	210	256	-46	-18,0%
Flat products	1 936	1 448	488	33,7%
Downstream products	307	213	94	44,1%
<b>Commercial products</b>	<b>2 453</b>	<b>1 917</b>	<b>536</b>	<b>28,0%</b>
<i>incl. High Value Added products</i>	<i>734</i>	<i>401</i>	<i>333</i>	<i>83,0%</i>



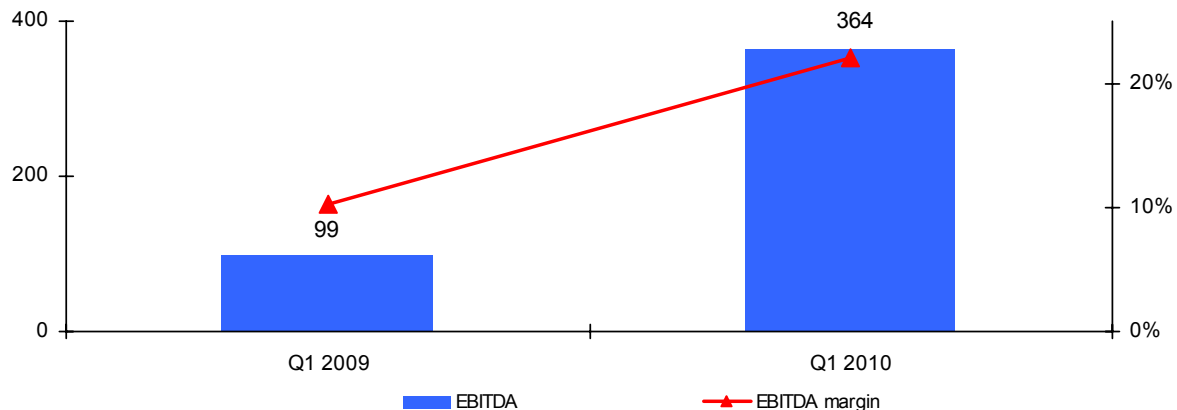


# MMK Group Income Statement

	Q1 2010	Q1 2009	Change	Change, %
Revenue	1 652	965	687	71,2%
Operating profit	135	(45)	180	-
Profit before income tax	121	(111)	232	-
Profit for the period	94	(110)	204	-
EBITDA*	364	99	265	267,7%
<i>EBITDA margin</i>	22,0%	10,3%		



MMK Group EBITDA in 2009



\* EBITDA = Operating income +  
Depreciation of assets + Loss on  
disposal of fixed assets +/-  
Operations with affiliates



# MMK Group's Key Financial Indicators

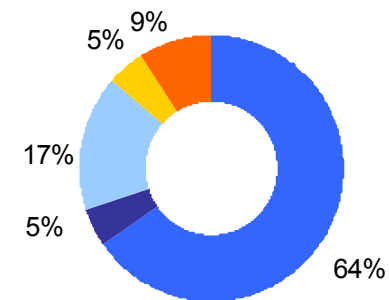
## Proceeds by type of product

	Q1 2010	Q1 2009	Change	Change, %
Flat products	1 079	590	489	82,9%
Long products	77	105	-28	-26,7%
Downstream products	273	178	95	53,4%
Coal	77	-	77	-
Other products and services	146	92	54	58,7%
<b>Total proceeds</b>	<b>1 652</b>	<b>965</b>	<b>687</b>	<b>71,2%</b>



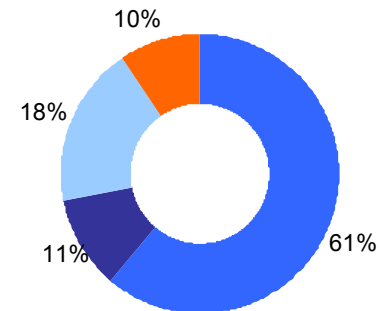
## Proceeds by type of product

1Q2009



- Flat Products
- Long Products
- Downstream Products
- Coal
- Other Products and Services

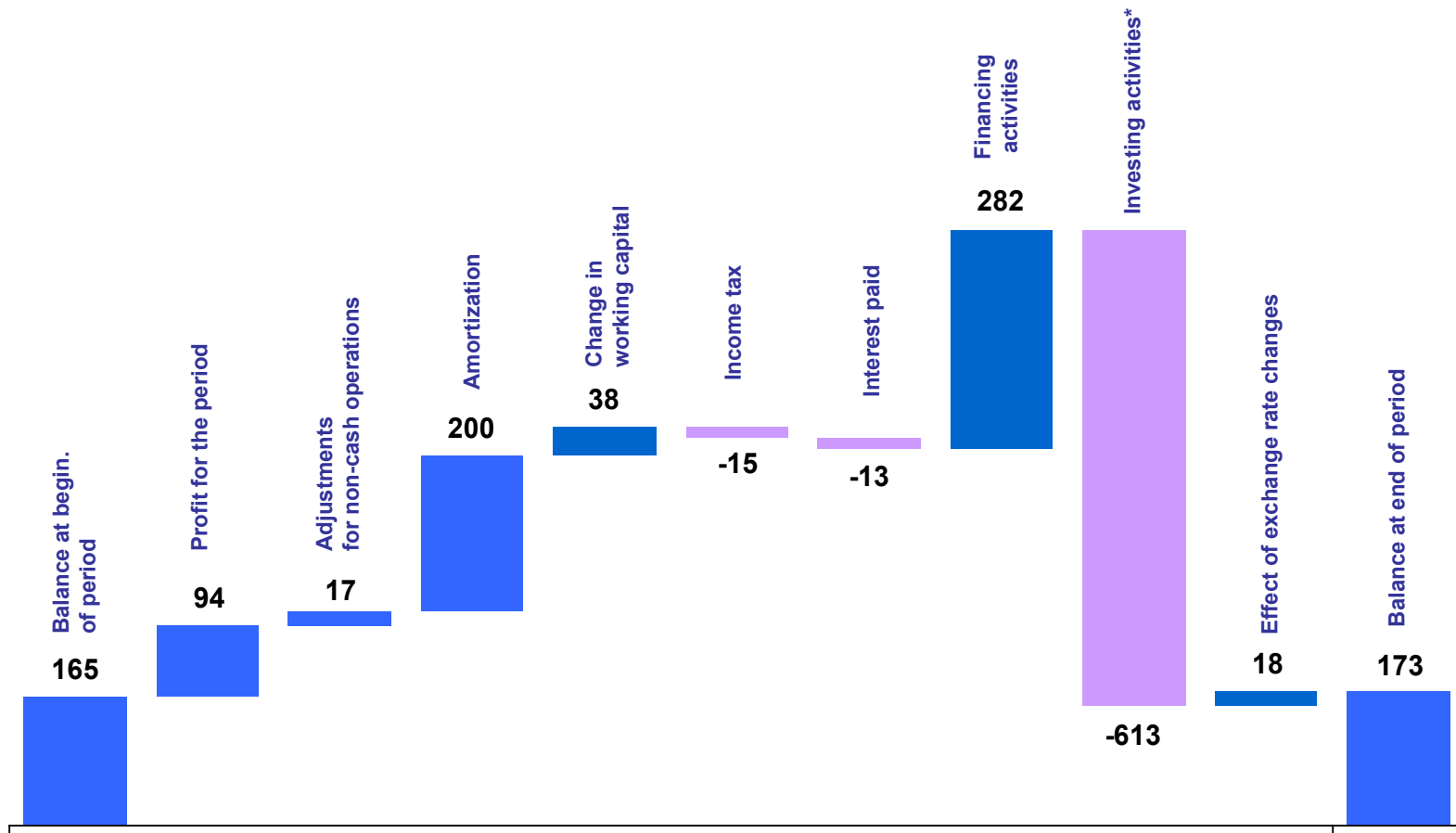
Q1 2009





# MMK Group's Cash Flows

Change of cash balance during Q1 2010, USD m



\* Investing activities: (622) m USD – Purchase of property, plant and equipment and Intangible assets

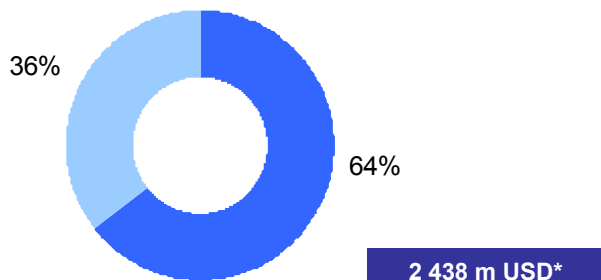
# MMK Group's Strong Balance Sheet, USD m

	31.03.2010	31.12.2009	Change	%
<b>Non-current assets, incl.</b>	<b>13 190</b>	<b>12 403</b>	<b>787</b>	<b>6,3%</b>
<i>Property, plant and equipment</i>	<i>11 981</i>	<i>11 276</i>	<i>705</i>	<i>6,3%</i>
<i>Other non-current assets</i>	<i>1 209</i>	<i>1 127</i>	<i>82</i>	<i>7,3%</i>
<b>Current assets, incl.</b>	<b>2 632</b>	<b>2 430</b>	<b>202</b>	<b>8,3%</b>
<i>Inventories</i>	<i>882</i>	<i>856</i>	<i>26</i>	<i>3,0%</i>
<i>Trade and other receivables</i>	<i>1 074</i>	<i>941</i>	<i>133</i>	<i>14,1%</i>
<i>Investments in securities and other financial assets</i>	<i>245</i>	<i>221</i>	<i>24</i>	<i>10,9%</i>
<i>Cash and cash equivalents</i>	<i>173</i>	<i>165</i>	<i>8</i>	<i>4,8%</i>
<i>Other receivables and current assets</i>	<i>258</i>	<i>247</i>	<i>11</i>	<i>4,5%</i>
<b>Total assets</b>	<b>15 822</b>	<b>14 833</b>	<b>989</b>	<b>6,7%</b>
<b>Equity attributable to shareholders of the parent company</b>	<b>10 415</b>	<b>9 957</b>	<b>458</b>	<b>4,6%</b>
<b>Minority interest</b>	<b>387</b>	<b>368</b>	<b>19</b>	<b>5,2%</b>
<b>Non-current liabilities, incl.</b>	<b>3 072</b>	<b>2 731</b>	<b>341</b>	<b>12,5%</b>
<i>Long-term borrowings and obligations under financial lease</i>	<i>1 572</i>	<i>1 290</i>	<i>282</i>	<i>21,9%</i>
<i>Other non-current liabilities</i>	<i>1 500</i>	<i>1 441</i>	<i>59</i>	<i>4,1%</i>
<b>Current liabilities, incl.</b>	<b>1 948</b>	<b>1 777</b>	<b>171</b>	<b>9,6%</b>
<i>Accounts payables</i>	<i>1 059</i>	<i>928</i>	<i>131</i>	<i>14,1%</i>
<i>Short-term borrowings and current portion of long-term borrowings</i>	<i>866</i>	<i>828</i>	<i>38</i>	<i>4,6%</i>
<i>Other current liabilities</i>	<i>23</i>	<i>21</i>	<i>2</i>	<i>9,5%</i>
<b>Total liabilities</b>	<b>5 020</b>	<b>4 508</b>	<b>512</b>	<b>11,4%</b>
<b>Total equity and liabilities</b>	<b>15 822</b>	<b>14 833</b>	<b>989</b>	<b>6,7%</b>

# MMK Group Debt

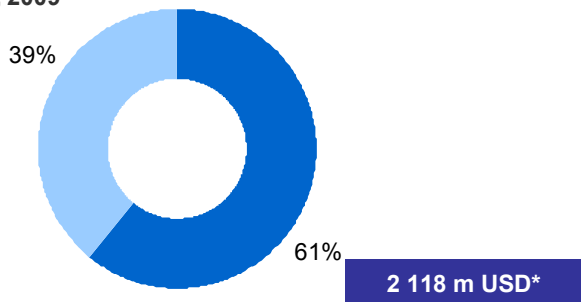
## Debt maturity structure

as of March 31, 2010



■ Long-term Debt    ■ Short-term Debt

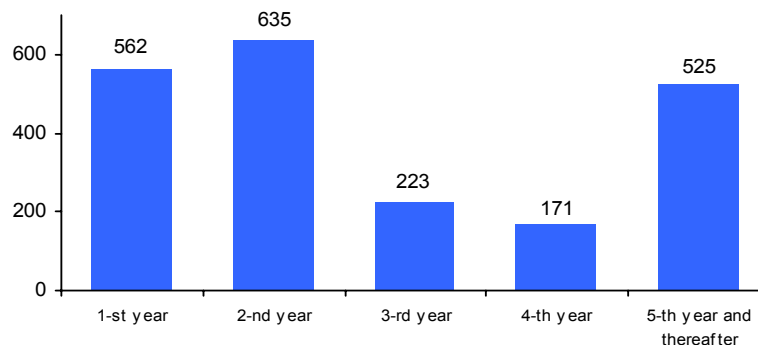
as of December 31, 2009



\* Lease incl.

## Debt repayment schedule

As of March 31, 2010



## Liquid Assets Dynamics, m USD

