NLMK

Q3 and 9M 2011
Financial and Production Results

US GAAP

Consolidated Financial Statements

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KEY HIGHLIGHTS

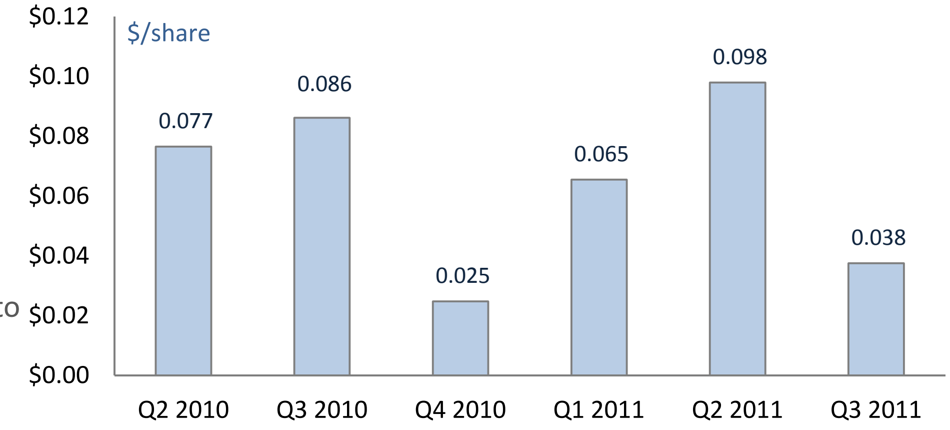
FINANCIAL PERFORMANCE

- Revenue: $3.334 bn (+12% q-o-q)
- Production costs: $2.367 bn (+33% q-o-q)
- EBITDA: $537 m* (incl. roll-back effect on slabs supplied to SIF in Q2 2011: $478 million*)
- EBITDA margin: 16% (incl. roll-back effect on slabs supplied to SIF in Q2 2011: 14%)
- Cash flow from operations: $658 m (+132% q-o-q)
- Capex: $607 m (+16% q-o-q)
- Dividends for 6M 2011: $263 m (+115% y-o-y)

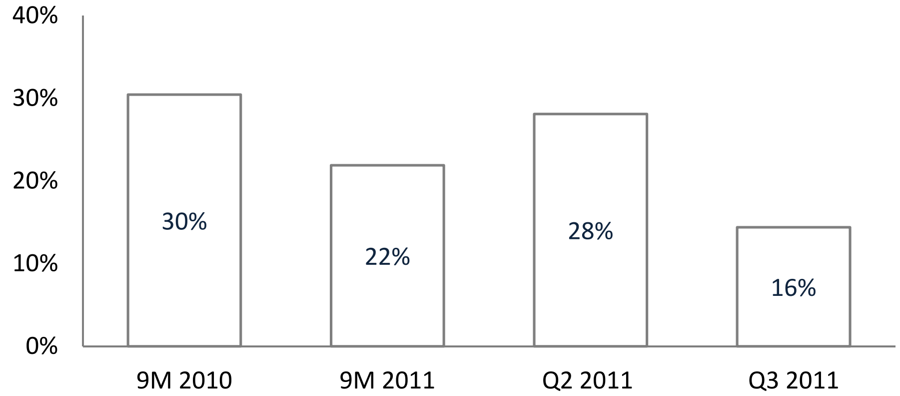
Q3 2011 OPERATING RESULTS

- Crude steel production: 2.895 m t (-3% q-o-q)
- Sales: 3.421 m t (+9% q-o-q)
- Value added product sales: 1.398 m t, +51% q-o-q
- Average selling price: $858/t (+4%)
- Cash cost per tonne of slabs: $405/t, in line with Q2

EARNINGS PER SHARE



EBITDA MARGIN



Incl. roll-back effect*

* For roll-back effect on slabs supplied to SIF in Q2 2011 following asset consolidation see slide #9

PRODUCTION

Q3 CRUDE STEEL PRODUCTION

- NLMK Group steel output: 2.9 m t, -3% q-o-q
- Lipetsk site: 2.4 m t, +2% q-o-q
- Long Products Division: 0.28 m t, -41% q-o-q
- Foreign rolled products segment*: 0.22 m t, +35% q-o-q

STEELMAKING CAPACITY UTILISATION

- Lipetsk site – 100%
- Long Products Division ~50%
- Foreign rolled products segment*~ 80%

OUTLOOK

- Q4 2011:

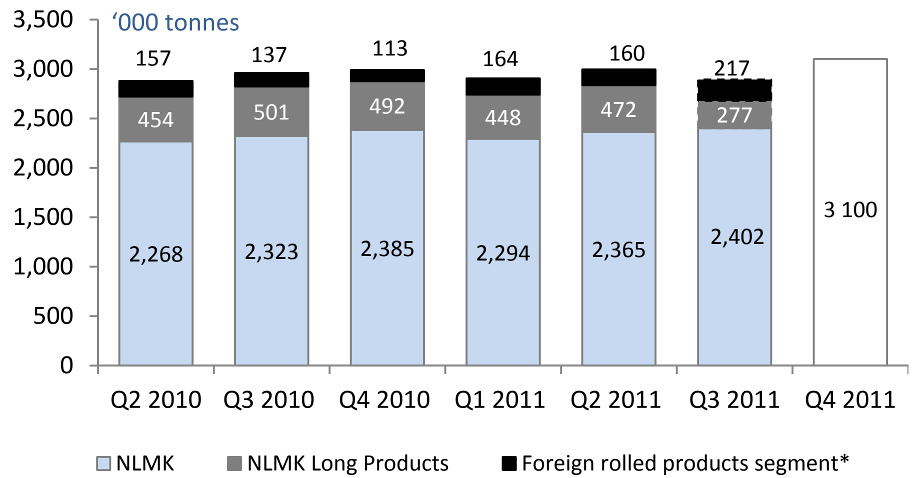
  Steel output: 3.1 m t (+7.5% q-o-q)

  Sales: 3.4 m t
- FY 2011:

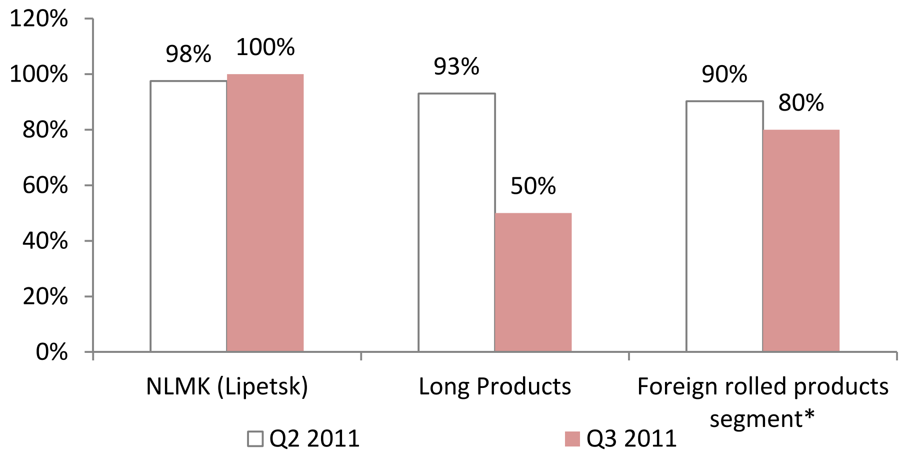
  Steel output: ~12 m t (+3% y-o-y)

  Sales: 12.8 m t (+9% y-o-y)

CRUDE STEEL PRODUCTION



STEELMAKING CAPACITY UTILISATION



* Following the consolidation of SIF, NLMK's Foreign Rolled Products segment comprises EAF capacities at NLMK Verona and NLMK Indiana

SALES

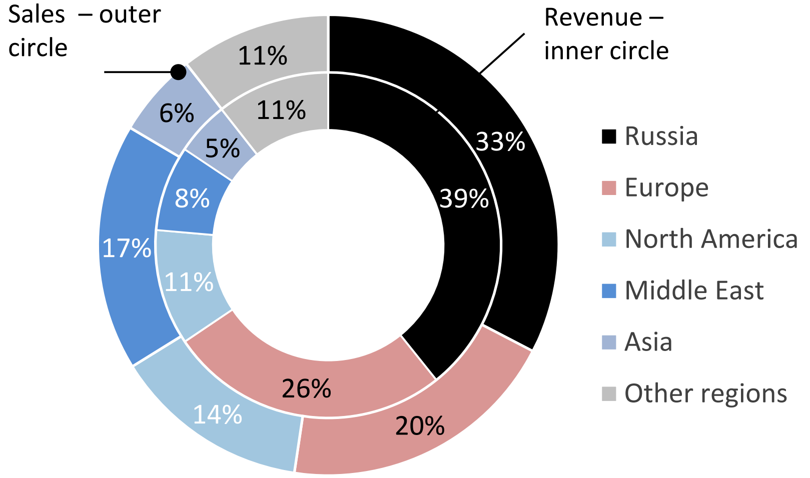
SALES UP +9% q-o-q

- Sales volumes up to 3.4 m t, +9%
- Sales and revenue highly diversified by regions

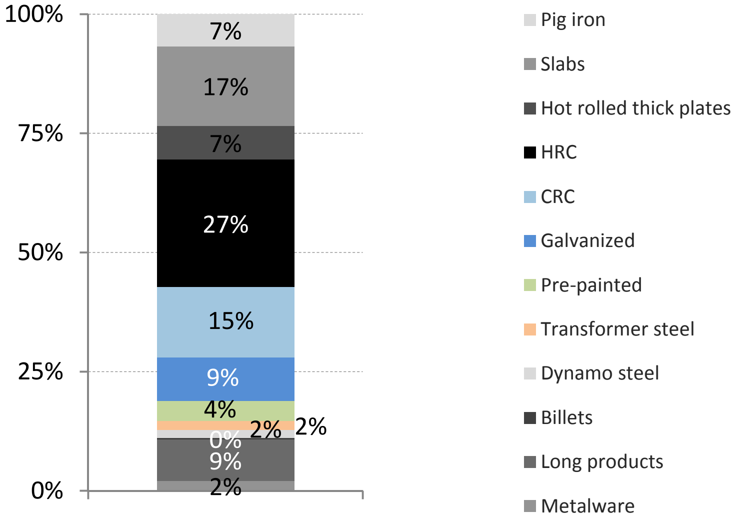
INCREASED HVA SALES

- HVA sales*: 1.398 k t (+471 k t, +51%)
- Stable domestic demand
- Consolidation of foreign assets

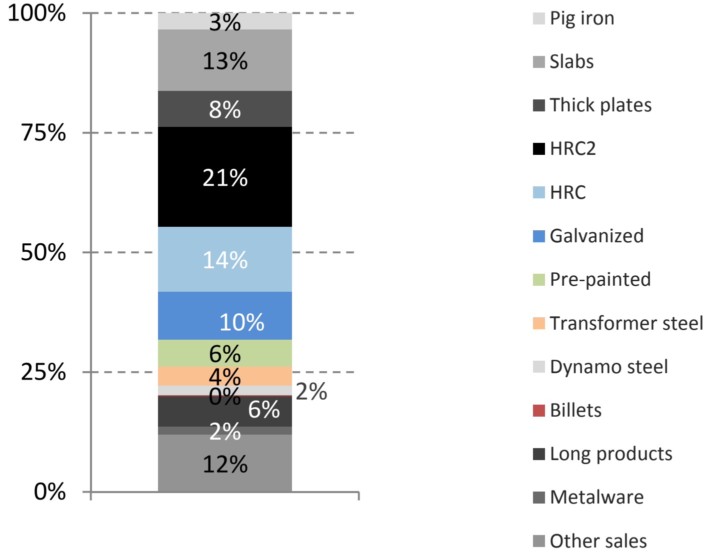
Q3 2011 SALES AND REVENUE BY REGIONS



Q3 2011 SALES BY PRODUCT



Q3 2011 REVENUE BY PRODUCT



* Including plates, CRC, pre-painted and electrical steels and metalware

KEY DRIVERS

Higher finished product sales

FOLLOWING THE CONSOLIDATION OF ROLLING ASSETS

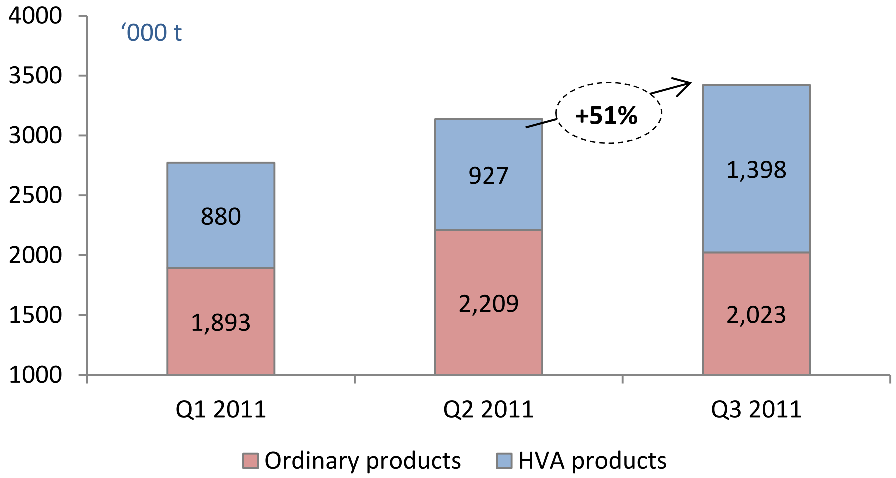
(1) Higher sales

   a. +9%, including +166 k t – net increase due to SIF consolidation

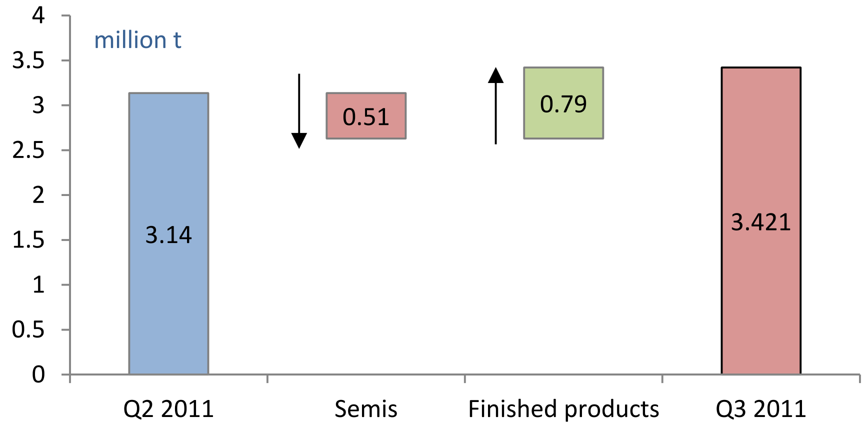
(2) Changes in the mix and geography of sales

   a. Higher value added product sales,+51%; average sales price per tonne of steel products up 4%

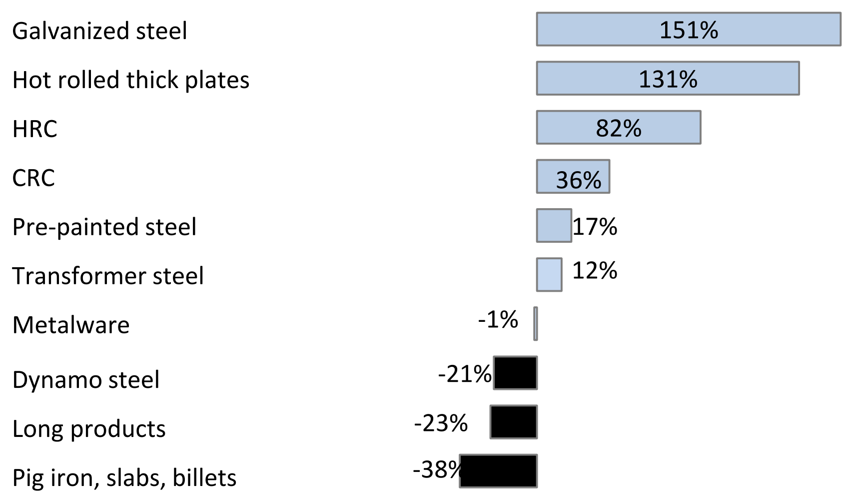
HIGHER SHARE OF VALUE ADDED PRODUCT SALES



HIGHER SALES AND MIX SHIFTS



HIGHER SALES OF VALUE ADDED PRODUCTS IN Q3*



* quarter-on-quarter, in natural terms.

KEY DRIVERS

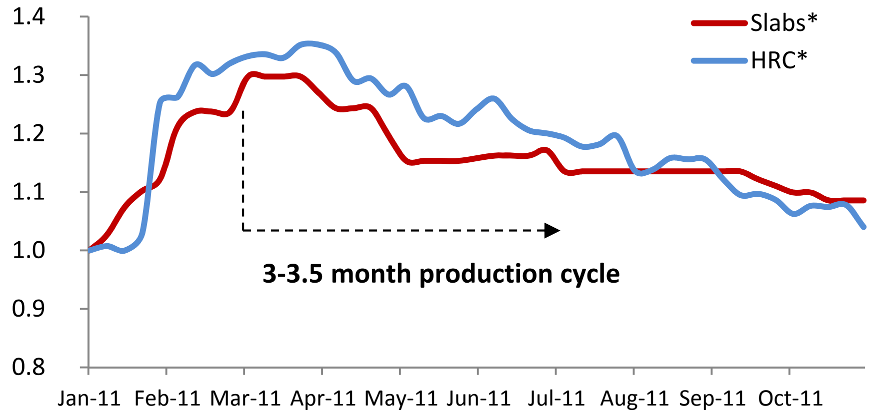
Market changes

STABLE DOMESTIC DEMAND

EXPORT MARKETS – PRICES SOFTENED DUE TO SEASONAL SLOWDOWN IN EUROPE

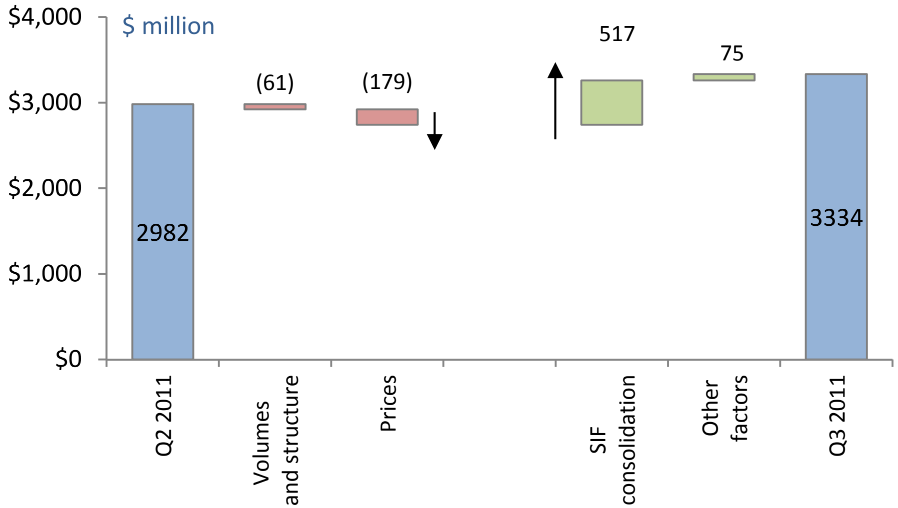
WORSENED MACROECONOMIC CONDITIONS HAD A NEGATIVE IMPACT ON DEMAND

PRICE DYNAMICS, index, January 2011=1

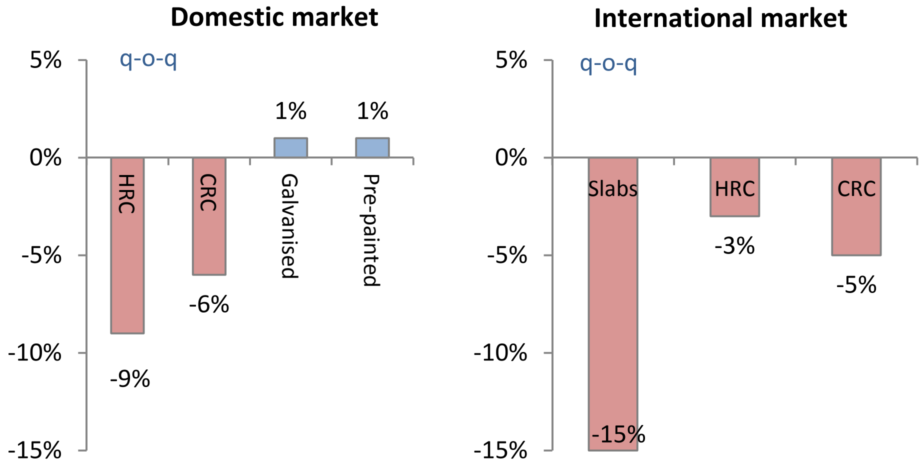


* Source: .SBB, slabs based on FOB Black Sea, HRC EC CFR

KEY DRIVERS IMPACTING Q3 REVENUE



CHANGE IN NLMK AVERAGE SALES PRICES**



** quarter-on-quarter, in natural terms.

KEY DRIVERS

Higher production costs

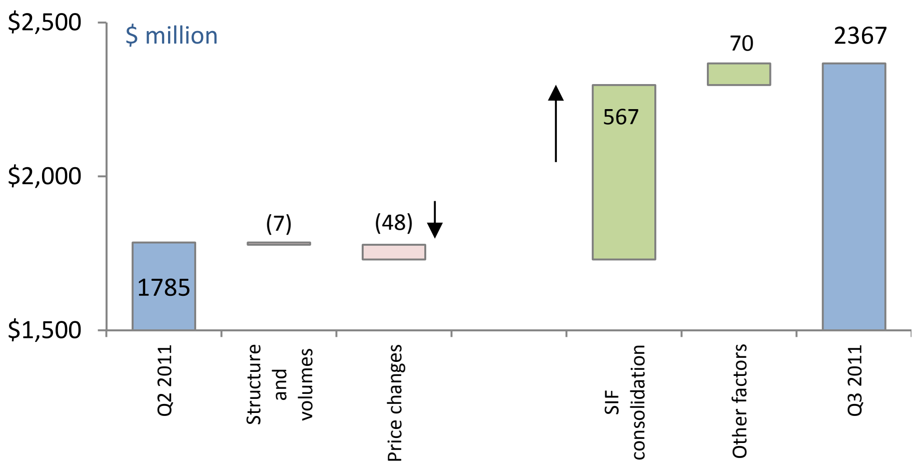
STEEL PRODUCTION IN RUSSIA:

- For Russian steelmaking assets, raw material prices remained under control
- Costs increased insignificantly following the launch of new equipment

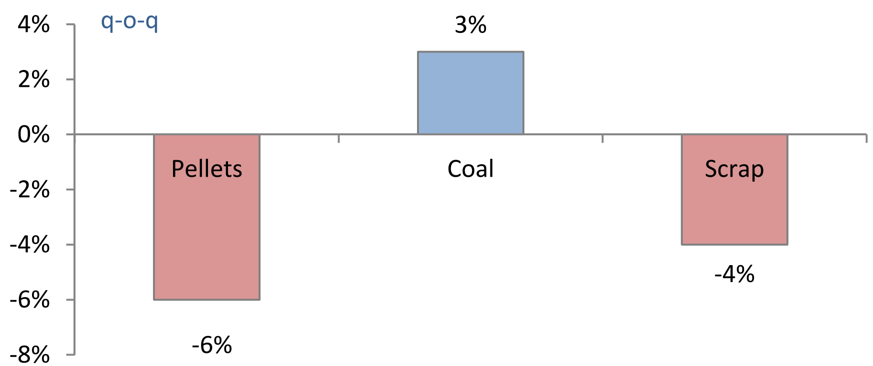
HIGHER PRODUCTION COSTS FOLLOWING THE CONSOLIDATION OF FOREIGN ROLLING ASSETS

- A relatively long production cycle coupled with lower prices for finished products increased production costs

KEY DRIVERS IMPACTING Q3 PRODUCTION COSTS



STEEL SEGMENT: CHANGES IN AVERAGE PRICES FOR RAW MATERIALS IN Q3



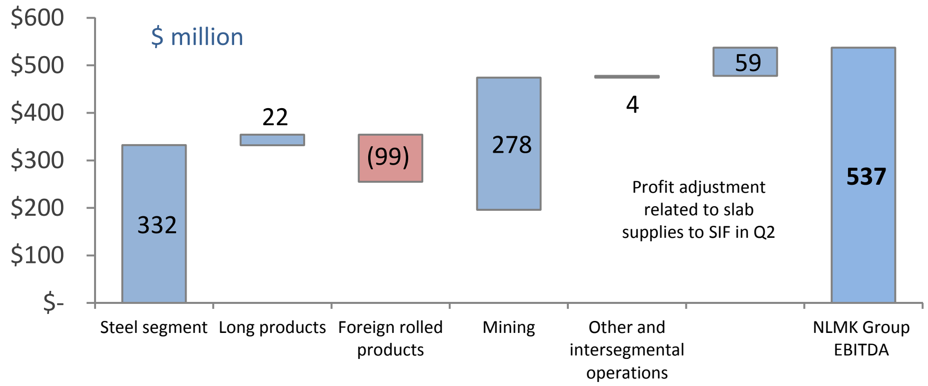
SEGMENTS PROFITABILITY

MAJOR FACTORS IMPACTING PROFITABILITY

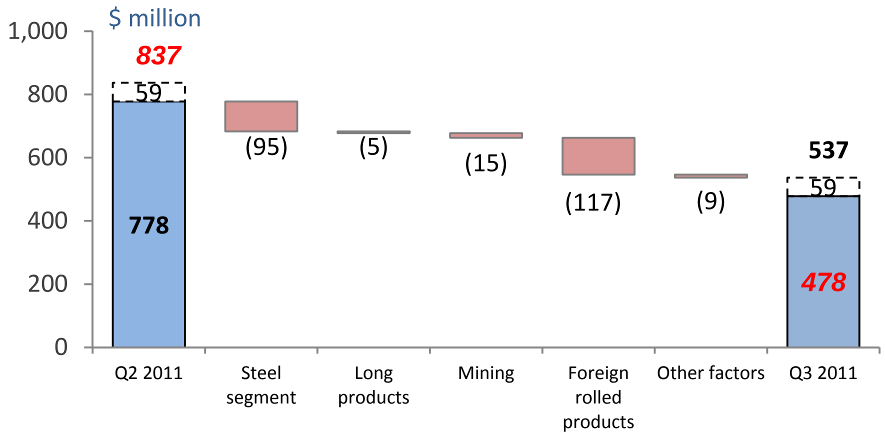
- Deteriorated market environment coupled with lowering prices for steel products and nearly flat raw material prices
- The contribution of the less profitable assets of Foreign rolled products segment

Q3 2011 EBITDA INCLUDES $59M NEGATIVE EFFECT FROM NON-REALIZED PROFIT ADJUSTMENTS RELATED TO SLABS SUPPLIED TO STEEL INVEST AND FINANCE ROLLING ASSETS IN Q2 2011

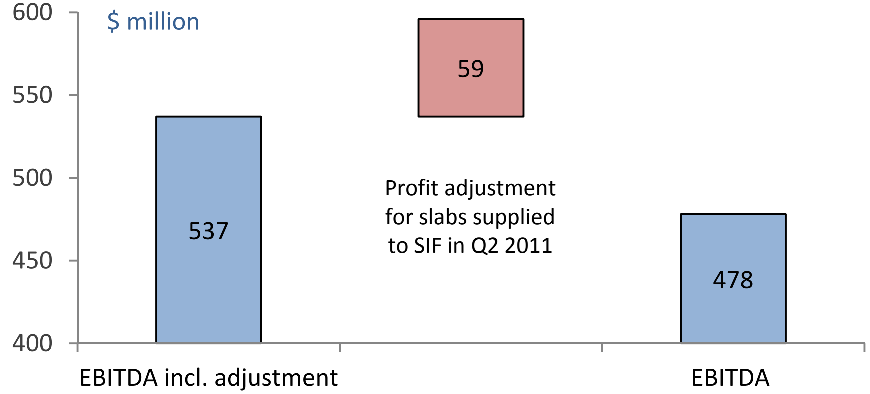
Q3 2011 EBITDA BY SEGMENT*



SEGMENTAL IMPACT ON EBITDA



PROFIT ADJUSTMENT FOR SLABS SUPPLIED TO SIF IN Q2



EBITDA by segments is calculated based on operating income and D&A by segments

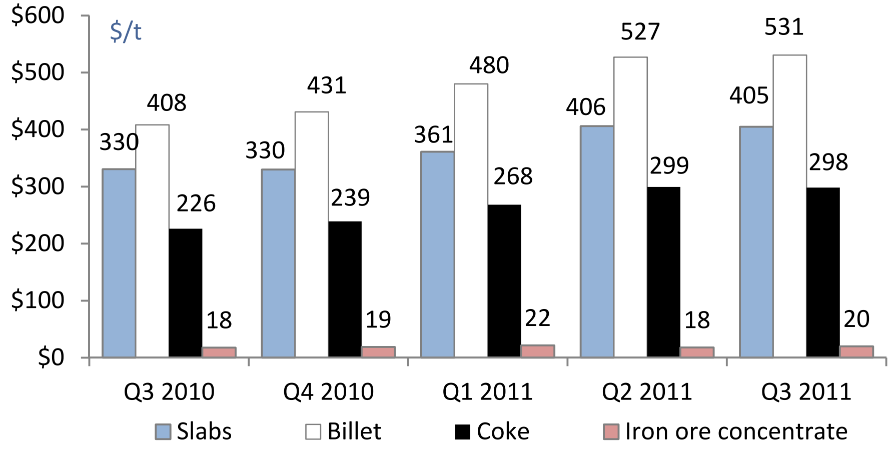
PRODUCTION COSTS

CASH COST PER TONNE OF SLABS IN LINE WITH Q2

WEAKER RUR OFFSETS DEPLETION OF RAW MATERIAL

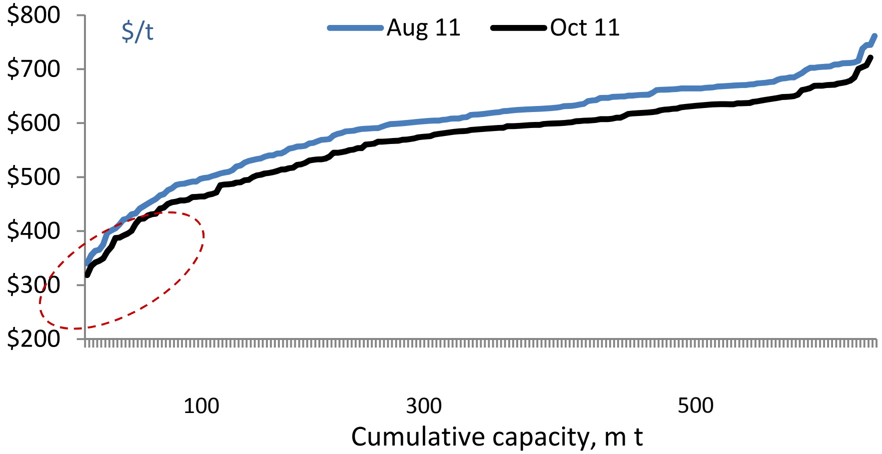
INVENTORY FORMED AT LOWER PRICES

CASH COSTS BY PRODUCT

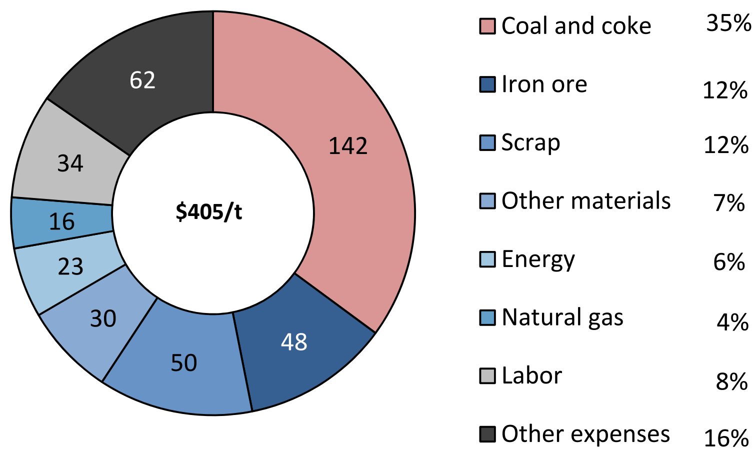


$/t	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011
Slabs	330	330	361	406	405
Billet	408	431	480	527	531
Coke	226	239	268	299	298
Iron ore concentrate	18	19	22	18	20

GLOBAL SLAB PRODUCTION COSTS



SLAB CASH COST, Q3 2011



DEBT POSITION

TOTAL DEBT $3.82 BILLION:

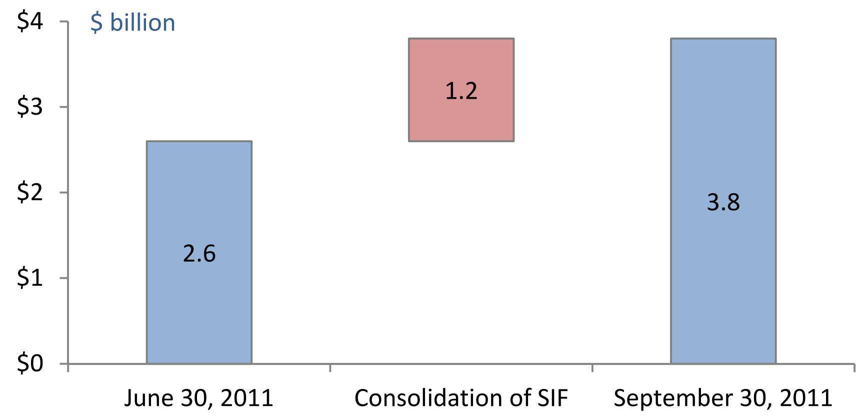
- Consolidated SIF debt ~$1.2 billion
- … including c. $790 million to finance working capital

$0.89 BILLION OF LIQUID FUNDS[1]

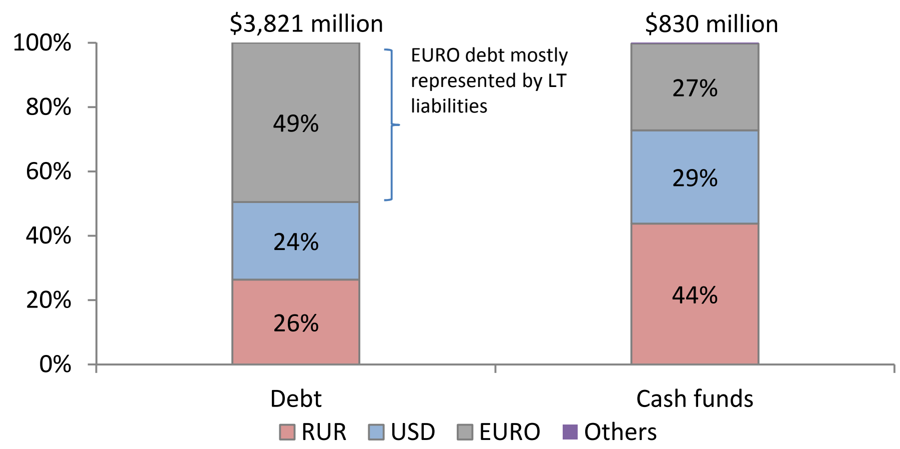
NET DEBT/ LTM EBITDA 1.2

BALANCED STRUCTURE OF DEBT AND CASH FUNDS

CHANGES IN DEBT PORTFOLIO



CURRENCY OF DEBT AND CASH FUNDS



1. Cash and cash equivalents + ST financial investments

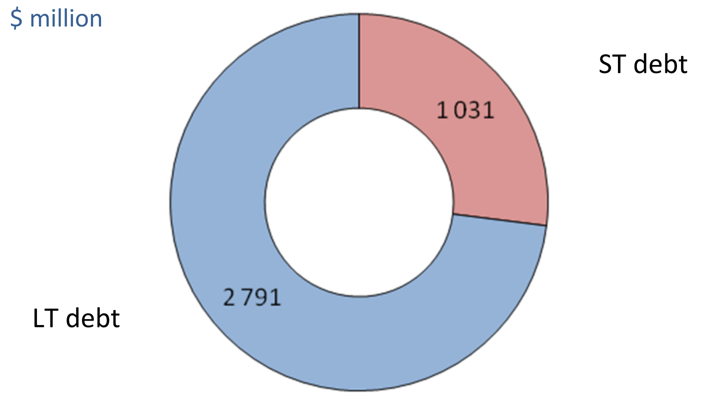
DEBT MATURITY

DEBT MATURITY SCHEDULE

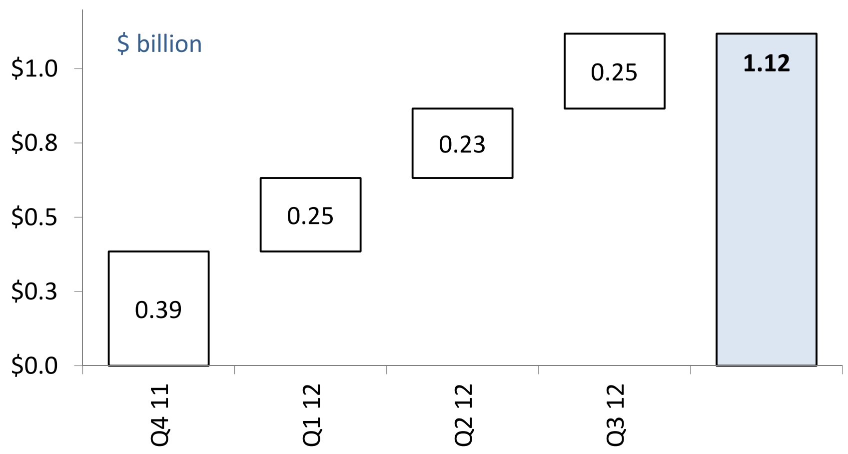
- ST debt: $1.03 billion
  - incl. ST part of PXF and SIF debt
- LT debt: $2.79 billion
  - incl. 3 bond issues, LT part of PXF;
  - .. as well as SIF's LT debt

9M CASH FLOW FROM OPERATIONS: $1,485 MILLION

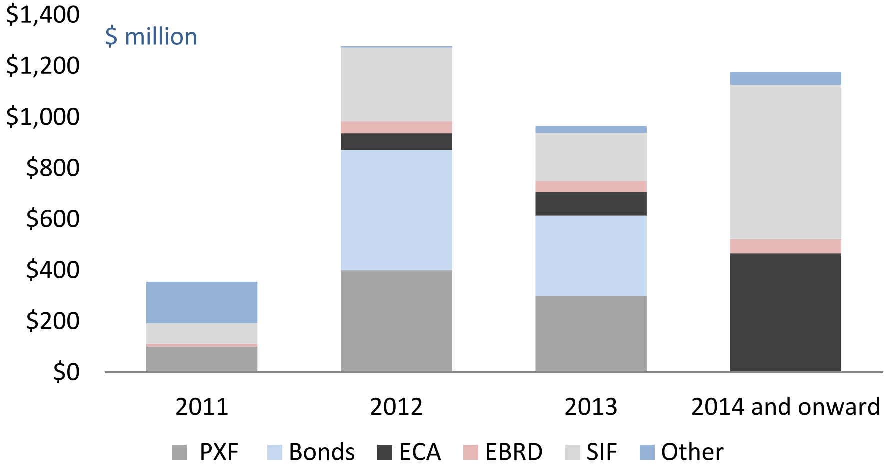
DEBT STRUCTURE



ST DEBT MATURITY[1]



LT DEBT MATURITY[2]



1. Management data, incl . interest payments, can be different from consolidated financial statements
2. In November (after the reporting date) NLMK issued RUR10 billion bonds with a 3-year maturity period.

INVESTMENTS

STEEL CAPACITY GROWTH

- 40% increase in capacity to 17.3 mtpy
- Quality improvement, +30 new grades of steel

INCREASE IN FINISHED PRODUCT CAPACITY

- Rolling capacity growth
- HVA grades capacity increase
- Niche product quality improvement

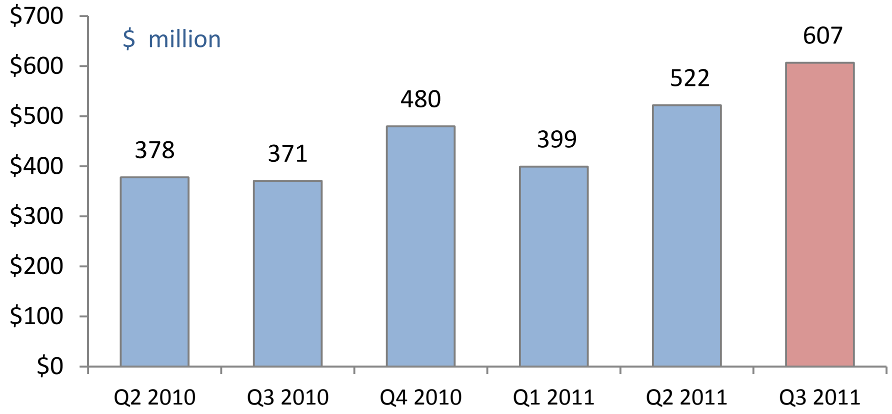
STRONGER VERTICAL INTEGRATION

- Expansion of the mine and construction of new beneficiation facilities at Stoilensky (ongoing)
- Development of coal deposits
- Expansion of scrap collecting facilities

INCREASE IN PRODUCTION EFFICIENCY

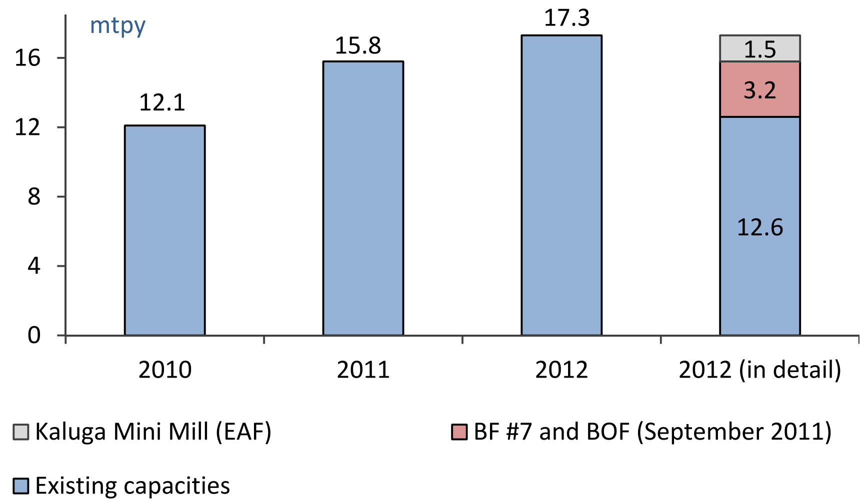
- Higher degree of electricity self-sufficiency and efficiency
- Resource efficient technologies

INVESTMENT DYNAMICS



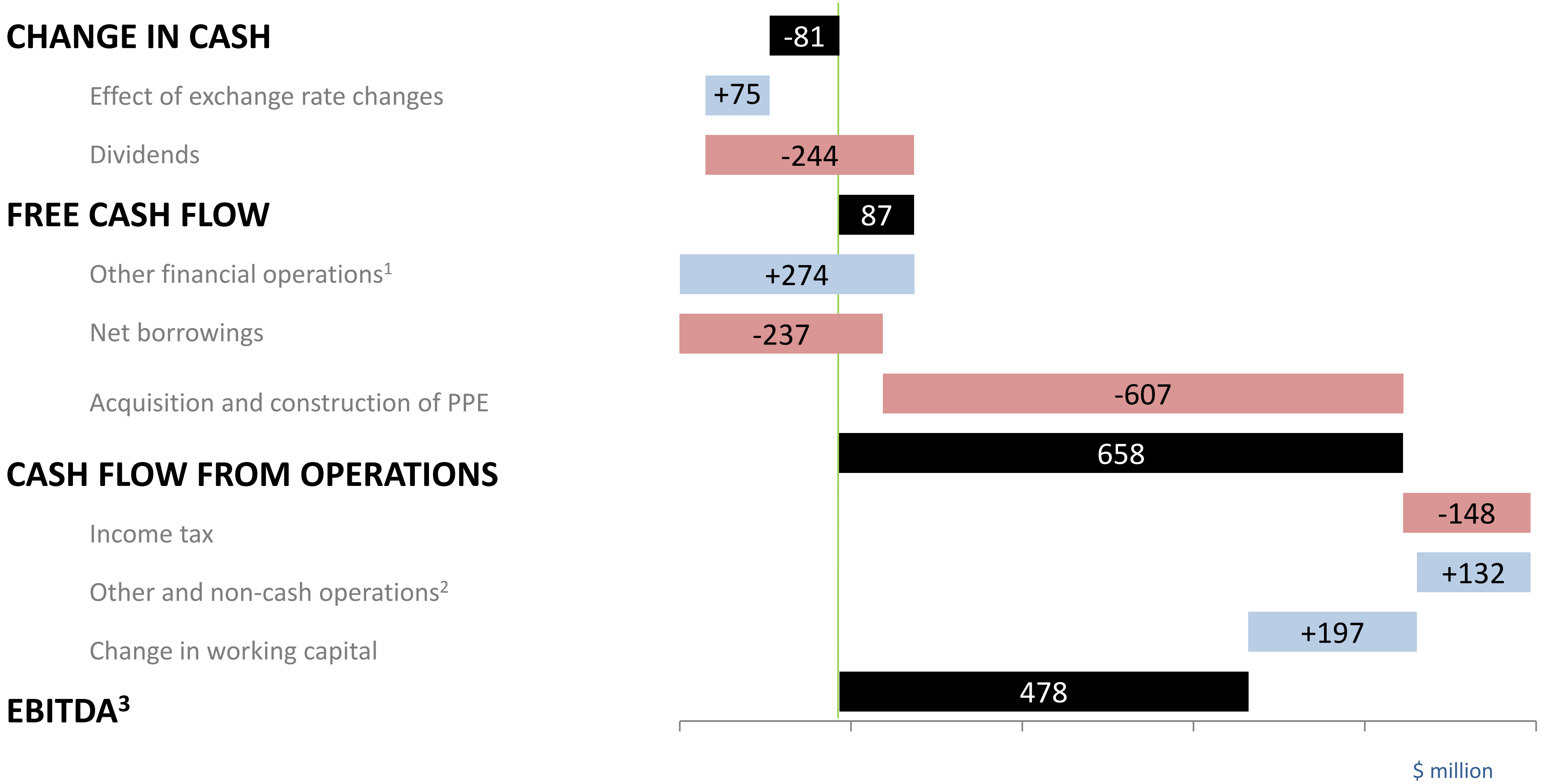
*Cash Flow Statement data: Purchases and construction of property, plant and equipment

GROWTH OF STEEL PRODUCTION CAPACITIES*



*As at the end of the period, incl. SIF capacity (0.3 m t) after 2011

Q3 2011 CASH FLOW BRIDGE



[1] Other financing activities include gains on disposals of property, plant and equipment, acquisition of financial investments, acquisitions of stakes in existing subsidiaries, gains from disposal of companies under common control, retirement of subsidiaries, changes in restricted cash funds, payments related to claim settlements, as well as other financial corrections.

[2] Non-cash transactions include corrections for coordinating net profit and net operating cash flow excluding depreciation & amortization, losses on disposals of property, plant and equipment, accretion expense on asset retirement obligations, (gains)/losses on financial investments and gains from disposal of subsidiaries.

[3] EBITDA = Net income attributable to NLMK shareholders + income tax +(–) interest expense/(income) + depreciation + losses on disposals of property, plant and equipment and impairment losses +(–) gains/(losses) on financial investments –(+) gains (losses) from disposal of subsidiaries – (+) gains (losses) from discontinued operations + accretion expense on asset retirement obligations – gains on loan restructuring – (+) equity in net earnings/(losses) of associates –(+) net foreign currency exchange + settlement of agreement on the dispute and other one-off extraordinary expenses. EBITDA is shown including the effect from unrealized profit adjustment related to the sales of slabs to SIF in Q2 2011. Without the roll-back effect, Q3 EBITDA would be $537 million, Q2 EBITDA - $778 million.

OUTLOOK

Q4 2011

- Steel production will total 3.1 m t (+7% q-o-q)
- Sales will stay in line with Q3 (3.4 m t)

FY 2011 OUTLOOK

- Steel production is expected to be around 12 m t
- Growth in high value added product sales following the consolidation of the EU and US rolling assets
- Russian sales to significantly increase on the back of better demand and incremental growth in finished steel capacity
- Capex to exceed $2 bn

APPENDIX

INVESTMENT PROGRAM

AND SEGMENTAL PERFORMANCE

BF PRODUCTION (2011)

BLAST FURNACE

- Capacity: 3.4 mtpy
- Status: start-up mode since September 2011

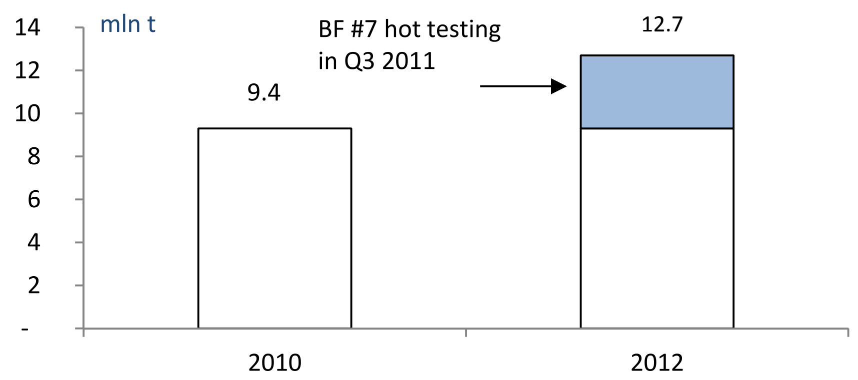
CONSTRUCTION OF COGENERATION PLANT

- Capacity: 150 MW
- Partially financed via EBRD loan
- Energy self-sufficiency*: 56%

PCI TECHNOLOGY INTEGRATION**

- About 90% of BF production to be equipped with PCI
- Launch date: 2012-2013
- Total investments: about $200 m
- Effect: coke and gas consumption in pig iron production reduced by >20% and >70% respectively

PIG IRON PRODUCTION CAPACITY (LIPETSK)



* Lipetsk site
** Pulverized coal injection

STEELMAKING (2011)

NEW BOF

- Launch date: 2011, Lipetsk site
- Goal: processing of BF# 7 pig iron output
- With the new BOF Novolipetsk total steelmaking capacity will be 12.4 mtpy

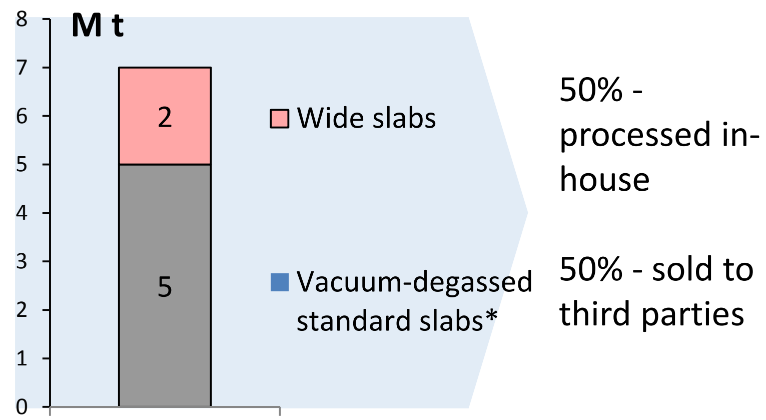
LADLE FURNACES and VACUUM DEGASSER

- Capacity: 12.4 mtpy (or 100% of crude steel produced at the Lipetsk site)
- Status: 3 out of 4 ladle furnaces put into operation
- Results of equipment implementations:
  - Reduced impurity content, chemical & physical uniformity
  - New grades of steel, incl. for the automotive industry

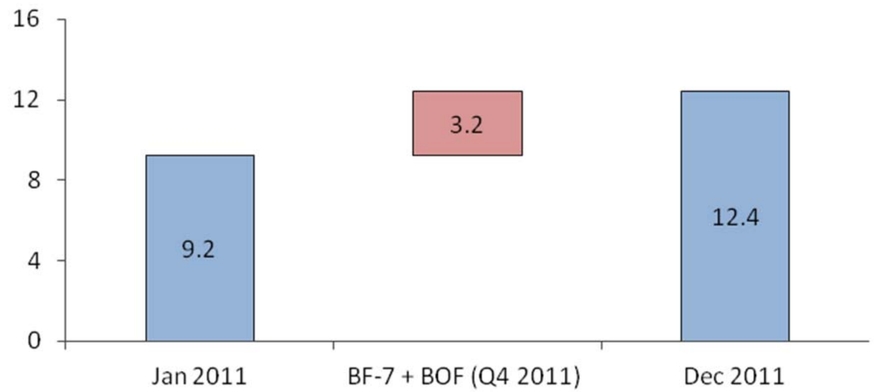
CONTINUOUS CASTING MASHINE #8

- Capacity: 2 m t of slabs up to 350x2200 mm

SLAB PRODUCTION CAPACITY (LIPETSK)



STEELMAKING CAPACITY (LIPETSK)



EXPANSION OF ROLLING CAPACITIES (2011)

EXPANSION OF HRC PRODUCTION

- Location: Lipetsk site
- Upgrading of the existing Mill 2000
- Capacity growth: +400,000 tonnes by 2014

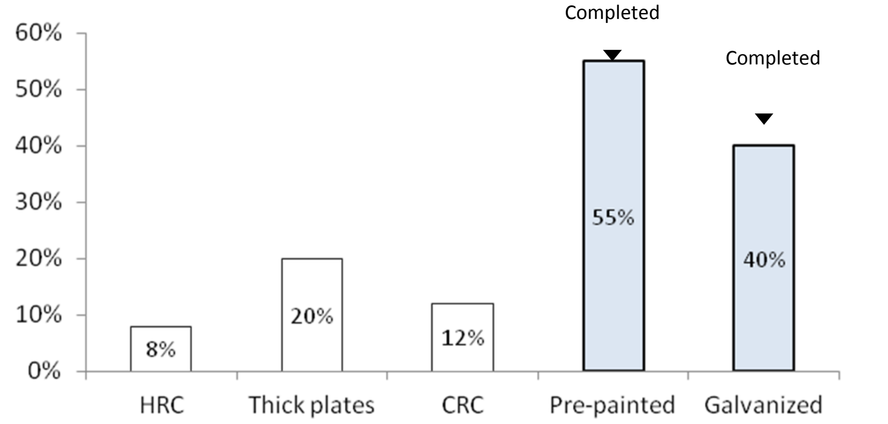
EXPANSION OF PLATE PRODUCTION

- Location: DanSteel (Denmark)
- Upgrading of existing capacities
- Capacity growth: +20% to 0.6 mtpy

CRC MILL

- Location: Lipetsk site
- New mill
- Capacity growth: +350,000 tonnes

FLAT STEEL PRODUCTION GROWTH



TRANSFORMER STEEL (2011-2012)

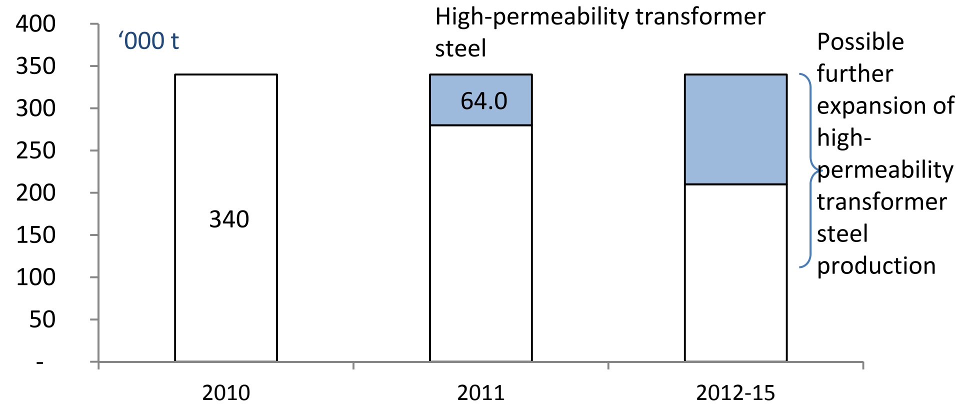
PRODUCTION UPGRADES AT NOVOLIPETSK

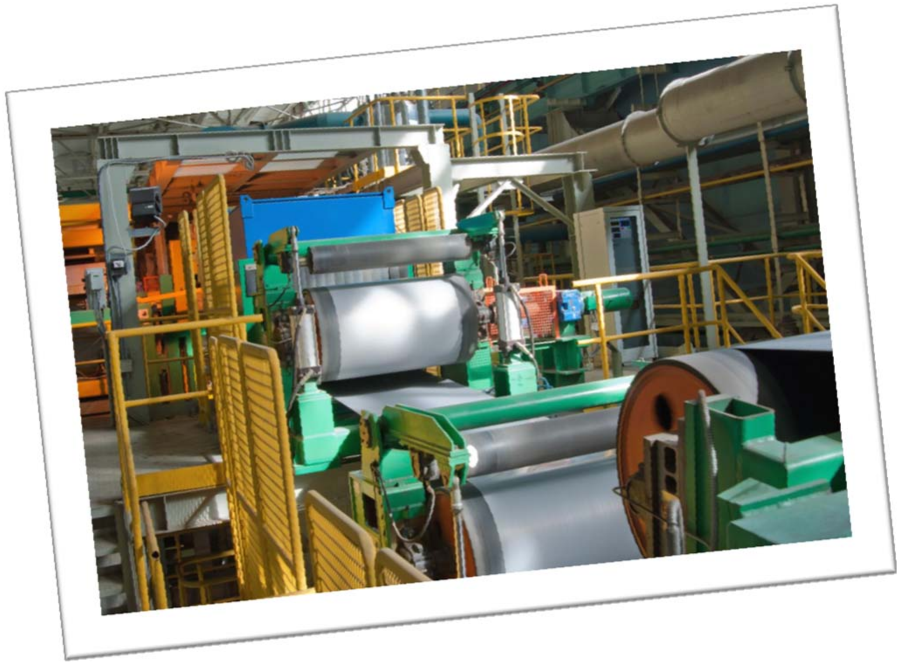
- Status: 80% complete
- Capacity: about 64,000 t pa of high-permeability transformer steel
- Launch date: 2012
- Total investments: above $300 m
- Improved quality and stronger market position

PRODUCTION UPGRADES AT VIZ-STAL

- Improved quality of products
- Launch date: end-2015 (expected)

TRANSFORMER STEEL PRODUCTION CAPACITIES



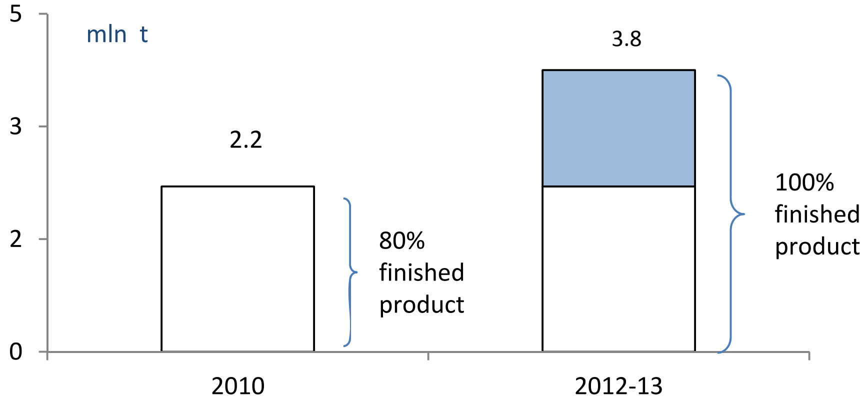


LONG PRODUCTS (2012-13)

KALUGA MINI-MILL (EAF)

- Location: Kaluga region
- Capacity: 1.55 mtpy
- Total investments: c. $1.2 bn
- Extended product mix for construction
- Launch date: 2012 (1st and 2nd stages)

STEEL AND LONG PRODUCT CAPACITY



EXPANSION OF IRON ORE PRODUCTION (2011-2014)

OPEN PIT EXPANSION

- Location: Stoilensky (Stary Oskol)
- +30% growth in iron ore extraction
- Goal: maintain 100% self-sufficiency in low cost iron ore

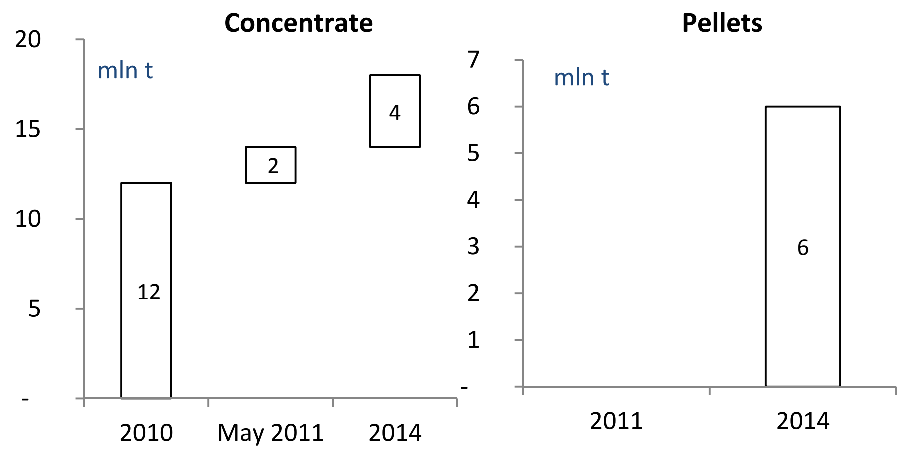
PELLETIZING PLANT

- Location: Stoilensky (Stary Oskol)
- Capacity: +6 mtpy (starting from 2014)
- Goal: maintain 100% self-sufficiency in low cost iron ore

BENEFICIATION PLANT, 5th SECTION

- Location: Stoilensky (Stary Oskol)
- Capacity: +4 mtpy
- Goal: pelletizing plant sufficiency in iron ore concentrate

IRON ORE PRODUCTION CAPACITIES



APPENDIX

SEGMENTAL PERFORMANCE

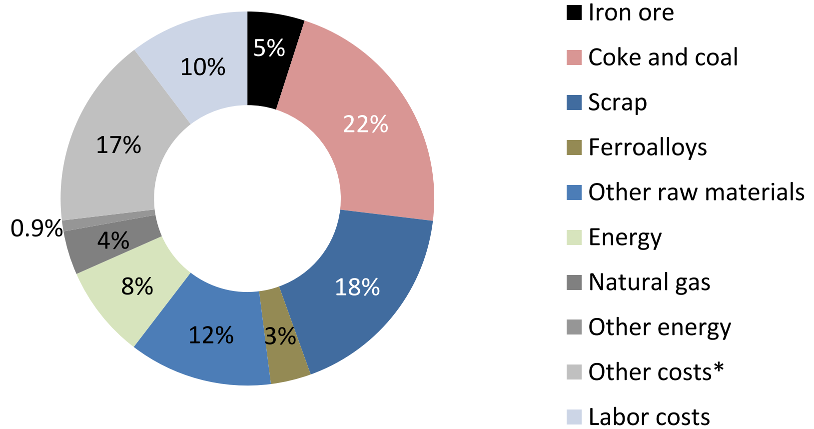
SEGMENTAL PERFORMANCE

COST OF SALES INCREASED DUE TO HIGHER PRICES FOR RAW MATERIALS AND ENERGY, NEW EQUIPMENT LAUNCHES AND THE CONSOLIDATION OF FOREIGN ASSETS

COKE-CHEMICAL SEGMENT WAS INCLUDED INTO THE STEEL SEGMENT

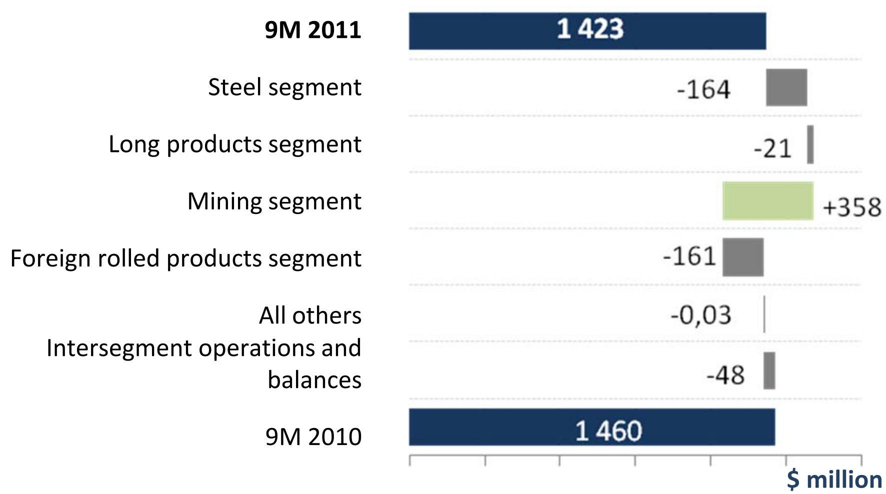
NEW FOREIGN ROLLED PRODUCTS SEGMENT INCLUDES ALL FOREGN ASSETS (NLMK INDIANA AND DANSTEEL WERE PREVIOUSLY PART OF THE STEEL SEGMENT)

CONSOLIDATED PRODUCTION COST, 9M 2011



* *incl : repairs, change in inventories and other expenses*

OPERATING PROFIT CHANGES



STEEL SEGMENT

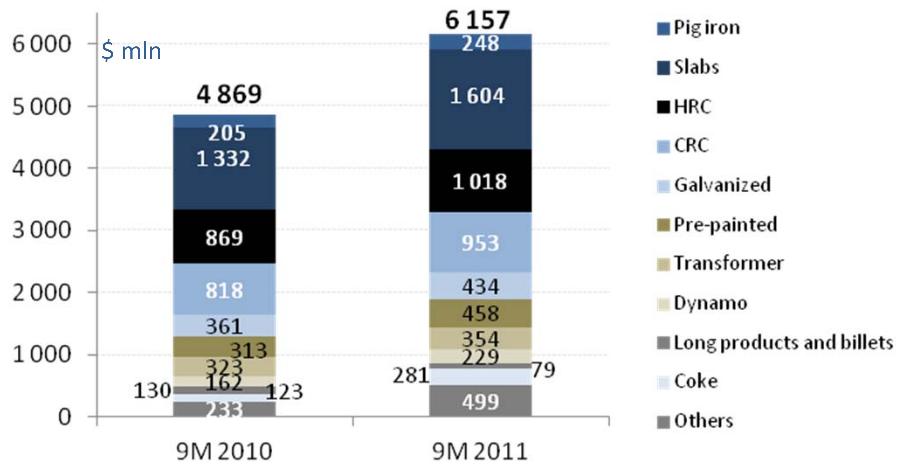
INCREASED STEEL OUTPUT

LOWER SALES DUE TO EXCLUDING SLABS SUPPLIED TO THE NEWLY ACQUIRED ASSETS IN Q3 2011

HVA SALES REVENUE GROWTH

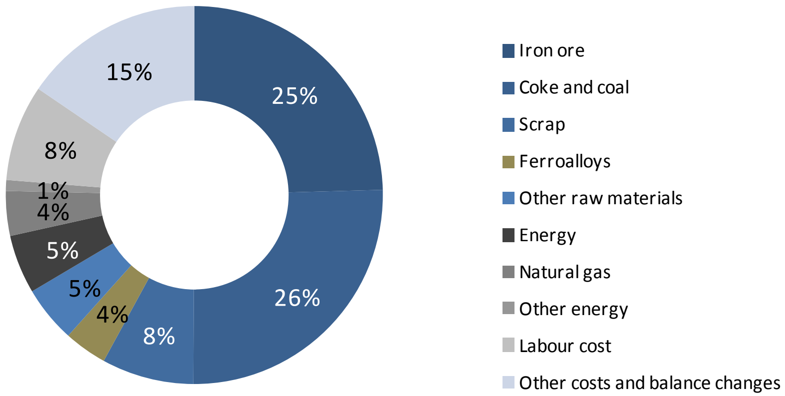
OPERATING PROFIT MARGIN REDUCED DUE TO HIGHER PRICES FOR RAW MATERIALS

SALES REVENUE FROM 3rd PARTIES BY PRODUCT



('000 tonnes)	Q3 2011[1]	Q2 2011[1]	Change	9M 2011	9M 2010	Change
Steel production	**2 402**	2 365	**2%**	**7 060**	6 903	2%
Steel sales[2]	**2 069**	2 446	(15%)	**6 650**	7 042	(6%)
($ m)						
Revenue	**2 326**	2 542	**(9%)**	**6 811**	5 139	33%
incl. external customers	***1 965***	*2355*	***(17%)***	***6 157***	*4 689*	*26%*
Cost of sales	**(1 770)**	(1 869)	**(5%)**	**(5 081)**	(3 443)	48%
Operating profit	**251**	394	**(36%)**	**918**	1 083	(15%)
- margin	**11%**	15%		**13%**	21%	

STEEL SEGMENT PRODUCTION COST, 9M 2011

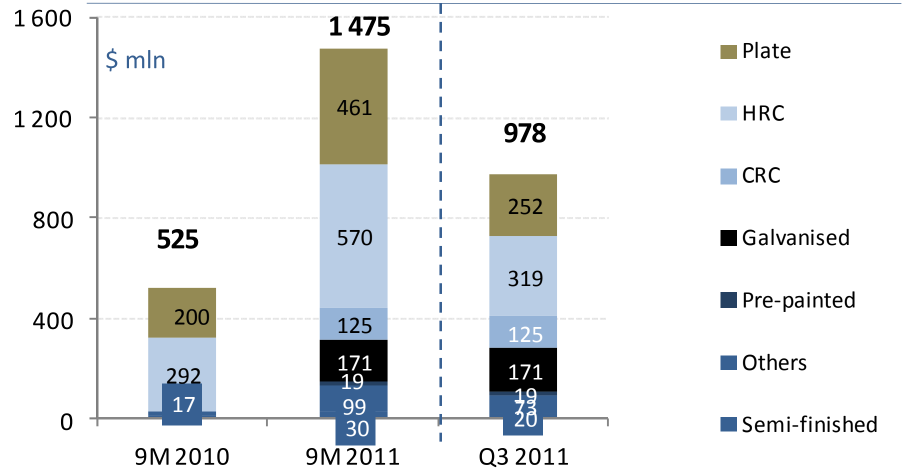


1. *Management data*
2. *Sales to third parties, incl. sales of other segment's products by steel segment traders, excluding sales to*

FOREIGN ROLLED PRODUCTS SEGMENT*

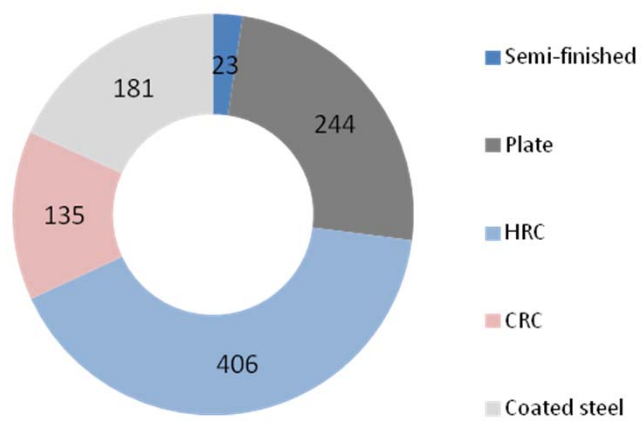
INCREASED PRODUCTION, SALES AND REVENUE DUE TO SIF SA ASSET CONSOLIDATION STARTING FROM JULY 2011 AND FORMING THE FOREIGN ROLLED PRODUCTS SEGMENT

SALES REVENUE FROM 3rd PARTIES BY PRODUCT



('000 tonnes)	9M 2011	9 M 2010	Change	Q3 2011[1]
Steel production	**541**	444	22%	**217**
Steel sales[2]	**1 523**	734	108%	**989**
($ mln)				
Revenue	**1 475**	525	181%	**978**
incl. external customers	***1 475***	*525*	*181%*	***978***
Cost of sales	**(1 513)**	(511)	196%	**(1 050)**
Operating profit	**(175)**	(14)		**(187)**
- margin	**-12%**	-3%		**-19%**

SALES STRUCTURE BY PRODUCT, Q3 2011



1. *Management data*
2. *Incl. sales by steel segment traders*

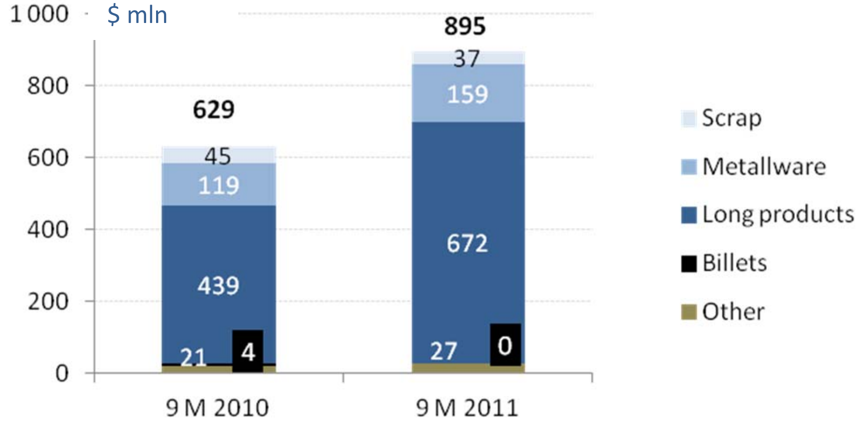
** Segment results include data for NLMK Indiana and NLMK DanSteel for 9M 2011 and for SIF rolling assets from July 1, 2011 to September 30, 2011*

LONG PRODUCTS SEGMENT

9M 2011 REVENUE INCREASED DUE TO IMPROVED DOMESTIC DEMAND

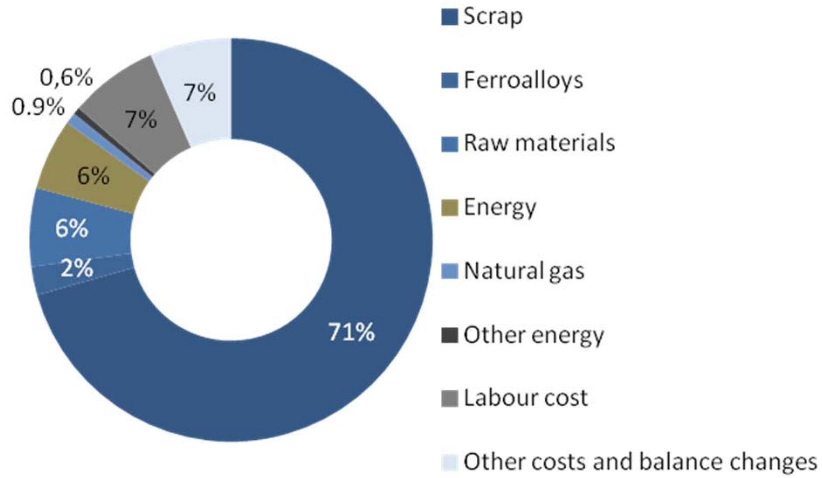
STEEL PRODUCTION DECREASED IN Q3 2011 AS A RESULT OF ISSUES WITH POWER EQUIPMENT AT NSMMZ

SALES REVENUE FROM 3rd PARTIES BY PRODUCT



('000 tonnes)	Q3 2011	Q2 2011	Change	9M 2011	9 M 2010	Change
Steel production	**277**	472	(41%)	**1 197**	1 209	(1%)
Steel sales	**386**	485	(20%)	**1 264**	1 166	8%
In NLMK Group[1]	**23**	48	(51%)	**107**	233	(54%)
($ mln)						
Revenue	**503**	535	(6%)	**1 409**	1 001	41%
incl. external customers	***299***	*336*	*(11%)*	***895***	*629*	42%
Cost of sales	**(448)**	(472)	(5%)	**(1 230)**	(847)	45%
Operating profit	**(1)**	4	(114%)	**10**	31	(67%)
- margin	**0%**	1%		**1%**	3%	

LONG PRODUCTS SEGMENT PRODUCTION COST, 9M 2011



1. Incl. sales of other segment's products by steel segment traders

MINING SEGMENT

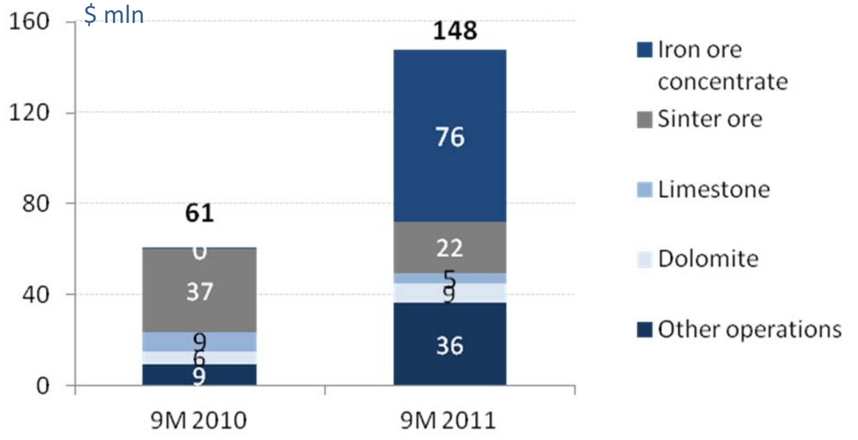
IRON ORE OUTPUT AND SALES IN LINE WITH Q2

GROWTH IN CONCENTRATE PRICES AND SALES SUPPORTED THE SEGMENT's 9M 2011 FINANCIAL PERFORMANCE

COSTS REMAIN UNDER CONTROL

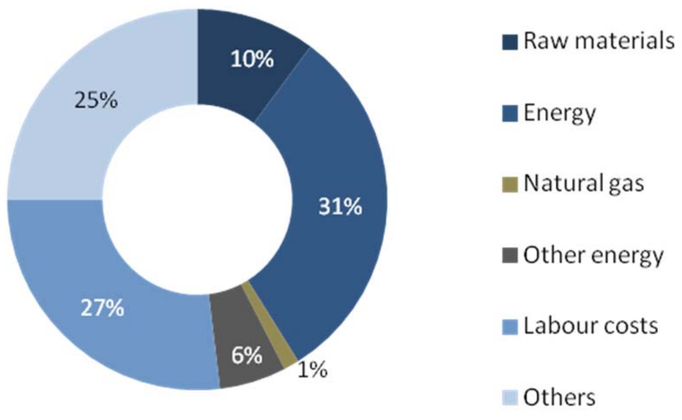
IRON ORE ASSET DEVELOPMENT PROGRAM CONTINUES

SALES REVENUE FROM 3rd PARTIES BY PRODUCT



('000 tonnes)	Q3 2011	Q2 2011	Change	9M 2011	9 M 2010	Change
Production						
iron ore concentrate	**3 489**	3 468	1%	**9 890**	8 980	10%
sinter ore	**436**	434	0%	**1 283**	1 298	(1%)
Sales						
iron ore concentrate	**3 460**	3 462	(0%)	**9 805**	8 977	9%
in NLMK Group[1]	***3 168***	*3 309*	*(4%)*	***9 185***	*8 974*	*2%*
sinter ore	**409**	440	(7%)	**1 263**	1 346	(6%)
($ mln)						
Revenue	**385**	400	(4%)	**1 079**	667	62%
incl. external customers	***92***	*36*	157%	***148***	*61*	144%
Cost of sales	**(93)**	(93)	(1%)	**(270)**	(233)	16%
Operating profit	**268**	282	(5%)	**746**	389	92%
- margin	**70%**	71%		**69%**	58%	

MINING SEGMENT PRODUCTION COSTS, 9M 2011



1. Sales of steel segment traders

SEGMENTAL INFORMATION

9M 2011 (million USD)	Steel	Long products	Mining	Foreign rolled products	All other	Totals	Intersegmental operations and balances	Consolidated
Revenue from external customers	6 157	895	148	1 475	1	8 675		8 675
Intersegment revenue	654	514	931	0		2 099	(2 099)	
Gross profit	1 730	179	809	(38)	0	2 680	(83)	2 597
Operating income/(loss)	918	10	746	(175)	(1)	1 499	(76)	1 423
as % of net sales	*13%*	*1%*	*69%*	*(12%)*		*14%*		*16%*
Income / (loss) from continuing operations before minority interest	953	(153)	662	(171)	(0)	1 291	(153)	1 138
as % of net sales	*14%*	*(11%)*	*61%*	*(12%)*		*12%*		*13%*
Segment assets including goodwill[1]	13 035	2 518	1 751	4 423	48	21 775	(4 691)	17 084

9M 2010 (million USD)	Steel	Long products	Mining	Foreign rolled products	All other	Totals	Intersegmental operations and balances	Consolidated
Revenue from external customers	4 869	629	61	525	1	6 085		6 085
Intersegment revenue	270	372	605		0	1 247	(1 247)	
Gross profit	1 696	154	433	15	0	2 298	(28)	2 270
Operating income/(loss)	1 083	31	389	(14)	(1)	1 488	(28)	1 460
as % of net sales	*21%*	*3%*	*58%*	*(3%)*		*20%*		*24%*
Income / (loss) from continuing operations before minority interest	1 105	(131)	309	(32)	1	1 252	(152)	1 101
as % of net sales	*22%*	*(13%)*	*46%*	*(6%)*		*17%*		*18%*
Segment assets including goodwill[2]	12 583	2 276	1 195	653	43	16 750	(2 851)	13 899

[1] *as at 30.09.2011*

[2] *as at 30.09.2010*

CONSOLIDATED STATEMENT OF INCOME

(mln USD)	Q3 2011	Q2 2011	Q3 2011/Q2 2011 +/-	Q3 2011/Q2 2011 %	9M 2011	9M 2010	9M 2011/9M 2010 +/-	9M 2011/9M 2010 %
Sales revenue	3 334	2 982	352	12%	8 675	6 085	2 590	43%
Production cost	(2 367)	(1 785)	(583)	33%	(5 618)	(3 457)	(2 161)	62%
Depreciation and amortization	(201)	(135)	(67)	50%	(460)	(357)	(103)	29%
Gross profit	765	1 063	(298)	(28%)	2 597	2 270	327	14%
General and administrative expenses	(184)	(96)	(88)	92%	(366)	(203)	(163)	80%
Selling expenses	(263)	(241)	(23)	9%	(691)	(517)	(173)	33%
Taxes other than income tax	(47)	(37)	(10)	26%	(118)	(90)	(28)	31%
Operating income	271	689	(418)	(61%)	1 423	1 460	(37)	(3%)
Gain / (loss) on disposals of property, plant and equipment	(1)	(16)	15	(94%)	(23)	(18)	(5)	30%
Gains / (losses) on investments	82	(10)	92	0%	69	(10)	79	0%
Interest income	1	9	(8)	(89%)	20	34	(14)	(42%)
Interest expense				0%		(24)	24	0%
Foreign currency exchange loss, net	14	8	6	72%	45	(54)	98	
Other expense, net	1	17	(17)		4	13	(9)	(70%)
Income from continuing operations before income tax	368	697	(330)	(47%)	1 538	1 402	136	10%
Income tax	(148)	(144)	(4)	3%	(400)	(302)	(99)	33%
Equity in net earnings/(losses) of associate	1	38	(37)	(98%)	54	(19)	73	
Net income	220	591	(371)	(63%)	1 192	1 082	110	10%
Less: Net loss / (income) attributable to the non-controlling interest	5	(4)	9		12	25	(12)	(50%)
Net (loss) / income attributable to OJSC Novolipetsk Steel stockholders	225	587	(362)	(62%)	1 204	1 106	98	9%
EBITDA[1]	478	837	(359)	(43%)	1 900	1 856	44	2%

- *9M 2011, 9M 2010, are official reporting periods. Q3 2011 and Q2 2011 figures are derived by computational method. This assumption is related to calculation of segmental financial results.*

1.EBITDA is shown including the effect from unrealized profit adjustment related to the sales of slabs to SIF in Q2 2011. Without the roll-back effect, Q3 EBITDA would be $537 million, Q2 EBITDA - $778 million.

CONSOLIDATED BALANCE SHEET

(mln. USD)	as at 30.09.2011	as at 30.06.2011	as at 31.03.2011	as at 31.12.2010	as at 30.09.2010	as at 30.06.2010	as at 31.03.2010	as at 31.12.2009
ASSETS								
Current assets	**5 644**	**4 811**	**4 438**	**4 105**	**4 372**	**4 150**	**4 091**	**3 877**
Cash and cash equivalents	830	911	977	748	780	953	1 157	1 247
Short-term investments	59	202	265	423	726	465	424	452
Accounts receivable, net	1 694	1 669	1 295	1 260	1 189	1 213	1 065	913
Inventories, net	2 939	1 923	1 784	1 580	1 564	1 401	1 324	1 134
Deferred income tax assets	53	44	51	43	52	58	59	72
Other current assets, net	69	62	65	52	62	59	62	58
Current assets, held for sale								
Non-current assets	**11 440**	**11 140**	**10 713**	**9 794**	**9 508**	**8 713**	**8 938**	**8 625**
Long-term investments, net	9	932	728	688	729	387	402	468
Property, plant and equipment, net	10 275	9 436	9 223	8 382	7 987	7 532	7 688	7 316
Intangible assets	173	177	181	181	187	190	201	203
Goodwill	728	534	528	495	554	541	572	557
Other non-current assets, net	10	22	25	26	20	41	49	68
Deferred income tax assets	245	38	28	21	31	23	26	12
Total assets	**17 084**	**15 951**	**15 150**	**13 899**	**13 880**	**12 863**	**13 029**	**12 502**
LIABILITIES AND STOCKHOLDERS' EQUITY								
Current liabilities	**3 163**	**2 141**	**1 831**	**1 652**	**1 802**	**1 640**	**1 533**	**1 417**
Accounts payable and other liabilities	2 098	1 535	1 252	1 107	1 171	1 058	963	841
Short-term borrowings	1 031	544	553	526	595	539	544	557
Current income tax liability	34	62	26	19	36	43	26	19
Current liabilities, held for sale								
Non-current liabilities	**3 849**	**2 539**	**2 718**	**2 693**	**2 636**	**2 427**	**2 581**	**2 475**
Long-term borrowings	2 791	2 070	2 074	2 099	2 059	1 828	1 992	1 939
Deferred income tax liability	705	455	450	401	384	392	409	396
Other long-term liabilities	353	14	194	194	194	207	180	140
Non-current liabilities, held for sale								
Total liabilities	**7 012**	**4 680**	**4 549**	**4 345**	**4 438**	**4 067**	**4 114**	**3 892**
Stockholders' equity								
Common stock	221	221	221	221	221	221	221	221
Statutory reserve	10	10	10	10	10	10	10	10
Additional paid-in capital	306	306	99	99	99	99	112	112
Other comprehensive income	(1 391)	(108)	(241)	(917)	(886)	(1 134)	(596)	(797)
Retained earnings	10 945	10 984	10 654	10 261	10 113	9 718	9 303	9 171
NLMK stockholders' equity	**10 092**	**11 414**	**10 742**	**9 675**	**9 556**	**8 915**	**9 050**	**8 718**
Non-controlling interest	**(21)**	**(144)**	**(141)**	**(121)**	**(115)**	**(118)**	**(136)**	**(108)**
Total stockholders' equity	**10 072**	**11 270**	**10 601**	**9 554**	**9 442**	**8 796**	**8 915**	**8 610**
Total liabilities and stockholders' equity	**17 084**	**15 951**	**15 150**	**13 899**	**13 880**	**12 863**	**13 029**	**12 502**

CONSOLIDATED CASH FLOW STATEMENT

	Q3 2011	Q2 2011	Q3 2011/Q2 2011		9M 2011	9M 2010	9M 2011/9M 2010	
(mln. USD)			+ / -	%			+ / -	%
Cash flow from operating activities								
Net income	220	591	(371)	(63%)	1 192	1 082	110	10%
Adjustments to reconcile net income to net cash provided by operating activities								
Depreciation and amortization	201	135	67	50%	460	357	103	29%
Loss on disposals of property, plant and equipment	1	16	(15)	(94%)	23	18	5	30%
(Gain)/loss on investments	(82)	10	(92)		(69)	10	(79)	
Equity in net earnings of associate	(1)	(38)	37		(54)	19	(73)	
Defferd income tax (benefit)/expense	28	(6)	34		34	28	7	23%
Loss / (income) on forward contracts		12	(12)		5	(3)	8	
Other movements	94	(7)	100		92	10	82	
Changes in operating assets and liabilities								
Increase in accounts receivables	413	(443)	856		23	(284)	307	
Increase in inventories	(284)	(118)	(166)	141%	(490)	(438)	(51)	12%
Decrease/(increase) in other current assets	16	3	13		11	(4)	15	
Increase in accounts payable and oher liabilities	82	91	(8)	(9%)	244	195	49	25%
Increase/(decrease) in current income tax payable	(30)	37	(67)		13	17	(4)	(24%)
Net cash provided from operating activities	658	284	374	132%	1 485	1 007	478	48%
Cash flow from investing activities								
Proceeds from sale of property, plant and equipment	9	2	7	338%	16	15	1	9%
Purchases and construction of property, plant and equipment	(607)	(522)	(85)	16%	(1 529)	(983)	(546)	55%
Proceeds from sale of investments	174	89	85	96%	691	148	544	368%
Placement of bank deposits and purchases of other investments	(13)	(7)	(6)	83%	(271)	(731)	460	
Prepayment for acquisition of interests in new subsidiaries	108	(150)	258		(42)		(42)	
Net cash used in investing activities	(329)	(589)	259	(44%)	(1 134)	(1 552)	418	(27%)
Cash flow from financing activities								
Proceeds from borrowings and notes payable	580	235	345	147%	830	820	10	1%
Repayments of borrowings and notes payable	(817)	(232)	(586)	253%	(1 172)	(674)	(498)	74%
Capital lease payments	(4)	(25)	21		(30)	(37)	7	(19%)
Proceeds from disposal of assets to the company under common control		313	(313)		313		313	
Dividends to shareholders	(244)	(4)	(240)		(247)	(43)	(204)	
Net cash used in financing activities	(485)	288	(773)	(269%)	(305)	66	(372)	
Net increase / (decrease) in cash and cash equivalents	(156)	(17)	(140)		45	(479)	524	
Effect of exchange rate changes on cash and cash equivalents	75	(49)	124		37	12	25	209%
Cash and cash equivalents at the beginning of the period	911	977	(66)	(7%)	748	1 247	(499)	(40%)
Cash and cash equivalents at the end of the period	830	911	(81)	(9%)	830	780	50	6%

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