

QUARTERLY REPORT

OJSC Novolipetsk Steel

The Issuer's code: 00102-A

Q4 2013

Domicile of the issuer: **2, Metallurgov sq., Lipetsk, Russia**

The information contained in this quarterly report is subject to disclosure in accordance with legislation on securities of the Russian Federation.

President (Chairman of the Management Board)

Date: February 13, 2014

_____ O.V. Bagrin
signature

Director General, LLC NLMK-Accounting Center Agreement
under which the authority to maintain the Issuer's accounting
records was assigned:

Agreement No. 91408 dd. 01.02.2011 valid till 31.12.2014 Power
of attorney No.560 dd. 30.12.2013 valid till 31.12.2014

Date: February 13, 2014

_____ O.G. Zarubina
signature

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www.e-disclosure.ru/portal/company.aspx?id=2509

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Introduction

The grounds of the Issuer's responsibility to disclose information in the form of a quarterly report:

The Securities Prospectus registration was performed with respect to the Issuer's securities.

The Issuer is a joint-stock company set up in the course of privatization of a state-owned and/or municipal enterprises (or their subdivisions), and in accordance with a privatization plan approved in due course, which, on the date of its approval, represented the Issuer's offering prospectus providing for the possibility of the shares disposal to more than 500 or an unlimited number of acquirers.

The Issuer's commercial bonds have been admitted to trading in the stock exchange.

OJSC Novolipetsk Steel is hereinafter in this Report referred to as "the Issuer", "the Company".

Financial information included in this quarterly report is based on the Issuer's financial statements compiled in accordance with Russian rules, and therefore, some discrepancy with the statements compiled as per international standards is possible.

In compiling the present quarterly report the Issuer followed solely the rules and regulations applied in the Russian Federation.

This quarterly report contains appraisal and forecasts made by the Issuer's authorized management bodies related to future events and / or actions, outlook of steel industry development and results of the Issuer's performance inclusive of the Issuer's plans, probability of certain events and actions. Investors shall not fully rely on appraisals and forecasts made by the Issuer's management bodies as actual performance data in the future may differ from the forecast ones due to many reasons. Acquisition of the Issuer's securities depends on risks described in this Quarterly Report.

I. Brief information on members of the Issuer’s Management bodies, data on bank accounts, auditor, appraiser and financial adviser of the Issuer as well as on other persons who signed this quarterly report.

1.1. Members of the Issuer’s Management Bodies.

The Issuer’s Board of Directors (Supervisory Board)

Name	Year of birth
Vladimir S. Lisin (Chairman)	1956
Oleg V. Bagrin	1974
Helmut Wieser	1953
Nikolai A. Gagarin	1950
Karl Doering	1937
Karen R. Sarkisov	1963
Vladimir N. Skorokhodov	1951
Benedict Sciortino	1950
Franz Struzl	1942

The Issuer’s sole executive body

Name	Year of birth
Oleg V. Bagrin	1974

Members of the Issuer’s corporate executive body

Name	Year of birth
Oleg V. Bagrin (chairman)	1974
Alexander A. Burayev	1963
Brijesh Kumar Garg	1964
Alexander Yu. Gorshkov	1961
Yuri I. Larin	1952
Alexander A. Sapronov	1953
Alexander N. Saprykin	1967
Grigory V. Fedorishin	1979
Sergey V. Filatov	1959
Stanislav E. Tsyrlin	1968

1.2. Information on the Issuer’s bank accounts.

No changes in the information relevant to this clause within the reporting quarter

1.3. Information on the Issuer’s Auditor (Auditors)

No changes in the information relevant to this clause within the reporting quarter

1.4. Information on the Issuer’s appraiser

No changes in the information relevant to this clause within the reporting quarter

1.5. Information on the Issuer’s advisers

Financial advisers were not involved based on the grounds listed in this clause within 12 months prior to the reporting quarter closure.

1.6. Information on other persons who signed this Quarterly Report

Name: *Olga G. Zarubina*

Year of birth: *1962*

Place of employment:

Company: *Limited Liability Company "NLMK-Accounting Center"*

Position: *Director General*

II. Main information on the Issuer's financial performance

2.1. Financial and economic indicators of the Issuer's performance

Not included in Q4 report

2.2. The Issuer's market capitalization

Market capitalization is calculated as a product of the number of shares of a corresponding category (type) by the market price of one share, disclosed by a market-maker and determined in line with the Procedure of securities' market price determination, calculated price of securities, as well as the maximum limit of the securities' price fluctuation for the purposes of Chapter 23 of the RF Tax Code, approved by Order of Federal Financial Markets Service of Russia dd. 09.11.2010 No. 10-65/nз-н

Unit of measurement: *RUB*

Description	2012	Q4 2013
Market capitalization	364,987,538,916	328,189,123,662

Information on the market maker, whose data is the basis for calculation of market capitalization, as well as additional information on public circulation of securities, at the Issuer's discretion:

The total number of NLMK's common shares in circulation – 5,993,227,240.

The common stock of NLMK was admitted to trading with Closed Joint Stock Company "MICEX Stock Exchange" (CJSC "MICEX SE"), included in the organizational structure of the Open Joint Stock Company "MICEX-RTS" (OJSC MICEX-RTS). Former company name of the Stock Exchange – Open Joint Stock Company "MICEX-RTS" (OJSC MICEX-RTS) is changed to Open Joint Stock Company "Moscow Stock Exchange MICEX-RTS" (OJSC Moscow Stock Exchange) by a resolution of Annual General Shareholders Meeting of OJSC MICEX-RTS dd. 20.06.2012, coming into force on the date of state registration of Rule of Exchange in new revision dd. 29.06.2012.

Additional information on public circulation of NLMK's common stock:

In December 2005 NLMK's common stock was admitted to trading on London Stock Exchange as Global Depositary Shares.

2.3. The Issuer's liabilities

2.3.1. Borrowings and accounts payable

Not included in Q4 report

2.3.2. The Issuer's credit history

The description of the Issuer's discharge of liabilities in line with facility agreements and/or loan agreements in force over the last completed fiscal year or over the current fiscal year, including those concluded by means of issue and sale of bonds, with the principal amounting to 5 and more percent of the Issuer's book value as of the date of the last completed reporting period (quarter, year) preceding the conclusion of the relevant agreement, with respect to which the established period of submission of accounting (financial) statements has expired, as well as other facility agreements and/or loan agreement that the Issuer considers to be significant.

Type and identification criteria of a liability	
1. Syndicated credit, dd.16.07.2008	
Terms and conditions of a liability and information on discharge thereof	
Name and location or first, middle and last name of the creditor (lender)	Syndicate of foreign banks. Facility Agent BNP PARIBAS S.A., France.
The principal amount at the time of the liability occurrence, USD	1,600,000,000 USD X 1
The principal amount at the time of the reporting quarter completion, USD	0 USD X 1
Period of credit (loan), (years)	5
Average interest on credit (loan), % per annum	2.36
Number of interest (coupon) periods	20
Delayed payment of interest on credit (loan), if any – total number of specified delays and their duration in days	No
Planned period (date) of credit / loan repayment	16.07.2013
Actual period (date) of credit / loan repayment	16.04.2013
Other information on the liability stated by the Issuer at its discretion	Note: The average amount of interest on credit has been calculated for the whole actual period of its utilization.

Type and identification criteria of a liability	
2. Euro bond loan dd. February 19, 2013	
Terms and conditions of a liability and information on discharge thereof	
Name and location or first, middle and last name of the creditor (lender)	Steel Funding Limited, Ireland
The principal amount at the time of the liability occurrence, USD	800,000,000 USD X 1
The principal amount at the time of the reporting quarter completion, USD	800,000,000 USD X 1
Period of credit (loan), (years)	5
Average interest on credit (loan), % per annum	4.45
Number of interest (coupon) periods	10
Delayed payment of interest on credit (loan), if any – total number of specified delays and their duration in days	No
Planned period (date) of credit / loan repayment	19.02.2018
Actual period (date) of credit / loan repayment	current

Other information on the liability stated by the Issuer at its discretion	none
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2.3.3. The Issuer's commitments related to security for third parties

Unit of measurement: *RUB*

Description	2013
The total amount of the Issuer's commitments with regard to security granted by it	48,158,977,516
The total amount of third party commitments with regard to which the Issuer provided security, taking into account the limited liability of the Issuer with regard to such a third party commitment determined based on terms and conditions of the security and actual debt balance with regard to a third party commitment	48,158,977,516
Including in the form of a pledge or a surety	48,158,977,516

The Issuer's commitments with regard to the security granted over the period from the beginning of the current fiscal year to the end of the reporting quarter, incl. in the form of a pledge or surety, making at least 5 percent of the Company's book value as of the date of the last completed reporting period preceding the security granting

Such commitments did not occur within this reporting period

The information in this item is specified as of the end of the reporting period.

2.3.4. Other commitments of the Issuer

There are no other commitments not reflected in the accounting (financial) statements that may have significant effect on the financial performance of the Issuer, its liquidity, sources of financing and terms and conditions of their utilization, performance and expenses

2.4. Risks related to acquisition of issue-grade securities distributed (being distributed)

The Issuer's risk management policy:

Acquisition of the Issuer's securities entails certain risks which could result in losses for their holders. Negative impact on the Issuer's core business and financial performance can be produced by the following risks:

- *industry risks;*
- *country and regional risks;*
- *financial risks;*
- *legal risks;*
- *risks related to the Issuer's activity.*

NLMK's risk management policy is described in cl. 2.4.1-2.4.5 hereof.

2.4.1. Industry risks

The Issuer actively operates in the domestic and international markets as metal products manufacturer and seller.

The risks associated with changes in prices for raw and other materials, products and services of natural monopolies, commercial products, logistical risks are considered as industry risks. The influence of regulatory authorities with respect to the Company's market environment is also included in these risks.

1. Procurement of raw and other materials

NLMK is one of the major consumers of metallurgical-grade raw materials in the domestic raw materials market. Raw materials suppliers are subject to risks depending on the specific nature of each segment of the raw materials market.

Main industry risks intrinsic to the supplies of main raw and other materials for steelmaking include:

1. Risk of price growth for purchased materials due to deteriorating market conditions of this market segment, increased raw & other materials shortages in the domestic market, also as a result of the scaling up of the tariffs for transportation by natural monopolies.

2. Risk of obligations breach on the part of suppliers regarding the composition and quality of raw materials supplied;

3. Risk of obligations breach on the part of suppliers related to deliveries cycle, up to full disruption of logistic support.

In Q4 2013 the prices for all raw materials went down as compared to the same period of 2012. There is a significant decrease in prices for coal concentrate – 9.3%, coke – 9.7%, ferrosilicon manganese – 15.0%, scrap – 4.5%, aluminum wire – 6.4%. Prices decrease is due to the situation in market for these types of raw materials. Exception is increase in iron ore concentrate price – 30.4% that is related to the conditions of iron ore raw materials market.

Regarding purchasing of raw materials, the main factor that influences the Company's business is the variation of prices for purchased materials due to changing market conditions.

2. Supply of finished products

The risks related to the supply of finished products include the following:

- cyclic nature of demand for ferrous products (including seasonal fluctuations);*
- price risks characterized by volatility of prices for ferrous products in global and domestic markets;*
- macroeconomic risks in foreign and domestic markets, including economic growth rates, inflation expectations and prices in energy markets;*
- introduction of quotas and other trade restrictions in main export markets;*
- aggravation of competition on the part of other producers, including those from emerging markets.*

Foreign market

When the demand growth rate slowed down in Q2 and Q3 there was a decline in flat products in Q4 2013 at the global market: net apparent consumption of flats decreased QoQ by 2.9%.¹ The only region which maintained the positive dynamics was Middle East.(5,4%). Capacity of North America maintained at the level of Q3. In Asia demand decreased by 3.3%. In Europe decrease rate slowed down to -0.9% versus -2.5% of the previous quarter. The market of Central and South Americas decreased by 5.3%, in Africa – by 10.3%.

Weakening of the global demand increased the risk of Russian ferrous metal export volume. In 2013 export supplies of flats by Russian manufacturers decreased by 9.4% upon annual comparison, slabs export decreased by 10,7%.² In the last quarter of 2013 export volumes of flats and slabs corresponded to the level of Q4 2012.

In Q1 2014 weakening of the risk of demand decrease is expected at the global market. In Asia, North America and Europe some recovery of the positive consumption dynamics is expected: 5,3%, 3,3% and 1,1% respectively.

Based on the results of 2013 growth of global net apparent consumption of flats is estimated at 5.6% to the level of 2012. In 2014 there is a possible slowdown in demand growth rate to 4.8% to the level of 2013 due to almost double slowdown in growth in Asia, especially in China. Between 2014 and 2018 the positive dynamics of consumption growth rate with consecutive slowdown upon annual comparison is forecast to be kept. The total average annual growth rate of net apparent consumption of flats during this period may be 3.4%.

Domestic market

Worsening of macroeconomic indicators of the Russian economy in the last quarter of 2013 had negative influence on apparent consumption of ferrous metals. Demand decrease in flats in Q4 2013 was 4.0% upon annual consumption. Apparent consumption increased by 1.4% to the level of 2012 based on the results of the full year of 2013.

The beginning of stock replenishment by consumers in Q1 2014 may contribute to demand for flats by 2-3% upon annual comparison. Based on the results of 2014 apparent consumption of flats in Russia may increase by 3-4% to the level of 2013.

Risk of competition aggravation at the Russian market from imported flats kept on decreasing: flats

¹ CRU Steel Sheet Products Market Outlook, January 2014.

² IA Metal Export, January 2014

import volume in Q4 2013 decreased by 19.5% upon annual comparison also because of seasonal decrease in coated flats import. Based on the results of 2013 flats import to Russia decreased by 11.3% as compared to 2012.

Risks associated with potential change in prices for the Issuer's products

The growth tendency of prices during Q3 was replaced by a reduction tendency against growth rates slowdown of the economies of the main countries consuming steel products and demand reduction.

At the local market of EC countries prices reduction as compared to the previous quarter made 1-2% by main types of flats. By the end of the year manufacturers made some attempts to increase price of the offer but transactions for supply of products in January 2014 were closed based on the prices of Q4 level. Compared to the beginning of 2013 average prices at the local markets of EC countries decreased by 5-7%³.

An opposite tendency was observed at the USA local market during Q4: from the beginning of the quarter cash prices on the main types of flats increased by USD 20-30 per ton against keeping a permanent level of demand and positive expectations regarding country economy development. Prices growth in Q4 made about 2-3% as compared to the previous quarter and could be higher if the attempts of manufacturers to increase prices by the end of the quarter had been accepted by the market because of increase in offers and availability of a more price- competitive import flats. At the same time the USA domestic market showed a positive price dynamics based on the results of the year: average prices growth by the end of the year made about 7-10% depending on the type of the flats.⁴

The main market of the Middle East - Turkey - also showed a slight reduction in prices within 1-2% during the year depending on the flats type.⁵ Mainly the reduction was caused by availability of cheaper flats from CIS countries at the market. At the beginning of the year the situation slightly changed because of cheapening of the Turkish lira and manufacturers increased the prices of hot-rolled flats supply up to USD 615-620 per ton. But demand is still seasonally weak. Rapid price movement is not expected during Q1.⁶

At South-East Asia markets in Q4 demand was weaker than it is usually typical for this period that together with large export volumes caused decrease in prices in the region. A low level of demand and keeping of excessive supply influenced prices level at the domestic market of China. Decrease in prices in Q4 made 2-4% as compared to the previous quarter and from 6% to 13% (depending on the type of flats) as compared to the beginning of 2013.⁷ Worsening of the dynamics at the main demand markets caused decrease in export quotations of flats from CIS countries: slabs, hot-rolled flats, hot galvanized flats – by 1%; cold-rolled flats – by 2 % and for plates – by 3%.⁸

At the domestic market of Russia prices moved in different directions: when prices of hot- and cold-rolled flats was slowly decreasing over the quarter (within 1-2%) quotations of cold-rolled flats were steadily but still slowly increasing (up to 2%). Weak domestic consumption and seasonal factors raise the risk of decrease in metal products prices in Q1 of 2014.⁹

At the beginning of 2014 risk of prices decrease at the main global markets is slightly abating: price pressure from manufacturers together with necessity for restocking and conventional optimistic expectations at the beginning of the year may have a positive impact which, though, may be evened by such factors as a low level of actual demand and availability of cheap flats from China and India. One of the factors which may keep the prices at the beginning of the year is growth of prices for iron ore raw materials against limited supply from Australia and Brazil due to weather conditions. Index of prices for iron ore Platts 62% Fe IODEX reached USD 134.75 per ton CFR China (+3% to the level at the beginning of the quarter) by the end of December¹⁰. For Russian consumers prices for iron ore raw materials augmented by 1.5 – 2.5% in January as compared to the level in December.¹¹

Risks related to possible loss of consumers accounting for at least 10 per cent of total sales earnings for the Issuer's products (works, services):

In Q4 2013 Novex Trading (Swiss) S.A and Novexco (Cyprus) Limited were the buyers accounting for at least 10% of general revenue from selling of the Issuer's metal products. As these companies specialize in export trade of the Issuer's metal products and are controlled by its companies, loss of these buyers is

³ Upon generalized data from Metal Bulletin Research, Metal Expert, CRU Steel Sheet Monitor

⁴ Upon generalized data from Metal Bulletin Research, CRU Steel Sheet Monitor

⁵ On the basis of quotations published by SteelOrbis.

⁶ Steel-Insight. Flat Steel Products, January 2014.

⁷ По обобщенным данным Metal Bulletin Research, Металл-Эксперт, The Information Center of Metallurgical Industry of P.R.C. (<http://www.chinaesteel.com.cn>).

⁸ На основе котировок, публикуемых Metal Bulletin Research.

⁹ Based on MetalTorg.ru information.

¹⁰ Based on Platts information.

¹¹ Metal-Courier, 26-12-2013

unlikely.

3. Transport (logistical) risks

For transportation of its cargoes, the Company uses mainly railway transportation for its business. Therefore, the most significant factors related to the Issuer's cargo transportation, which influence the Company's business, are dependent on the business of the natural monopoly JSC Russian Railways.

The essential logistics risks for the Company are the following:

- *risk of steep tariff costs increase by natural monopolies upon the raw materials delivery and the products shipment;*
- *risk of railway vehicles unavailability resulting in the disruption of raw materials deliveries and finished products shipment.*

Starting from January 1, 2013 the railway tariff increased by 7%. There was no further augmentation of tariff in 2013.

Besides in accordance with Federal Tariffs Service's order dd. 21.12.2012 № 423-m/3 "On setting of price limits" (maximum and minimum levels) of tariffs for railroad transport services on goods transportation for mid-network conditions, and also with Application Rules and Conditions (settlement, amendment) of tariffs level for railroad transport services on goods transportation within the price limits (maximum and minimum levels) which were approved by the Russia Federal Tariffs Service's order dd. 18.12.2012 № 398-m/3, from 8 June 2013 a decreasing coefficient of 0,882 to the valid tariffs of Price-List 10-01 for ferrous metals transportation was set.

Railway tariffs for goods transportation in 2014 hasn't changed but the decreasing coefficient at 0.882% will not be valid which will cause growth of tariff for transportation of metal products for the Company as compared to 2013.

In order to ease influence of risks of partial or full disruption of deliveries the Issuer forms a reasonable reserve stock of main raw materials in order to guarantee the production cycle continuity. Main material resources are supplied in accordance with approved schedules, which provide for balanced delivery cycles for continuous production of finished products.

To mitigate the effect of the risks of steep tariff increase by natural monopolies related to delivery of raw materials and shipment of products the Issuer contracts, in addition to OJSC Russian Railways, OJSC PGK as a main Carrier. From October 2012 OJSC PGK started managing the railway cars fleet of OJSC NTK, which would allow optimizing costs, headcount, car repairs and transportation arrangement. Contracts with OJSC PGK are concluded for a long-term period. Contracts with alternative transportation and forwarding companies are also concluded.

4. Risks associated with relations with natural monopolies of the Russian Federation

Main energy resources (natural gas, electric energy) are supplied by natural monopolies of the Russian Federation, which results in higher mid-term risks related to tariff regulation.

In order to mitigate the effects of this risk, the Issuer purchases resources in free market and pursues the policy of self-sufficiency with regard to resources.

In order to decrease regulatory and statutory risks associated with the energy sector, the Company's representatives participate in permanent advisory boards and non-governmental organizations.

2.4.2. Country and regional risks

The Issuer supplies products for export. Therefore, there are risks of decline in earnings if market conditions deteriorate in some parts of the world. However, the Company has ample opportunities for redirection of commodity flows to more attractive markets. Geographical diversification also helps to minimize losses associated with tariff regulation and quota assignment measures.

1. Limitations in sales markets

- *Limitations currently in force in sales markets:*
 - *anti-dumping duties: Mexico, Peru, Thailand, Indonesia, China;*
 - *price and quantity control: USA (HR flats).*

• *An investigation is under way in Mexico due to avoidance of anti-dumping measures in relation to plates and hot-rolled flats in coils in regard to supply of products from the RF. Any investigation results will not have negative influence on NLMK because the Company does not supply plates and hot-rolled flats in coils to Mexico.*

- *The USA initiated an anti-dumping investigation in relation to GO steel from some countries, including Russia. This investigation will not affect NLMK due to insignificant volumes of GO steel deliveries to the USA.*
- *Due to continuous instability in the global economy, the USA maintains limits on the use of imported finished flats and semi-finished products for manufacturing of steel products intended for governmental needs as a part of the national economy stimulation program.*
- *Despite the global economy growth rate reduction and significant deceleration of developed economies growth due to debt crisis, it is rather unlikely that any higher tariffs, quotas and trade restrictions will be introduced in the near future (3 months) in the form of initiating anti-dumping investigations or bringing in special protective measures against NLMK products.*
- *In the light of Russia entering the WTO in mid-term (2-3 years) some negative consequences are possible: the risk of anti-dumping investigations in the EU and impossibility of fast tariff protection measures implementation. Moreover, the reduction of export duties may lead to increased scrap exports which may result in its deficit in the RF accompanied by price growth which will impact steel production cost.*
- *Political instability continues in Egypt and its further escalation is possible that can trigger steel consumption and import reduction. Reduction in export to Egypt will not have significant influence on NLMK business because sales volume to this country does not exceed 2% of NLMK's export revenue (1.1% in 2012 and 1.7% for the first six months of 2013).*

2. Risk of political situation deterioration

- *Political situation deterioration in Russia or in the main sales markets is not expected;*
- *It is possible that the period of political instability in some countries of the Middle East and North Africa will continue, at the same time it will not have significant influence on the Company's operations due to the low volumes of export to this region;*
- *There is no risk of emergency state announcement in Russia;*
- *Emergency state announcement in main sales markets in the short term (3 months) is not anticipated;*
- *The possibility of strikes at NLMK's main sites is low both in the short- and middle-term, as the Company performs its core activities in economically and socially stable regions and fulfills its social obligations in full. Balanced social policy pursued by the Company helps to maintain stable social environment in the companies.*

3. Risk of military conflicts

- *There is no risk of military conflicts in Russia.*
- *In the short or middle term, there is no risk of military conflicts in the main export markets.*

Regional risks:

1. *In the short term, the risk of significant deficit of the federal budget is not forecast.*
2. *Disruption of interaction between the players of the mining, iron & steel and transport segments in the short, middle or long term is not anticipated.*
3. *The risk of domestic sales reduction due to the probable deceleration of economic growth and business activity in the real sector of Russian economy, brought about by the global economic growth sagging and the lowering of the tariff protection level of metal-consuming industries upon entering the WTO, is assessed as moderate. Partially this risk may be leveled by implementation of infrastructural projects including the ones for international events.*
4. *There is a possibility of keeping high volumes of steel imports to Russia from the Ukraine, Kazakhstan, China and other exporting countries due to the sustainable low demand from the major steel consuming countries and regions.*

Possible actions of NLMK aimed at reduction of country and regional risks:

- *implementation of measures to reduce production costs and increase production efficiency;*
- *implementation of competitive pricing policy in the domestic market;*
- *in case of introduction of anti-dumping measures and other trade restrictions in export markets – reorientation to other sales markets;*
- *development of proposals for the Government on measures aimed at support of metal-consuming sectors upon entering the WTO, promotion of demand for metal products and implementation of metal-intensive infrastructure projects;*
- *development of proposals on improvement of the institutional environment for operation of ferrous metallurgy producers;*

- *taking steps aimed at protection of the domestic market from unfair competition on the part of foreign suppliers of steel products, as well as resorting to trade protection measures in collaboration with other steel companies in case of steep growth of import.*
NLMK's production activity is conducted in the territory of the Russian Federation. Taking into account the current economic and political situation in Russia, the country risks are quite insignificant for NLMK. Taking into account the current economic and political situation in Russia, the country risks are quite insignificant for NLMK. NLMK and its subsidiaries have an efficient system of cooperation between the mining, iron & steel and rolling segments, its main facilities are located within 1,500 km from NLMK's main Russian consumers, close to major traffic arteries.

2.4.3 Financial risks

Currency risks

The Issuer, being an export-oriented company, is subjected to currency risks. Under the conditions of unstable situation in the global financial markets there is a possibility that currency exchange rate fluctuation range will increase, which in its turn may affect the Company's activity results. To minimize currency risks the Company takes actions aimed at currency revenue diversification. While concluding foreign trade contracts, the Issuer balances bank currency positions: payments in foreign currency are covered by export revenue in the same currency.

Risk of the interest rates changing

The Issuer uses borrowed funds, therefore, there is a risk of changes in interest rates. In order to manage these risks, the Company regularly analyses risks related to interest rate development. The Issuer mitigates this risk by means of maintaining the optimal balance of credit commitments with fixed and floating rates.

2.4.4. Legal risks

Tax risks.

There are no legal risks related to NLMK and Group of companies business due to changes in currency regulation, effective tax law, changes in rules of customs control and fees; changes in requirements for licensing of the Issuer's core business or licensing of rights to use objects; changes in judicial practice on issues related with the Issuer's business.

Legal actions and licensing

There are no risks associated with current legal actions where the Issuer participates and related to possible liability of the Company for third-party debts, including the Company's subsidiaries, non-prolongation of the Issuer's licenses for certain activities or utilization of objects the turnover of which is restricted, the possibility of loss of customers whose turnover is at least 10% of the total sales revenue.

2.4.5. Risks associated with the Issuer's business

Property risks

Property risks are the risks that can cause loss of property or its part by a company as a result of industrial accidents, as well as reduction in earnings as a result of disruptions of production. In order to minimize such risks, the Issuer takes measures aimed at prevention of accidents and dangerous situations at production sites, the Issuer maintains a reasonable reserve of work-in-progress and auxiliary materials to be used in case of emergency shutdowns. There is property protection, as well as alarm systems and fire-prevention systems.

The Company insures property assets with the privileged reinsurance at the biggest western markets. In order to develop the most efficient insurance programs and ensure maximum protection, the Company holds tenders with major international brokers; these tenders help the Company to get optimal insurance rates, as well as guarantees of insurance compensation in case of loss occurrence.

Environmental risks

Environmental risks arise in the course of construction and operation of production facilities, in case it becomes possible to damage the environment.

In order to decrease environmental risks, the Company monitors chemical composition of air emissions and discharged waste water; it reduces environmental impact by means of commissioning of new environmentally-safe process equipment and modernization of existing process equipment.

The Issuer insures its third party liabilities with reference to accidents that may occur in the cause of operation of hazardous production facilities.

HR risks

The Issuer considers the possibility of undesirable events in social and professional sphere to be personnel risks.

In order to prevent personnel risks, a set of corporate standards on personnel management has been worked out, which regulate employment and dismissal of employees, training and assessment of professional qualifications, distribution of awards, work with young people, implementation of internal social programs aimed at health improvement, social protection of personnel, etc.

III. Detailed information on the Issuer

3.1. Issuer's history and development

3.1.1. Information on the Issuer's company name

Full name of the issuer: *OJSC Novolipetsk Steel*

Date of introduction of the current full company name: *12.08.1998*

Abbreviated name of the issuer: *NLMK*

Date of introduction of the current abbreviated company name: *12.08.1998*

The Issuer's company name (for a non-profit organization - name) was registered as a trademark or service mark.

Information on registration of the above trademarks:

The Company is entitled to use the trade marks "STINOL", "HJMK" and "NLMK" registered in accordance with the Russian Law (information on trade mark registration is given in clause 4.5. hereof).

All former names of the Issuer within the time of its existence

Full company name: *The Yu. V. Andropov Novolipetsk Iron & Steel Works honored with the Lenin Order and the October Revolution Order*

Abbreviated company name: *NLMK*

Date of the name introduction: *14.03.1984*

Grounds for the name introduction:

Decree of the Central Commission of the KPSS, Presidium of the Supreme Soviet of the USSR and Council of Ministers of the USSR "On perpetuation the memory of Yury V. Andropov".

Full company name: *Joint-Stock Company "Novolipetsk Iron & Steel Corporation"*

Abbreviated company name: *JSC NLMK*

Date of the name introduction: *28.01.1993*

Grounds for the name introduction:

Decision of the Lipetsk Region State Property Management Commission No. 823 dd. December 31, 1992 "On reorganization of the Yu. V. Andropov Novolipetsk Iron & Steel Works into Novolipetsk Iron & Steel Corporation".

Full company name: *OJSC Novolipetsk Steel*

Abbreviated company name: *NLMK*

Date of the name introduction: **12.08.1998**

Grounds for the name introduction:

Decision made at Annual Shareholders' Meeting dd. August 1, 1998 (Minutes No. 9) on approval of the redrafted Company's Charter.

3.1.2. Information on state registration of the Issuer

Information on the initial state registration:

State registration number: **5-Г**

State registration date: **28.01.1993**

Name of the registrar: **Administration of Levoberezhny district of the city of Lipetsk**

Information on registration of a legal entity:

Main state registration number of a legal entity: **1024800823123**

Date of registration of an entry in the Unified State Register of Legal Persons before July 1, 2002: **09.07.2002**

Registrar: **Inspection of Interdistrict Tax Inspectorate of Russia for Central district of Lipetsk**

3.1.3. Information on foundation and development of the Issuer

No changes in the information relevant to this clause within the reporting quarter

3.1.4. Contact Details

The Issuer's domicile:

2, Metallurgov sq., Lipetsk, Russia .

Mailing address:

2, Metallurgov sq., 2, 398040 Lipetsk, Russia .

Telephone: **(4742)-444-989**

Fax: **(4742)-441-111**

E-mail: **info@nlmk.ru**

Web-site with available information on the Issuer and its securities issued and/or being issued:

www.lipetsk.nlmk.ru

www.e-disclosure.ru/portal/company.aspx?id=2509

Name of the Issuer's department dealing with shareholders and investors: **Equity Management Department**

Domicile: **2, Metallurgov sq., Lipetsk, Russia .**

Telephone: **(4742)-444-989**

Fax: **(4742)-442-255**

E-mail: **sp-uak@nlmk.ru**

Web-site: **www.lipetsk.nlmk.ru/investor_centre/welcome_investor/**

3.1.5. Taxpayer Identification Number

4823006703

3.1.6. The Issuer's branches and representative offices

Changes in the structure of the Issuer's branches and representative offices within the reporting quarter, in case within the reporting period there were changes in names, domiciles of branches or representative offices, full names of their managers, validity periods of powers of attorney granted by the Issuer to such managers – also information on such changes

1. By Order of NLMK dd. 26.06.2013 No. 316-ls, functions of the director of NLMK's representative office

in Moscow from June 21, 2013 for the period of 3 months were assigned to Natalya P. Doronina, the administrative director of NLMK's representative office in Moscow. Validity of NLMK's Order #316-ls dd. 26.06.2013 was extended for 3 months starting from 21.09.2013 by NLMK's Order #496-ls dd. 17.09.2013. Validity of NLMK's Order #316-ls dd. 26.06.2013 was extended for 3 months starting from 21.12.2013 by NLMK's Order #664-ls dd. 17.12.2013.

2. At the meeting on 15.11.2013 (MoM #215) NLMK Board of Directors passed a resolution: "Wind the representative office of OJSC Novolipetsk Steel in Novokuznetsk up". Director of the representative office of OJSC Novolipetsk Steel in Novokuznetsk – Mr. Sergey Gordeev - was dismissed of his own free will from 15.11.2013.

3.2. The Issuer's core business

3.2.1. The Issuer's industry

Core sector of the Issuer's business according to All-Russian Code of Foreign–Economic Activity (OKVED):
27.17

OKVED codes
28.71
55.51
70.32.1
55.12
60.23
60.10.2
74.60
63.21.1
63.11
63.12
31.62.9
60.24
45.31
52.31
40.10.5
74.20.1
74.20.3
85.20
37.10.1
92.13
64.20.1
85.13
51.70
52.11
52.12
28.63
51.54
51.56.4
51.57
52.50.3
55.30

55.52
90.00.1
92.61
27.15
27.16.2
27.11
24.14.2
27.33
45.21.1
23.10
29.51
85.11
27.22
27.14
34.30
40.30
24.15
01.12.2
10.10.12
14.21
20.30
22.12
22.22
24.11
24.66.4
25.21
26.26
26.52
26.61
26.63
26.82.3
26.82.6
27.13
27.51
27.52
27.53
27.54
28.51
31.10.9
36.40
40.20.1
41.00.1
45.23.1
50.10.1
51.39
80.22.22
80.30.3

36.22.1
40.10
40.20.2
55.23.1
55.23.2
85.11.2
85.12

3.2.2. The Issuer's core business

The information is not included in Q4 report

3.2.3. Materials, goods (raw materials) and suppliers of the Issuer

The information is not included in Q4 report

3.2.4. Sales markets of the Issuer's products (works, services)

Main markets where the Issuer conducts its business:

In Q4 2013 the Issuer sold metal products at the Russian and foreign markets. In the reporting period the Issuer sold 67% of physical volume of metal products at the foreign market including of non-CIS countries – 65%, CIS countries – 2%.

91% of the physical volume of export sales is accounted for the trading companies: Novex Trading (Swiss) S.A. (70% of export) and Novexco (Cyprus) Limited (21%).

The main geographical direction of exports of the Issuer's metal products in Q1 2010 was the EU countries (37% of export sales). The main importers were Belgium, Denmark and Italy. North America became the second (23%) where the biggest buyer is the USA. Sales to the Asian countries made 17% of export. The main consignee is Indonesia. 12% of export went to the market of the Middle East, mainly, to Turkey. Central and South Americas had 7% of export. African countries made 1%.

In Q4 2013 the share of steel semi-finished products (slabs) in the product structure of the Issuer's metal product export increased to 83% The share of hot-rolled flats (including pickled) and cold-rolled flats without coatings amounted to 13%. The share of electrical steels is still 3% of export.

In the industrial structure of export sales to iron-and-steel enterprises prevail. 88%. Deliveries to service metal centers and enterprises of metal processing made 5%, machine-building companies (including automotive, electrical industry, household appliances) - 6%.

The main importers of metal products of the Issuer in CIS countries were Belarus (66% to this group of countries) and Ukraine (27%). The structure of products exported to the CIS countries was represented by HR flats (23% including pickled), CR flats (35%), galvanized and prepainted steel (11% and 6%, respectively) as well as electrical steel (18%). In the industrial structure of sales to the CIS the share of steel-making and piping enterprises made 17% of the volume, machine building – 20%, automotive industry – 12%. 16% and 14% of the volume is supplied to the companies of electrical machinery industry and household appliances companies, respectively. Sales to service metal centers, metal-processing enterprises and construction sector made 15%.

Supplies to the Russian market in Q4 2013 made 33% of the total sales of the Issuer's metal products. The main geographical direction of domestic sales is still the Central economic region (40% of domestic sales). Supplies to Volgo-Vyatsky Economic Region amounted to 15%, to North Caucasian – 13%, to the Volga region – 10% of the volume.

Construction industry dominates in the industrial structure of domestic sales: sales to service steel centers and metal-processing companies contributed to 45%, sales to construction companies – 22%. Steel-making and piping companies got the share of 21%, automotive companies – 4%, electrical machinery companies and household appliance companies – 4% as well.

The product structure of domestic sales in the reported period was represented by slabs (13%), HR flats (34%, including pickled), CR flats (26%), galvanized and pre-painted flats (14% and 10%, respectively), and electrical steel (2%).

Factors that may impact the Issuer's sales of products (works, services), and possible actions aimed at mitigation of such influence:

Seasonal reduction of construction activities may keep its negative influence on domestic sales of the Issuer's metal products in Q1 2014. Seasonal decline may be partially compensated by the beginning of restocking metal products by consumers before spring growth of construction activities.

Influence of negative factors on export sales of the Issuer's metal products in Q1 2014 will be limited by an expected growth of global net apparent consumption of flats by 3.5% to the level of Q4 2013 due to recovery of a positive demand dynamics at the markets of Asia (5.3%), Europe (1.0%), North America (3.3%) and Africa (24.9%).*

* - *CRU Steel Sheet Product Market Outlook, January 2014.*

3.2.5. Information on the Issuer's authorizations (licenses) or permits to certain types of works

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***Natural Resources Committee for the Lipetsk region (the license was extended by the Department for Subsoil Usage for the Central Federal District)***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***ЛПЦ Reg.No:54085 БЭ 54085 БЭ***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Extraction of fresh underground water for industrial and potable water supply (Lipetsk and Borinskoye village, Lipetsk area, Lipetsk region, Russia)***

Issue date of an authorization (license) or a permit to certain types of works: ***20.05.2003***

Validity of an authorization (license) or a permit to certain types of works: ***01.03.2022***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***Federal Transport Supervision Service***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***Series ППД No.4804462***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Hazardous cargo handling at railroad transport***

Issue date of an authorization (license) or a permit to certain types of works: ***27.02.2009***

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***Consumer Market Department under the Administration of the Lipetsk Region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***Ref. № 3***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Procurement, preparation and sales of ferrous scrap at the address: 2, Metallurgov sq., Lipetsk***

Issue date of an authorization (license) or a permit to certain types of works: ***07.07.2009***

Validity of an authorization (license) or a permit to certain types of works: ***06.07.2014***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***Verkhnedonskoye Rostekhnadzor Department***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***ИВ-13-000003***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Operations related to the use of industrial explosives (blasting of hot blocks; processing of materials (cutting, welding, strengthening) by explosion energy)***

Issue date of an authorization (license) or a permit to certain types of works: ***24.02.2010***

Validity of an authorization (license) or a permit to certain types of works: ***24.02.2015***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

Federal Transport Supervision Service

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***Series III No.4805210***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Transportation of goods by railway transport***

Issue date of an authorization (license) or a permit to certain types of works: ***25.03.2010***

Validity of an authorization (license) or a permit to certain types of works: ***25.03.2015***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***Administration of Federal Supervision Service for Consumer Rights Protection and Human Welfare for Lipetsk region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***48.01.01.002.Л.000015.08.10***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Operations related to using ionization radiation sources (generating) (except for cases when these sources are used for medical purposes).***

Issue date of an authorization (license) or a permit to certain types of works: ***27.08.2010***

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***The Central Inter-Regional Territorial Nuclear and Radiation Safety Supervision Department with the Federal Service on Environmental, Technological and Nuclear Supervision***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***ЛЮ-03-209-6143***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Operation of radiation sources (products containing radioactive substances)***

Issue date of an authorization (license) or a permit to certain types of works: ***13.07.2011***

Validity of an authorization (license) or a permit to certain types of works: ***04.10.2016***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***Department of the Federal Security Service of Russia in the Lipetsk region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***ЛТ № 0023093 Рег. № 7***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Operations with the use of State secret information***

Issue date of an authorization (license) or a permit to certain types of works: ***20.06.2013***

Validity of an authorization (license) or a permit to certain types of works: ***20.06.2018***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***Department of the Federal Security Service of Russia in the Lipetsk region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***ЛТ № 0023093 Рег. № 7/8***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Operations with the use of State secret information***

Issue date of an authorization (license) or a permit to certain types of works: ***20.06.2013***

Validity of an authorization (license) or a permit to certain types of works: ***20.06.2018***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***Department of the Federal Security Service of Russia in the Lipetsk region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***ЛТ № 0023095 Reg. No. 9M***

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: ***Implementation of measures and (or) rendering of services related to protection of the national security information.***

Issue date of an authorization (license) or a permit to certain types of works: ***20.06.2013***

Validity of an authorization (license) or a permit to certain types of works: ***20.06.2018***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

Rosprirodnadzor Department of the Lipetsk Region

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: **OT-13-000393 (48)**

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: **Neutralization and disposal of hazardous waste of I - IV class** Issue date of an authorization (license) or a permit to certain types of works: **21.11.2013**

Validity of an authorization (license) or a permit to certain types of works: **for an unlimited period**

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

Federal service on environmental, technological and atomic supervision

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: **BX-00-014486**

A type of operation (works), with respect to which the Issuer obtained a relevant authorization (license) or permit: **Operation of fire explosive and chemically hazardous production facilities with I, II and III hazard ratings**

Issue date of an authorization (license) or a permit to certain types of works: **30.12.2013**

Validity of an authorization (license) or a permit to certain types of works: **for an unlimited period**

The Issuer's forecast with respect to possibilities to prolong special permits (licenses): NLMK plans to prolong its licenses in line with the legislation of the Russian Federation.

3.2.6. Information on activities of certain categories of Issuers of issue-grade securities

The Issuer is not a stock investment fund, insurance company, credit company or a mortgage agency

3.2.7. Additional information on Issuers specializing in mining operations

a) Mineral reserves

The list of mineral deposits having high financial and economic significance for the Issuer, the rights of use for which belong to the Issuer and companies controlled by the Issuer

Deposit: **Sitovka fluxed limestone area of Sokol-Sitovka deposit**

Owner of rights for the deposit

Full company name: **Open joint-stock company "Studenovsk Joint-Stock Mining Company"**

Abbreviated company name: **OJSC Stagdok**

Domicile: **Studenovskaya industrial site, rural settlement Vvedenskiy local council, Lipetsk district, Lipetsk region, 398507 Russia**

TIN: **4825000880**

OGRN: **1024800824300**

Type of mineral reserve: **fluxed limestone**

Proven reserves: **The Sitovka area of the Sokol-Sitovka deposit with limestone reserves of 200,901 thousand tons as of 01.01.2000, inclusive of 34,095 thousand tons of quality A, 166,806 thousand tons of quality C1, confirmed by (taking into account supplementary exploration and revaluation of the field) the Territorial Mining Reserves Commission (Minutes No. 51 dd. June 29, 2000). As of 01.01.2014 the reserve residue of the Sitovka area of the Sokol-Sitovka deposit constitutes 136,627 thousand tons. Within the given mining lease the company has the right for geological survey for conversion of limestone reserves from low industrial grades to higher grades.**

Mining level for the respective reporting period (periods): **Limestone mining volume for 2013 was 5,791.2 thousand tons, including for Q4 2013 – 1,579.8 thousand tons.**

Deposit: **The western side of the Sitovka area of the Sokolsky-Sitovsky deposit of fluxed limestones.**

Owner of rights for the deposit

Full company name: *Open joint-stock company "Studenovsk Joint-Stock Mining Company"*

Abbreviated company name: *OJSC Stagdok*

Domicile: *Studenovskaya industrial site, rural settlement Vvedenskiy local council, Lipetsk district, Lipetsk region, 398507 Russia*

TIN: *4825000880*

OGRN: *1024800824300*

Type of mineral reserve: *fluxed limestone*

Proven reserves: *In July 2012 exploration works of the western side of the Sitovka area of the Sokol-Sitovka fluxed limestones deposit. Report on geological survey results has been submitted for expertise in Federal State Budgetary Institution "State Reserves Committee".*

Deposit: *Bigildin and Prikaryerny areas of the Dankov dolomite field*

Owner of rights for the deposit

Full company name: *Open joint-stock company "Dolomite"*

Abbreviated company name: *Dolomit*

Domicile: *1, Sverdlova str, Dankov, Lipetsk region, Russia .*

TIN: *4803003415*

OGRN: *1024800548520*

Type of mineral reserve: *metallurgical dolomite, construction grade crushed rock and limestone (dolomite) flour.*

Proven reserves: *As of 01.01.2014 the Bigildin and Prikaryerny areas of the Dankov dolomite field had 374,663 thousand tons of balance sheet reserves of dolomite, inclusive of 233,999 thousand tons in the Bigildin area and 140,664 thousand tons in the Prikaryerny area. The Dankov field contains (all areas) 643,140 thousand tons of dolomite balance sheet reserves in total. The dolomite reserve evaluation was approved by Protocol No. 873 dd. September 26, 2003 of the State Mineral Reserves Committee (GKZ).*

Mining level for the respective reporting period (periods): *Dolomite mining volume for 2013 was 3,601 thousand tons, including for Q4 2013 – 909 thousand tons.*

Deposit: *Stoilensky deposit of iron ores and non-metallic mineral resources*

Owner of rights for the deposit

Full company name: *Open joint-stock company "Stoilensky Mining & Processing Plant"*

Abbreviated company name: *Stoilensky*

Domicile: *Drive 4, Fabrichnaya site, south-west industrial area, Stary Oskol, Belgorod region, Russia*

TIN: *3128011788*

OGRN: *1023102367750*

Type of mineral reserve: *high-grade iron ores, magnetite quartzites, oxidized quartzites, clay and loam, chalk, marl, sand, decayed slate, crystalline slate, quartzitic sandstone, granite gneiss.*

Proven reserves: *The balance sheet reserves remainder as of 01.01.2014: high grade iron ore (dry weight) - category B+CI – 51,344 thousand tons; of category C2 – 8,078 thousand tons; magnetite quartzites of category B+CI – 4,708,900 thousand tons; of category C2 – 1,545,049 thousand tons. The State Mineral Reserves Commission with the Ecology and Natural Resources Ministry of the Russian Federation approved the reserves for quarry operations (500 meters to bedding rock) (Protocols No. 1, No. 2 dd. January 24, 1992, No. 2309-0II dd. November 15, 2010).*

Mining level for the respective reporting period (periods): *Mining volume for 2013 was: high-grade iron ore (natural weight) – 1,454 thousand tons; magnetite quartzite – 29,304 thousand tons, including*

for Q4 2013: high-grade iron ore (natural weight) – 361 thousand tons; magnetite quartzite – 7,361 thousand tons. Annual design capacity of the Company in terms of high grade iron ore excavation is 1,200 thousand tons, magnetite quartzite – 42,000 thousand tons.

Deposit: *Stoilensky deposit of iron ores and non-metallic mineral resources*

Owner of rights for the deposit

Full company name: *Open joint-stock company “Stoilensky Mining & Processing Plant”*

Abbreviated company name: *Stoilensky*

Domicile: *Drive 4, Fabrichnaya site, south-west industrial area, Stary Oskol, Belgorod region, Russia*

TIN: *3128011788*

OGRN: *1023102367750*

Type of mineral reserve: *underground water.*

Proven reserves: *Drainage groundwater reserves of Stoilensk deposit were approved according to Turonian Maastricht, Alb-Senoman aquifers and Archean Proterozoic aquifer system in the amount of 126.7 thousand m³ /day under category A+B (Minutes No. 1291 GKZ dd. November 24, 2006).*

Mining level for the respective reporting period (periods): *On the whole, in Q4 2013 mine drainage amounted to 11,783 thousand m³, including utility and potable water - 661.7 thousand m³. OJSC Stoilensky GOK is permitted to take groundwater continuously in order to drain the quarry with the decrease of groundwater level to the drainage working and in quantity providing for safe mining operations.*

Licenses for subsoil use obtained by the Issuer or companies controlled by the Issuer in order to use the deposits that have major financial and economic significance for the Issuer

Legal entity that obtained the license

Full company name: *Open joint-stock company “Studenovsk Joint-Stock Mining Company”*

Abbreviated company name: *OJSC Stagdok*

Domicile: *Studenovskaya industrial site, rural settlement Vvedenskiy local council, Lipetsk district, Lipetsk region, 398507 Russia*

TIN: *4825000880*

OGRN: *1024800824300*

License No.: *series IIIII No. 54036 TЭ*

Issue date of the license: *30.05.2002*

License validity period: *31.12.2028*

Basis for licensing: *The basis for licensing is the following: supplementary exploration and revaluation of reserves over the period of 1995-2000; change of field contour.*

Description of the subsoil area given for use:

Sitovka fluxed limestone area of Sokol-Sitovka deposit is located in the Lipetsk district of the Lipetsk region (3 km north of Lipetsk and 0.5 km west of village Voskresenovka of the Lipetsk region). The subsoil area given for use has a mining lease status. The maximum depth of the area is +106 meters subject to mandatory preservation of protective pillar of 2 meters capacity above the groundwater level.

License type: *Extraction*

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities: *Main liabilities of the owner of rights for the deposit: 1) To extract limestone with observation of the following conditions: to determine the annual limestone extraction level on the basis of mining plan; to coordinate the plan of mining operations and norms for losses with the Federal Committee for Mining and Industrial Supervision on the annual basis. 2) To present statistical reports in form 5-zp to the Federal Geological Administration “Geological Fund of the Central regions of Russia” by January 15 annually. 3) To present statistical reports in form 70-mn, 71-mn to organizations specified in these forms by January 25 annually. 4) To monitor groundwater*

through the existing observation network in the course of the field use.

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: *To effect payments for subsoil use according to the existing norms: for the right to extract fluxed limestone - 6% of the extracted mineral value. Taxes and other mandatory payments shall be paid to the budget timely and in full.*

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence: *The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.*

Legal entity that obtained the license

Full company name: *Open joint-stock company "Studenovsk Joint-Stock Mining Company"*

Abbreviated company name: *OJSC Stagdok*

Domicile: *Studenovskaya industrial site, rural settlement Vvedenskiy local council, Lipetsk district, Lipetsk region, 398507 Russia*

TIN: *4825000880*

OGRN: *1024800824300*

License No.: *series ЛПД No. 54401 ТЭ*

Issue date of the license: *03.09.2007*

License validity period: *01.08.2027*

Basis for licensing: *The basis for licensing is the following: minutes of meeting of the Auction Committee of the Regional Subsoil Management Agency for the Central Federal District dd. 21.06.2007, order No. 181 dd. 25.06.2007 of the Regional Subsoil Management Agency for the Central Federal District "On results of the auction for the subsoil use".*

Description of the subsoil area given for use:

The western side of the Sitovka area of the Sokol-Sitovka deposit of fluxed limestones, located in the Lipetsk district, the Lipetsk region of the Russian Federation. The subsoil area given for use has a geological mining lease status.

License type: *Geological survey*

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities: *Main liabilities of the owner of rights for the deposit: 1) To complete the geological survey of the western side of the Sitovka area of the Sokol-Sitovka deposit within 60 months from the date of the license state registration. 2) On the basis of the reserves assessment results, to agree and duly approve the industrial operation plan for the deposit. 3) To develop the exploration and commission it within 36 months from the reserves confirmation. 4) To assess the background level of contamination of the subsoil area within 24 months from the date of the license state registration.*

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: *1) To effect in accordance with established procedure regular payments for the subsoil use in the amount of RUR 6,300 per 1 km² of the subsoil area. 2) To pay the tax for minerals extraction, as well as other taxes and charges in accordance with the legislation of the Russian Federation.*

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence: *The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.*

Legal entity that obtained the license

Full company name: *Open joint-stock company "Dolomite"*

Abbreviated company name: *Dolomit*

Domicile: *1, Sverdlova str, Dankov, Lipetsk region, Russia .*

TIN: *4803003415*

OGRN: *1024800548520*

License No.: *ЛПД No. 54112 ТЭ*

Issue date of the license: **01.10.2003**

License validity period: **01.01.2029**

Basis for licensing: **Renewal of the previous valid license due to change of the legal entity's (subsoil user's) name. The basis for prolongation of the license validity period: the subsoil user's initiative.**

Description of the subsoil area given for use:

Bigildin and Prikaryerny areas of the Dankov dolomite field are located 3-7 km to the north-east of the city and railway station with the same name – Dankov. The relief is relatively plain with ravine gully type network. The area of Bigildin area is 528 hectares, of Prikaryerny area – 316 hectares, the total area is 844 hectares. The areas are located on cropland that can be used for agricultural purposes. Minerals in the field are overlapped by argillaceous sand deposits. Average stripping depth is 17.5 m, productive stratum – 23 m. In the lower part of the quarry dolomites are watered at 1-5 m. Mining depth is 40 m. Subsoil areas have the mining lease status.

License type: **Extraction**

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities: **Main liabilities of the owner of rights for the deposit: 1) To present reports in forms 5-zp, 70-mn, 71-mn, 2-ЛС, 4-ЛС to supervisory authorities on the annual basis. 2) To renew documents for mining leases in exploration areas in Gostekhnadzor of the Russian Federation in Verkhne - Donskoy region before 01.05.2005. 3) To write off dolomite reserves accounted by the State within the mining lease at the time of operations completion and fully reclaim dislocated soils. 4) To prepare the annual mining development plan for the next year and to agree it with Gostekhnadzor of the Russian Federation in Verkhne-Donskoy region before December 15. 5) Two years prior to license expiry date, the project of final liquidation of excavation and reclamation of dislocated soil shall be developed and approved.**

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: **1) To pay the tax on dolomite extraction for construction materials in the amount of 5.5% of the extracted mineral value. 2) To pay the tax on dolomite extraction for metallurgical raw materials in the amount of 6.0% of the extracted mineral value. 3) Double payments are effected in case of above-standard losses of the mineral product.**

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence: **The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.**

Legal entity that obtained the license

Full company name: **Open joint-stock company "Stoilensky Mining & Processing Plant"**

Abbreviated company name: **Stoilensky**

Domicile: **Drive 4, Fabrichnaya site, south-west industrial area, Stary Oskol, Belgorod region, Russia**

TIN: **3128011788**

OGRN: **1023102367750**

License No.: **БЕЛ No. 13030 ТЭ**

Issue date of the license: **24.03.2005**

License validity period: **01.01.2016**

Basis for licensing: **The license was granted on the basis of "the Application" and licensing documents submitted by Stoilensky. Validity of the license can be prolonged upon initiative of the subsoil user as well as in other cases set forth in the Federal Act "On subsoils". Should any unknown mineral types and associated valuable components be found at the moment of license granting, the issuing bodies are entitled to call for state appraisal of geological materials and review the conditions of subsoil use.**

Description of the subsoil area given for use:

Stoilensk deposit of iron ores and non-metallic mineral resources is located within the southern slope of the Middle-Russian highland and covers a part of highly dissected ravine gully type network of water-dividing area between feeders of the Oskol river, small rivers Oskolets northward (3 km far) and Chufichka southward (3.5 km far). Main draws are Sazykin Log falling into the Oskolets river-valley and Popov Log falling into the Chufichka river-valley. Nearest locations are Stoilo, Lukyanovka, Verkhneye Chufichovo, Kotenevka settlements. Regional center, the city of Stary

Oskol, is located 8 km to the south-east of the deposit. Subsoil area has the mining lease status. The square area of mining lease plane is 13.315 km², land allotment area makes 33.212 km². Upper boundary of the mining lease is the daylight surface, lower – contour of ferruginous quartzite reserves calculation for open-pit excavation (elevation is 500 meters).

License type: **Extraction**

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities: **Main liabilities of the owner of rights for the deposit: 1) To observe the rules of safe operation, environmental protection, mineral resources conservation, subsoil protection. 2) Additionally, to coordinate payment terms or procedures for subsoil use with license issuing bodies - in case existing legislation changes. 3) To prepare reports on fulfillment of subsoil use conditions under this license for the previous year not later than on January 15 of the year following the reporting one. 4) To renew the license in case of changes in the company's name or status.**

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: **The flowing payments shall be effected: 1). for the right to extract high-grade ore and ferruginous quartzites - 4.8% of the extracted mineral value; 2). for the right to extract non-metallic mineral resources 5,5% of the extracted mineral value.**

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence: **The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.**

Legal entity that obtained the license

Full company name: **Open joint-stock company "Stoilensky Mining & Processing Plant"**

Abbreviated company name: **Stoilensky**

Domicile: **Drive 4, Fabrichnaya site, south-west industrial area, Stary Oskol, Belgorod region, Russia**

TIN: **3128011788**

OGRN: **1023102367750**

License No.: **BE/I No. 50162 BЭ**

Issue date of the license: **13.01.2003**

License validity period: **01.11.2022**

Basis for licensing: **The license was granted on the basis of the "Application" and licensing documents submitted by Stoilensky.**

Description of the subsoil area given for use:

Stoilensk deposit of iron ores and non-metallic mineral resources contains drainage groundwater reserves. Drainage groundwater reserves of Stoilensk deposit were approved according to Turonian Maastricht, Alb-Senoman aquifers and Archean Proterozoic aquifer system in the amount of 126.7 thousand m³ /day under category A+B (Protocol No. 1291 GKZ dd. November 24, 2006). Turonian Maastricht aquifer is associated with the top cracked weathering zone of marl-chalk stratum with 60-90 meters depth of the same age. The aquifer is a free-flow aquifer, static level is at 25-50 meters depth. The stratum around the quarry is completely drained. Alb-Senoman aquifer is associated with medium sands of the same age located at 90-110 meters depth overlapped by sand-clay deposits of quaternary age and chalk – marl rocks. The aquifer is a free-flow aquifer, occurrence depth is 63-94 m. The decrease of groundwater level in the area of drained contour is 40-45 meters. Archean Proterozoic aquifer system with 150 m capacity is associated with the cracked area of crystalline rock at the depth of 120-140 meters. The aquifer stratum is under pressure, piezometric level is at the depth of 75-100 meters, the quarry is drained.

License type: **Extraction**

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities: **Main liabilities of the owner of rights for the deposit: 1) To monitor water level in observation wells. 2) To control water quality as per the "Program of potable water quality industrial control" in line with the requirements of Sanitary Regulations & Standards 2.1.4.1074-01. 3) To submit the report in form 2-TII (water management) to Main Department of Natural Resources in the Belgorod region on the annual basis. 4) To submit quarterly and annual reports on geocological groundwater monitoring to Public Enterprise "Belgorodgeomonitoring".**

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license:

According to the license terms and conditions OJSC Stoilensk GOK shall effect payments for the use of water bodies in accordance with the existing legislation of the Russian Federation, as well as legislative instruments and regulations of the Government and Administration of the Belgorod region.

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence:

The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.

b) Mineral processing

Description of main processing equipment:

1. The equipment used for extraction and processing of fluxed limestone in the Sokol-Sitovka deposit: crushers and mills, shovels, BELAZ trucks, drilling rigs, bulldozers, diesel locomotives.

2. For the extraction of dolomite at the Bigildin and Prikaryerny areas of the Dankov dolomite deposit, electric full-rotary excavators manufactured by UZTM of ЭКГ-5а and ЭКГ-4,6Б type with 5 m³ and 4.6 m³ bucket capacity respectively and max. digging height of 10.3 m which corresponds to the height of common quarry face and stripping capacity are used. Drill works are done by roller-bit drilling rig of СБШ – 250МН type. Borehole diameter is 250 mm at drilling depth of 10-12 meters. Ore is crushed by jaw crushers with simple movement of jaw of grade ШДП 9x12 and ШДП 15x21 with receiving hole of 900 mm x 1200 mm and 1500 mm x 2100 mm respectively and capacity of 180 m³/h and 550 m³/h respectively. The material is additionally crushed in cone secondary crushers of КСД –1750ГР and КСД –2200ГР of 200 m³/h and 500 m³/h capacity respectively. Material is classified by fractions by vibrating screens of ГуЛ, ГуС, ГуТ, ГВН types.

Screened material is transported by belt conveyors of horizontal and inclined type with belt width of B 800 mm, B 1000 mm and B 1200 mm, of capacity which is correspondent to capacities of main production lines, i.e. jaw and cone crushers.

3. Stoilensky deposit of iron ores and non-metallic mineral resources is excavated by the open-pit method: by a network of trenches. The excavation system involves external dumping. The open-pit mine depth is 365 m. Loose deposits are being opened by rotor complex and cyclic excavators. Rock stripping, high grade ore and ferruginous quartzite are extracted by cyclic excavators with preliminary opening by drilling-and-blasting operations. Ore mass is taken out of the quarry by trucks, railway and conveyor belts.

High grade ore processing includes three stages of crushing and screening with separation of sintering ore. Processing of ferruginous quartzite (magnetite) takes three stages of crushing with closed final stage, three stages of milling, magnetic separation, desliming, dehydration of concentrate in vacuum filters. Hydrotransportation of processing tailings is forced/gravity-flowing type. Water recycling is used. The following equipment is used:

3.1. Mining operations:

- drilling rigs СБШ 250 МНА-32; СБШ 270/311КП;
- cyclic excavators ЭКГ-15М, ЭКГ-10И, ЭКГ-10Р, ЭКГ-8И, ЭКГ-8УС, ЭКГ-4У, 5У, ЭШ10/70, ЭШ6.5/45;
- rotor complex КУ-800.

3.2. Transportation of run-of-mine ore:

- dump trucks BELAZ 75131, 7555;
- electric locomotives ОПЭ-1, ОПЭ-1АМ, НП-1;- locomotives ТЭМ-2, М-62, ТЭМ-7А, ТЭМ-18;
- dump cars 2ВС-105;
- mobile conveyor in rotor complex КУ-800.

3.3. Crushing and concentration equipment:

- crushers – ШДП 2100/1500, ДМРuЭ14,5/13-1000, ДМР 17/14,5, ККД 1500/180, КСД 3000Т, КСД 2200, КМД 3000Т2-ДП, КМД 2200, Hydrocone Н8800, СН880, СН895 (SANDVIK);
- screens ГИСТ-72, ГИТ-52Н, LF 3060D;
- classifiers 2КСН 3,0x17,2;
- mills МШЦУ 5,5x6,5, МШЦ 5,5x6,5;
- separators ПБМ-П-120/300, ПБМ-П-150/200, ПБМ-ПП-150/200, ПБМ-ПП-120/300;
- deslimers МД-12;
- vacuum filters ДШ 100/2,5, ДТВО-100/2,58У, ДОО-100/2,5;
- pumps ГРК, ГРТ 1250/71, ГРК 1600/56, 350 ММС «Weir Minerals»;
- stationary, reverse, mobile belt conveyors.

4) OJSC Stoilensky GOK drains groundwater through 204 draining rise wells and 6 filters drilled from 38,42 km long lateral openings. Underground utility and drinking water intake includes 27 upward boreholes and a potable water supply pump station of shaft No. 3.

The Issuer, its subsidiaries and affiliates don't employ contractors for the processing of extracted minerals.

c) Product sales

Information on availability of permits issued by authorized governmental authorities for the sales of natural resources and the products of their processing, as well as quotas, including export quotas:

1) Limestone from Sitovka area of the Sokol-Sitovka deposit can be used as raw material for the products conforming to the following requirements:

- **STO 00186855-43-2013 "Fluxed process limestone for steel-making. Technical Specifications";**
- **TU 0750-004-00186855-2011 "Limestone of industrial grade. Technical Specifications";**
- **TU 5711-006-00186855-2011 "Crushed stone for construction. Technical Specifications".**

Crushed limestone for construction, limestone of industrial grade are not subject to mandatory certification in accordance with "Product mix subject to mandatory certification according to the Russian Law" approved by Decree No. 64 dd. 30.07.2002 of the RF State Standard (Gosstandart RF).

2) Permissions for dolomite product sales and the purchase of export quotas allocated by the Federal Law are not provided for.

3) The permits of governmental authorities for the sales of sintering iron ore and iron-ore concentrate are not required.

3.2.8. Additional information on Issuers rendering communication services as a core activity

Rendering of communication services is not the Issuer's core activity.

3.3. Prospects of the Issuer

In 2013 despite the difficult macroeconomic situation the Open Joint Stock Company "Novolipetsk Steel" managed to increase steel production by 2% (to 12.4 mt) and also steel flats sales by 5% compared to the last year. In addition to its high production performance the Issuer is still among the leading companies in terms of its production cost.

In the future NLMK intends to strengthen the leading positions by developing its competitive advantages and striving to reach maximum possible resource utilization efficiency. At the same time the Company will follow the production safety principles taking into account the interests of its customers and personnel.

3.4. The Issuer's participation in banking groups, banking holdings, holdings and associations

No changes in the information relevant to this clause within the reporting quarter

3.5. Companies controlled by the Issuer that have major significance for the Issuer

No changes in the information relevant to this clause within the reporting quarter

3.6. Composition, structure and value of the Issuer's fixed assets, information on plans related to acquisition, change, retirement of fixed assets, as well as on all events of the Issuer's fixed assets encumbrance

3.6.1. Fixed assets

Not included in Q4 report

IV. Information on the Issuer's business performance

4.1. Issuer's business performance

Not included in Q4 report

4.2. The Issuer's liquidity, sufficiency of equity and current assets

Not included in Q4 report

4.3. The Issuer's financial investments

Not included in Q4 report

4.4. Intangible assets of the Issuer

Not included in Q4 report

4.5. Information on policy and expenses of the Issuer in the field of technological progress, licenses and patents, new developments and research

Not included in Q4 report

4.6. Analysis of trends in the Issuer's core business

Steel-making over the world in 2013 made 1607.2 mt (+3.5% upon annual comparison).¹² Growth is achieved by a positive production dynamics in Asia (6.0%), Middle East (6.8%) and Africa (4.6%) countries. Decrease in steel-making was noted in Europe (in EC-27 – by 1.8%, in other European countries – by 3.3%), in North America (-1.9%) and in CIS (-1.9%).

Global net apparent consumption of flats in Q4 2013 decreased by 2.9 % to the level of Q3 mainly because of demand reduction in Asia, CIS, Latin America and Africa.

17.0 mt of steel was produced in Russia in Q4 2013 (-4.1% versus the respective period of 2012). Production of ferrous metal finished flats in the reporting period made 14.6 mt (-6.8%).

Output of main types of ferrous metals in Russia, mt

Products	2008	2009	2010	2011	2012	2013	Change compared to 2012
pig iron	48.3	43.9	48.0	48.0	50.5	50.0	-0.7%
steel	68.7	59.2	66.7	68.2	70.4	68.8	-2.3%
Finished flats	56.7	50.8	57.7	59.5	58.9	57.9	-1.7%

Source: Rosstat

The results of 2013 read that ferrous industry had shown a negative dynamics for the first time since the crisis in 2009: steel-making decreased by 2.3% to the level of 2012, ferrous metal finished flats production – by 1.7%.

Steel- and flats-making by the largest Russian manufacturers, mt

Enterprises	Steel	Flats
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¹² 2013 Crude Steel Production. World Steel Association, 23 January 2014.

	Output, 12 months 2013	Change 2013/2012	Output, 12 months 2013	Change 2013/2012
OJSC MMK	11.9	-2%	10.7	-3%
OJSC Severstal	10.7	1%	9.8	1%
NLMK	12.4	2%	11.2	-3%

Source: Metal Courier

Maintaining weak conditions at foreign markets in Q4 2013 restricted possibilities of Russian exporters to recover a positive dynamics of volumes: export of flat and long products was almost on the same level as in Q4 2012.¹³ Export growth was noted only in steel semi-finished products segment: by 6.3% vs. the respective period of 2012. Nevertheless the results of 2013 show decrease in flat products and semi-finished products volume by 9.4% to the level of 2012. Long products export increased by 1.1%. Export share in flat products production in 2013 decreased to 28% from 31% in 2012.

Due to seasonal decrease in construction activities flat products import in Q4 decreased by 32.2% as compared to Q3 2013 mainly because of coated flats and hot-rolled flats. The results of 2013 show decrease in flat products import volumes by 11.3% to the level of 2012. Share of imported flat products in apparent consumption in 2013 made 17% vs. 19% in 2012.

4.6.1. Analysis of factors and conditions that influence the Issuer's business

Main factors that can significantly influence the activity and financial results of the Company:

Change in domestic steel market demand

Apparent consumption of flat products in October-December 2013 as regards July-September 2013, as preliminary estimated, decreased by 19%¹⁴. Apparent consumption of long products in Q4 as compared to Q3 2013 declined by 14%¹⁵.

Decrease in consumption of flat and long products in October-December was mainly related to seasonal weakening of demand from the construction and infrastructure sector. Growth rates of steel products consumption is also negatively influenced by decrease in demand from machine building, especially in January-November 2013 release of native car models decreased by 14.5%¹⁶.

In Q1 2014 activity level in the construction and infrastructure sectors are seasonally low but it is possible that there will be a slight increase in demand due to traditional restocking by consumers and trade companies in the beginning of the year.

Change in export markets demand

In Q4 2013 global GDP growth was 2.6% against the respective period of 2012 versus 2.1% in Q2 2013. First of all, growth acceleration was caused by gradual recovery in the developed countries – GDP of the developed economies in October-December 2013 grew by 1.8% as compared to the respective period of 2012 following increase by 1.3% in Q3¹⁷. There was a slight seasonal weakening in demand for steel products on external markets in Q4 2013 which prevented prices growth on the global market. Net apparent consumption of flat products over the world in Q4 2013 decreased by 2.9% to Q3 2013. Nevertheless the low

¹³ Preliminary evaluation by Metal Expert as per the data of RF Customs Service, January 2014.

¹⁴ Based on Metal Export, December 2013 (data for 11 months of 2013)

¹⁵ Metal Export, January 2014

¹⁶ Information of ASM-Holding, December 2013.

¹⁷ CRU Steel Sheet Products Market Outlook, January 2014.

level of stock on the key markets prevented significant decrease in prices for steel products on the global market.

In Q1 2014 it is expected to have some recovery of consumption and prices for flat products as regards the previous quarter due to seasonal restocking by buyers.

Issuer's products price change

In the domestic market prices for steel products in Q4 2013 showed some seasonal decrease.

Prices for flat products on the domestic market decreased under influence of weakening of quotations at export directions and seasonal demand decrease. Manufacturers prices for hot-rolled sheet flats decreased by 6% during Q4. Prices for long products on the domestic market in Q4 were seasonally decreasing under influence of demand weakening from construction and infrastructure sectors and high competition on the market.

Export quotations of slabs and flat products are demonstrated negative dynamics in October-November 2013 but in December they began to decrease under influence of some growth on the foreign markets. As the result by the end of Q4 prices for slabs had decreased only by 1% as compared to the end of Q3 and prices for hot-rolled flats for the same period reduced by 22%¹⁸.

In Q1 it is expected to have further recovery of prices for slabs and flat products in the export directions due to demand improvement that may weaken competition on the domestic market and support the prices of Russian manufacturers. The domestic market of long products may have some increase in prices due to weakening of competition with foreign suppliers, but growth may be restricted by still low seasonal demand from the construction and infrastructure sectors.

4.6.2. The Issuer's competitors

No changes in the information relevant to this clause within the reporting quarter

V. Detailed information on members of the Issuer's governing bodies, financial performance control bodies, and brief data on the Issuer's employees

5.1. Information on structure and competence of the Issuer's governing bodies

Full description of the structure of the Issuer's governing bodies and their competence in line with the Issuer's charter (constituent documents):

The supreme management body of the Company is the General Shareholders' Meeting.

The Board of Directors carries out overall management of the Company's activity excluding those issues, which fall under the exclusive competence of the General Shareholders' Meeting according to the Charter. The Board of Directors consists of 9 members.

The management of NLMK's day-to-day operation is exercised by the Company's single executive body – President (Chairman of the Management Board) and by the Company's corporate executive body – the Management Board.

The competence of the President (Chairman of the Management Board) and Management Board covers all the issues related to management of the Company's day-to-day operation, as well as authority over the

¹⁸ Based on quotations published by Metal Expert.

operation of subsidiaries and affiliates and other legal entities (of which the Company is a participant, founder or a member) in accordance with the Charter provisions.

President (Chairman of the Management Board) and the Management Board make arrangements for implementation of the decisions of the Company's General Shareholders' Meeting and the Board of Directors.

The Management Board is a corporate executive body of the Company, which acts on the basis of the Federal Act "On joint-stock companies", the Company's Charter and Regulations on Management Board of the Company approved by the General Shareholders' Meeting.

The structure and number of members of the Management Board are approved by the Company's Board of Directors taking into account the opinion of the President (Chairman of the Management Board). The personal composition of the Management Board is to be approved by the Board of Directors upon presentation of the President (Chairman of the Management Board) according to the procedure provided for by the Regulation on the Management Board.

The competence of the Issuer's General Shareholders' (participants') Meeting in accordance with its Charter (constituent documents):

The following matters fall within the Meeting's competence (Chapter 4, Article 16 of the Company Charter):

- 1) changes and additions to the Charter or approval of the Charter in new revisions;*
- 2) restructuring of the Company;*
- 3) liquidation of the Company, appointment of the Liquidation Committee and approval of the interim and final liquidation balances;*
- 4) definition of the number of persons in the Board of Directors, election of its members and premature termination of their authority;*
- 5) determination of number, par value, category (type) of the shares declared and rights granted by these shares;*
- 6) increase of the Company's chartered capital through share par value increase; increase of the chartered capital of the Company through placement of additional shares by public subscription in case the number of additionally placed shares constitutes more than 25% of the common shares earlier placed by the Company; increase of the Company's chartered capital through placement of shares by closed subscription;*
- 7) reduction of the Company's charter capital by decreasing the par value of its shares, by acquiring a portion of shares for the purposes of reducing their total number, as well as by redeeming the shares previously acquired or repurchased by the Company;*
- 8) election of the President (Chairman of the Management Board) and early termination of his authority;*
- 9) election of the Audit Committee members and premature termination of their authorities;*
- 10) approval of the Company's Auditor;*
- 10.1) payment (declaration) of dividends upon results of the first quarter, six months, nine months of a fiscal year;*
- 11) approval of annual reports, annual accounting records, including income statements (profit and loss accounts) of the Company and distribution of profit (including payment (announcement) of dividends, except the profit distributed as dividends upon the results of the first quarter, six months, nine months of a financial year) and losses of the Company upon the results of a financial year;*
- 12) establishment of procedure of the General Shareholders' Meeting;*
- 13) appointment of the Accounts Committee and premature termination of its authority in case the Accounts Committee's functions are not exercised by the Company's Registrar in accordance with the Federal Act "On joint-stock Companies";*
- 14) split and consolidation of shares;*
- 15) transaction approval in cases stipulated in Article 83 of the Federal Act "On joint-stock companies";*
- 16) major transactions conclusion approval in cases stipulated in Article 79 of the Federal Act "On joint-stock companies";*
- 17) acquisition of the issued shares by the Company in cases, stipulated in the Federal Act "On joint-stock companies";*
- 18) decision-making on involvement in financial and industrial groups, associations and other unions of commercial organizations;*
- 19) approval of internal documents governing the operation of the Company's bodies;*
- 19.1) taking a decision on filing a statement on the de-listing of Company's shares and (or) Company's issuable securities convertible into its shares;*
- 20) decision-making on other matters stipulated by the Federal Act "On joint-stock companies" and / or the present Charter.*

The issues within the competence of the GSM may not be remitted to the discretion of the Company's executive body.

The matters falling under the competence of the General Shareholders' Meeting cannot be referred to competence of the Company's Board of Directors except in cases stipulated in the Federal Law "On joint-stock companies".

The competence of the Issuer's Board of Directors (Supervisory Board) in accordance with its Charter (constituent documents):

The following matters fall within the Board of Directors' competence (Chapter 5, Article 30 of the Company's Charter):

- 1) definition of priority directions for the Company's business;*
- 2) convocation of the Annual and Extraordinary General Shareholders' Meeting, except for the cases, stipulated by clause 8 Article 55 of the Federal Law "On Joint Stock Companies";*
- 3) approval of the agenda of the General Shareholders' Meeting;*
- 4) determination of the date of list of the shareholders entitled to participate in the Shareholders' Meeting and other issues attributed to the competence of the Board of Directors in accordance with the Charter and the Federal Law "On Joint Stock Companies" and related to preparation and holding of the Shareholders' Meeting;*
- 5) approval of long-term plans and Company's major activities programs, approval of the Company's budget;*
- 6) preapproval of the Company's annual reports;*
- 7) increase of the charter capital of the Company through distributing additional shares by the Company at the expense of the Company's property limited to the amount of authorized shares;*
- 8) increase of the charter capital of the Company through distribution of additional shares by the Company by means of public subscription if the number of shares additionally distributed does not exceed 25 percent of outstanding common shares of the Company;*
- 9) acquisition of shares placed by the Company in accordance with cl.2 art.72 of the Federal law "On joint-stock companies";*
- 10) approval of decisions on emission of securities, prospectus, report on securities issue results, amendment and revision thereof;*
- 11) distribution of additional shares by the Company, into which privileged shares of a certain type, convertible into common shares or privileged shares of other types, distributed by the Company, are convertible, as long as such distribution does not entail an increase of the Company's charter capital, as well as distribution of bonds or other issue-grade securities by the Company except shares;*
- 12) determining the price (monetary estimation) of property, the price of distribution and repayment of issue-grade securities in cases provided for by the Federal Law "On Joint Stock Companies";*
- 13) acquisition of bonds and other securities placed by the Company in cases provided for by the Federal Act "On joint-stock companies";*
- 14) forming the Company's Management Board, defining the number of members and the structure thereof, approving the personal composition of the Management Board, early termination of their powers, defining terms and conditions of the contract and establishing the amount of remunerations and compensation paid to the Company's President (Chairman of the Management Board) and to members of the Management Board, negotiating their combining offices in the controlling bodies in other companies, holding Management Board members responsible for a default of their obligations in material, disciplinary and other terms;*
- 15) issuing recommendations to the General Shareholders' Meeting concerning the amount of remunerations and compensations paid to members of the Audit Commission of the Company and determining the amount of the Auditor's remuneration;*
- 16) issuing recommendations to the General Shareholders' Meeting concerning the amount of dividends on shares and procedure for their payment;*
- 17) issuing recommendations to the General Shareholders' Meeting concerning the procedure for distribution of profit and loss of the Company upon the results of a financial year;*
- 18) utilization of the reserve fund and other Company funds;*
- 19) approval of the Company's internal documents excluding internal papers which fall within the competence of the General Shareholders' Meeting according to this Charter and Federal Law "On joint-stock companies", or other internal documents of the Company which are to be approved by the President (Chairman of the Management Board) in accordance with the present Charter;*
- 20) establishing and liquidation of branches, establishing and liquidation of representative offices of the Company, approval of Regulations on branches and representative offices, making amendments and additions to such regulations;*
- 21) approval of major transactions in cases provided for by Chapter X of the Federal Law "On joint-stock*

companies'';

22) approval of transactions provided for by Chapter XI of the Federal Act "On joint-stock companies'';

23) approval of the Registrar of the Company and terms and conditions of the contract therewith, termination of contract with the Registrar of the Company;

24) suspension of powers of the President (Chairman of the Management Board);

25) appointment of the acting President (Chairman of the Management Board);

26) deciding on Company's participation or on the cessation of the Company's participation in other entities, if the value of the acquired (alienated) property makes more than 1% of the Company's assets book value for the last reporting date (excluding the entities, specified in sub-item 18 of item 16.1, Section 16 of this Charter);

27) establishment of Committees with the Board of Directors, approval of internal documents, which regulate activities of these Committees;

28) other matters provided for by the Federal Act "On joint-stock companies" and the present Charter. The matters that fall within the competence of the Company's Board of Directors cannot be transferred to the executive body of the Company for decision.

Competence of the individual and corporate executive bodies of the Issuer in accordance with its Charter (constituent documents):

Competence of the President (Chairman of the Management Board)(Chapter 6, Article 38 of the Company's Charter).

Competence of the President (Chairman of the Management Board) includes all issues related to management of the Company's day-to-day operation, excluding those in the exclusive authority of the General Shareholders' Meeting, the Board of Directors and the Management Board.

President (Chairman of the Management Board) acts without any Power of Attorney on behalf of the Company, in particular:

- performs operative management of the Company's activities;*
- has the right of the first signature on financial documents;*
- represents the Company both in the RF and abroad;*
- represents without any power of attorney the Company's interests in subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member;*
- approves the staff list, concludes labour agreements with employees of the Company, dismisses, awards and imposes fines on such employees;*
- governs the activities of the Management Board and presides at its meetings;*
- presents members of the Management Board for the Board of Directors' approval;*
- makes suggestions on bringing the Management Board members to responsibility;*
- concludes transactions on behalf of the Company with the exception of cases stipulated by the Federal Law "On Joint Stock Companies" and the Company's Charter;*
- issues powers of attorney on behalf of the Company;*
- opens the Company's accounts with banks;*
- makes provisions for the Company's accounting and book-keeping procedures;*
- issues orders and gives instructions which are binding for all employees of the Company;*
- defines information which is a commercial secret of the Company, and means of such information protection in accordance with the effective legislation;*
- approves internal documents of the Company, which regulate the Company's day-to-day operations, excluding those in the exclusive authority of the Management Board.*

The President (Chairman of the Management Board) is entitled to appoint an acting President (Chairman of the Management Board) for the period of his absence subject to the approval of the Board of Directors' Chairman.

Competence of the Management Board (Chapter 6, Article 36 of the Company's Charter)

The exclusive competence of the Company's Management Board includes:

- 1) drafting of the development concepts, long-term plans and basic operational programs of the Company, its subsidiaries and affiliates, and submission thereof to the Board of Directors for approval;*
- 2) determination of procedure of the Company's interaction with businesses and legal entities, of which the Company is a shareholder, participant, member or a founder;*
- 3) approval of propositions on the agenda items of the General Shareholders' (participants') Meetings and the list of nominees to the management and control authorities of subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member;*
- 4) approval of the Company's representatives for the participation in the General Shareholders' (participants') Meetings of subsidiaries, affiliates and other legal entities, of which the Company is a*

participant, founder or a member, as well as voting instructions on the agenda items for such representatives;

5) preparation of recommendations and conclusions on the issues considered by the management authorities of subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member, related to approval of their budgets, principal directions of activity, management structure and other issues material for the Company;

6) recommendations to the Board of Directors on approval of major transactions and/ or transactions of interest considered by the Board of Directors in accordance with its competence;

7) approval of contracts related to the Company's assets, when the amount due or the subject goods value exceeds 10 per cent of the Company's assets book value, excluding transactions concluded in the normal course of business;

8) deciding on Company's participation or on the cessation of the Company's participation in other entities, if the value of the acquired (alienated) property makes not more than 2% of the Company's assets book value for the last reporting date (excluding the entities, specified in subclause 18 of clause 16.1, Section 16 of this Charter);

9) other issues referred to the competence of the Management Board of the Company by the applicable legislation of the Russian Federation, this Charter and the Regulations on the Management Board.

The powers described in clauses 1, 2, 3, 4, 5 above are exercised by the Management Board in relation to material subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member.

The Issuer has approved (adopted) the Corporate Governance Code or a similar document

Information on a Corporate Governance Code or any other similar document:

The General Shareholders' Meeting held on June 06, 2006 (Minutes No. 24) approved a new revision of the Corporate Governance Code of OJSC Novolipetsk Steel.

In the course of the reporting period there were amendments of the Issuer's charter (constituent documents), or to corporate documents governing the activities of the Issuer's bodies

Information on amendments of the Issuer's charter made in the course of the last reporting period, as well as of corporate documents governing the activities of the Issuer's bodies:

The Board of Directors of NLMK, by its resolution dd. 15.11.2013 (Minutes No.215), approved an Amendment to the Company's Charter. The entry on state registration of amendments to NLMK's constituent documents was made to the Unified State Register of Legal Entities by the Regional Inspectorate of the Federal Tax Service №6 for the Lipetsk region on 27 November, 2013.

Internal corporate documents governing the activities of the Company's bodies have not been amended within the reporting period.

5.2. Information on members of the Issuer's governing bodies

5.2.1. The Issuer's Board of Directors (Supervisory Board)

Name: *Vladimir S. Lisin*

(*Chairman*)

Year of birth: *1956*

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	present time	Limited Liability Company "RUMELCO"	Chief Consultant
2008	2012	Academy of National Economy with the Government of the Russian Federation (Moscow)	Professor of Market Issues and Economic Mechanisms Faculty (pluralistically)

2011	present time	All-Russian Social Organization “Russian natural scientific academy”	Corresponding member (pluralistically)
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This person does not hold any share of the Issuer’s nominal capital/common stock

The person’s share in the nominal (reserve) capital (unit fund) of the Issuer’s subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer’s governing bodies and/or fiscal control bodies:

relative of the member of NLMK’s Management Board Mr. Alexander N. Saprykin

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Oleg V. Bagrin***

Year of birth: ***1974***

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2012	Closed Joint Stock Company Investment Company “Libra Capital”	Director
2012	2012	NLMK	Executive Vice-President (pluralistically)
2012	present time	NLMK	President (Chairman of the Management Board)

This person does not hold any share of the Issuer’s nominal capital/common stock

The person’s share in the nominal (reserve) capital (unit fund) of the Issuer’s subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer’s governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Helmut Wieser***

Year of birth: ***1953***

Education:

higher

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2011	Alcoa Inc.	Executive Vice President, President of Global Rolled Products & Rigid Packaging Group, member of Executive Council

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Nikolai A. Gagarin***

Year of birth: ***1950***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2009	Non-profit organization, Advocate Bureau "Reznik, Gagarin, Abushakhmin & Partners"	Chairman of the Council
2009	present time	Advocate Bureau "Reznik, Gagarin &	Chairman of the Board,

		Partners", Moscow	Managing Partner
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This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Karl Doering***

Year of birth: ***1937***

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	present time	Consulting firm "PROJECT CONSULTING"	CEO

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: **Karen R. Sarkisov**

Year of birth: **1963**

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2009	Brinkmann (Steel Trading) Ltd.	Head of Moscow Representative Office
2009	present time	NLMK	Advisor of Chairman of the Board of Directors on Foreign Economic Relations

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: **Vladimir N. Skorokhodov**

Year of birth: **1951**

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	present time	Limited Liability Company "RUMELCO"	Deputy Director General
2008	present time	State Educational Institution of Higher Vocational Education "Lipetsk State Technical University"	Professor at Rolling Production Faculty (pluralistically)

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Benedict Sciortino***

Year of birth: ***1950***

Education:

higher

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	present time	Duferco S.A.	Managing Director

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Franz Struzl***

Year of birth: ***1942***

Education:

higher

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2010	Voestalpine, Brazil - Villares Metals	General Director
2011	present time	RHI AG	General Director

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

5.2.2. Information on the Issuer's sole executive body

Name: ***Oleg V. Bagrin***

Year of birth: ***1974***

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2012	Closed Joint Stock Company Investment Company "Libra Capital"	Director
2012	2012	NLMK	Executive Vice-President (pluralistically)
2012	present time	NLMK	President (Chairman of the Management Board)

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

5.2.3. Members of the Issuer's corporate executive body

Name: ***Oleg V. Bagrin***

(Chairman)

Year of birth: ***1974***

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2012	Closed Joint Stock Company Investment Company "Libra Capital"	Director,
2012	2012	NLMK	Executive Vice-President (pluralistically)
2012	present time	NLMK	President (Chairman of the Management Board)

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: **Alexander A. Burayev**

Year of birth: **1963**

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2011	NLMK	Head of Production Department of the Production Division
2011	present time	NLMK	Director for Long Products and Metalware
2010	present time	Limited Liability Company "NLMK-Long Products"	General Director (pluralistically)

The entity's share in the issuer's nominal capital, %: **0.00005**

Share in the issuer's common stock owned by the entity, %: **0.00005**

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: **Brijesh Kumar Garg**

Year of birth: **1964**

Education:

higher

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2008	New Zealand Steel Limited	Procurement Services Manager
2008	2012	Public joint-stock company "ArcelorMittal Kryviy Rih"	Chief Procurement Officer
2012	present time	NLMK	Vice-President, Procurement

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Alexander Yu. Gorshkov***

Year of birth: ***1961***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	present time	Open joint-stock company "Stoilensky Mining & Processing Plant"	General Director
2008	present time	NLMK	Vice-president, "Iron Ore" Department (pluralistically)

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Yuri I. Larin***

Year of birth: ***1952***

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2013	NLMK	Vice-President, Long-Term Development & Environment
2013	present time	NLMK	Vice-President, Process Development & Operational Efficiency

The entity's share in the issuer's nominal capital, %: ***0.00083***

Share in the issuer's common stock owned by the entity, %: ***0.00083***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Alexander A. Sapronov***

Year of birth: ***1953***

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2009	Open joint-stock company "First Freight Company"	Deputy General Director, Strategy and Corporate Development
2009	2012	Limited Liability Company "Independent Transportation Company"	General Director
2009	2012	UNIVERSAL CARGO LOGISTICS	Director, Railway

		HOLDING B.V.	Transportation (pluralistically)
2012	present time	NLMK	Vice-President, Logistics

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Alexander N. Saprykin***

Year of birth: ***1967***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2013	NLMK	Vice-President, "Coal" Division
2013	present time	NLMK	Vice President, Strategic Raw Materials Division

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

relative of Mr. Vladimir S. Lisin, Chairman of NLMK's Board of Directors

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period,

when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Grigory V. Fedorishin***

Year of birth: ***1979***

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	till		
2008	2009	"PricewaterhouseCoopers" Consulting Group	Director, Business Restructuring Group
2009	2011	Closed Joint Stock Company Investment Company "Libra Capital"	Investment Projects Manager
2011	2012	Closed Joint Stock Company Investment Company "Libra Capital"	Investment Projects Manager (pluralistically)
2011	2013	NLMK	Director for Strategic Development
2013	present time	NLMK	Vice-President, CFO

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Sergey V. Filatov***

Year of birth: ***1959***

Education:

post-graduate vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2009	Open joint stock company "EVRAZ Nizhnetagil metallurgical plant"	Project Manager of Projects Management Department
2009	2012	Open joint stock company "EVRAZ Nizhnetagil metallurgical plant"	Chief Engineer/Project Director
2012	2013	NLMK	Deputy Senior Vice-President – Director General, Production and Technology
2013	present time	NLMK	Managing Director

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Stanislav E. Tsyrilin***

Year of birth: ***1968***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Vice-President, HR & Management System

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

5.3. Information on fees, benefits and/or reimbursement of expenses to each management body of the Issuer

Information on the amount of remuneration paid to each management body (excluding the individual acting as a sole executive body of the Issuer). All remuneration types, including salaries, bonuses, fees, benefits and (or) reimbursement of expenses and other material provisions:

Board of Directors

Unit of measurement: **RUB**

Description	2013
Remuneration for participation in the Management Body's operation	69,531,586
Salary	0
Bonuses	0
Commissions	0
Benefits	0
Reimbursement of expenses	3,103,593
Other kinds of remuneration	0
TOTAL	72,635,179

Information on the existing agreements with regard to such payments in the current financial year:

Remunerations can be paid and expenses related to the performance of their functions by the members of the Board of Directors can be reimbursed to the members of the Board of Directors within the period of their duties execution. The rate, conditions and procedure of remuneration payment and expenses reimbursement to the Board of Directors members are established by the Regulations on the Board of Directors members' remuneration approved by the General Shareholders Meeting.

Corporate executive body

Unit of measurement: **RUB**

Description	2013
Remuneration for participation in the Management Body's operation	0
Salary	109,179,171
Bonuses	106,950,934
Commissions	0
Benefits	0
Reimbursement of expenses	4,831,359
Other kinds of remuneration	43,554

TOTAL	221,005,018
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Information on the existing agreements with regard to such payments in the current financial year:

Remuneration shall be paid and expenses related to performance of their functions as members of the Management Board shall be refunded to members of the Company's Management Board during the period of their duties execution. Conditions and procedure of remuneration payment and expenses refund are established by a contract concluded with members of the Management Board, in accordance with the Regulations on the Management Board members' remuneration, approved by the Company's Board of Directors upon presentation by HR and Remunerations Committee.

5.4. Information on the structure and competence of the Issuer's fiscal control bodies

Full description of the structure of the Issuer's fiscal control bodies and their competence in line with the Issuer's charter (constituent documents) and internal documents:

The Audit Commission, Company's Auditor and Internal Audit Service exercise control over the financial and economic activities of the Company.

The Audit Commission

The Audit Commission of the Company consists of five persons, is elected by the General Shareholders Meeting for a period until the following annual shareholders meeting and operates in accordance with the Regulation on the Audit Commission approved by the General Shareholders' Meeting.

In case the number of members of the Audit Commission becomes less than three persons, the Board of Directors shall convoke an extraordinary General Shareholders' Meeting in order to elect a new composition of the Audit Commission.

The Regulations on Audit Commission govern the Audit Commission's procedures, powers of its members, the rate and procedure of fee payment and expense reimbursement to members of the Audit Commission.

The Company's Audit Commission members may not simultaneously be members of the Company's Board of Directors and hold any other positions in management bodies of the Company.

Inspection (audit) of financial and economic activities of the Company is based on yearly performance results and can at any time be initiated by the Company's Audit Commission, by General Shareholders' Meeting, the Board of Directors, or a shareholder (-s) owning in the aggregate at least ten per cent of the Company's voting shares.

The Audit Commission audits financial and economic activity of the Company in order to verify conformity of the information presented in book records and financial statements to norms and requirements of the existing legislation, internal regulatory documents, performs selective investigation of evidence proving the numeric data from the book records and notes to financial statements.

Based on the results of Company's financial and economic activities audit, the Audit Commission makes a report on authenticity of data contained in the Company's annual report and annual accounting (financial) statement.

Auditor

An Auditor is appointed by the General Shareholders' Meeting as advised by the Board of Directors. The Company's Auditor audits the Company's financial and economic activities according to the contract signed between the Auditor and the Company (the data on the Auditor were submitted in item 1.3 of this report).

The Issuer has established an internal audit service (a body different from the Audit Commission (Auditor) executing internal control over the financial and economic activities of the Issuer)

Information on the availability of an internal audit service (a body different from the Audit Commission (Auditor) executing internal control over the financial and economic activities of the Issuer), number of its members validity of its term:

Internal Audit Service – Internal Audit Division (before 21.09.2006 – Audit Division), established under General Director's Order dd. 17.04.1997 for an indefinite period; it is administratively subordinated to the sole executive body of the Company.

The overall number of the officers in the Internal Audit Division of NLMK (the payroll of the Internal Audit Division as of 31.12.2013): 74

Main functions of the internal audit service (a body different from the Company's Audit Commission (Auditor)), its accountability and interaction with the issuer's executive bodies and the Board of Directors (Supervisory Board):

The Internal Audit Division's competence covers:

- *audits of observance of the current legislation, internal organizational and management documentation, plans, rules, standards, regulations, procedures and other documents governing the Company's activity by the Company's executives, specialists and employees;*
- *audits of the Company's subdivisions performance with respect to targets, goals and plans set by the Company's management;*
- *audits of the objective nature of expenses for the construction and reconstruction of facilities of the Company's subdivisions;*
- *audits of the arrangement and functioning of the accounting, risk management and internal control systems related to the processes of preparation of financial, tax, statistical, management and other kinds of Company's accounting;*
- *evaluation of the arrangement and functioning of internal control system with regard to financial and economic activity of the Company and its subdivisions;*
- *evaluation of internal control systems for processes related to acquisition, storage, protection and rational use of the Company's resources;*
- *identification of economic, investment, financial, tax and other risks, evaluation of their influence on the Company's business;*
- *determination of cases of possible law violations, fraud and abusive practices in the Company.*

IC&RM Director, President (Chairman of the Management Board) and the Audit Commission with the Board of Directors are informed of the audit results.

Interaction of the internal audit service (a body different from the Company's Audit Commission (Auditor)) with the Issuer's external auditor:

The Internal Audit Service in its operation cooperates with auditing firms working for the Company on a contract basis.

The Issuer approved an internal document establishing the rules aimed at prevention of illegal use of confidential and insider information.

Information on the availability of Issuer's internal document establishing the rules aimed at prevention of illegal use of confidential and insider information:

Regulation on Information Policy of NLMK (new revision), which contains, inter alia, the rules of prevention of illegal use of insider information was approved by the resolution of NLMK's Board of Directors on 15 August 2011 (MoM No. 195); Regulation on Insider Information of NLMK was approved by the President's Order (Chairman of the Management Board) of NLMK No. 950 dd. 14 December 2011.

5.5. Information on members of bodies executing control over the Issuer's financial and economic activities

Name of the Issuer's fiscal control body: *Audit Commission*

Name: *Valery S. Kulikov*
(*Chairman*)

Year of birth: *1963*

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Internal Audit Director

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Lyudmila V. Kladienko***

Year of birth: ***1959***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Lead Auditor of the Methodology Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Sergey I. Nesmeyanov***

Year of birth: ***1969***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2009	NLMK	Lead Auditor of the General Audit Sector
2009	present time	NLMK	Lead Specialist of subsidiary and affiliate team of the General Audit Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: **Larisa M. Ovsyannikova**

Year of birth: **1966**

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2009	NLMK	Head of Financial Audit Bureau
2009	present time	NLMK	Head of Methodology Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: *Galina I. Shipilova*

Year of birth: *1959*

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Head of Tax Audit Bureau

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name of the Issuer's fiscal control body: *Internal Audit Division*

Name: *Valery S. Kulikov*

Year of birth: *1963*

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present

time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Internal Audit Director

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Vladimir N. Markin***

Year of birth: ***1966***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Head of the General Audit Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian

Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Violetta A. Voronova***

Year of birth: ***1970***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Head of the Managerial Audit Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Alexey B. Khripunkov***

Year of birth: ***1975***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2008	NLMK	Head of Bureau of Control and Regulation of Maintenance / Repair Works in the Rolling Production
2008	present time	NLMK	Head of Capital Expenditure Audit Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Larisa M. Ovsyannikova***

Year of birth: ***1966***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2009	NLMK	Head of Financial Audit Bureau
2009	present time	NLMK	Head of Methodology Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Vladislav A. Yershov***

Year of birth: ***1973***

Education:
higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2009	NLMK	Head of General Audit Bureau
2009	present time	NLMK	Chief expert on subsidiaries and affiliates

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: **Valery V. Voropayev**

Year of birth: **1961**

Education:
higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2009	NLMK	Head of Operational Audit Bureau
2009	present time	NLMK	Head of Bureau of Internal Control System Assessment

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Galina I. Shipilova***

Year of birth: ***1959***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Head of Tax Audit Bureau

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Lyudmila V. Kladienko***

Year of birth: ***1959***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	present time	NLMK	Lead Auditor of the Methodology Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

Name: ***Sergey I. Nesmeyanov***

Year of birth: ***1969***

Education:

higher vocational

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices

Period		Company Name	Title
from	to		
2008	2009	NLMK	Lead Auditor of the General Audit Sector
2009	present time	NLMK	Lead Specialist of subsidiary and affiliate team of the General Audit Sector

This person does not hold any share of the Issuer's nominal capital/common stock

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates:

The person does not hold such shares

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/or fiscal control bodies:

No said kinship

Information on any administrative actions against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against the state:

The person has never been held liable for said offences

Information on executive offices held by this person with any commercial organizations within the period,

when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

The person did not hold such offices

When an issuer has an internal audit service or another body executing control over its financial and economic activity, different from the issuer's audit commission, which service or body contains over 10 persons, the information required by this clause shall be specified on at least 10 persons who are members of the respective issuer's body executing control over its financial and economic activity, including the manager of such body.

5.6. Information on fees, benefits and/or reimbursement of expenses over the bodies controlling the Issuer's financial and economic activity

Information on the amount of remuneration to each of the Issuer's control bodies. All remuneration types, including salaries, bonuses, fees, benefits and (or) reimbursement of expenses and other material provisions paid by the Issuer from the current year beginning to the date of the reporting quarter end:

Name of the Issuer's fiscal control body: *Audit Commission*

Unit of measurement: **RUB**

Description	2013
Remuneration for participation in the body controlling the Issuer's financial and economic activities	145,000
Salary	8,683,139
Bonuses	4,759,956
Commissions	0
Benefits	0
Reimbursement of expenses	0
Other kinds of remuneration	0
TOTAL	13,588,095

Information on the existing agreements with regard to such payments in the current financial year:

The amount and procedure of remuneration and compensation payment to NLMK's Audit Commission members is established by Regulation on NLMK's Audit Commission Member's Remuneration and Compensation approved by the Extraordinary Shareholders' Meeting held on 3 December, 2004 (Minutes of Meeting No.20).

Name of the Issuer's fiscal control body: *Internal Audit Division*

Unit of measurement: **RUB**

Description	2013
Remuneration for participation in the body controlling the Issuer's financial and economic activities	0
Salary	23,384,136
Bonuses	17,431,548
Commissions	0
Benefits	0
Reimbursement of expenses	0
Other kinds of remuneration	1,100,400

TOTAL	41,916,084
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Information on the existing agreements with regard to such payments in the current financial year:
The Internal Audit Division is a structural subdivision of NLMK. Remuneration and stimulation of employees at NLMK is done in accordance with the RF Labor Code, NLMK Collective Agreement, and Regulations on payment and labour stimulation effective at NLMK.

5.7. Information on headcount and summarized data on personnel (employees) of the Issuer, as well as on changes in the Issuer's headcount

Unit of measurement: **RUB**

Description	2013
Average headcount, persons	29,607
Salaries and wages over the reporting period	15,407,620,256
Social payments to employees over the reporting period	233,039,669

Changes in the Issuer's headcount (employees) number within the reporting period were not significant for the Issuer.

NLMK's employees established a shop-floor trade-union organization of the Miners' & Metallurgical Workers' Union of Russia (GMPR).

5.8. Information on any commitments of the Issuer to personnel (employees) related to the possibility of their shareholding in the Issuer's charter (contributed) capital (mutual fund)

The Issuer does not have any commitments to personnel (employees) related to the possibility of their shareholding in the Issuer's charter (contributed) capital (mutual fund).

VI. Information on participants (shareholders) of the Issuer and interested-party transactions concluded by the Issuer

6.1. Information on the total number of the Issuer's shareholders (participants)

Total number of persons with other-than-zero balances on personal accounts, registered in the issuer's shareholder register as at the closure date of the reporting quarter: **9 013**

Total number of nominal holders of the Issuer's stock: **2**

Total number of persons listed in the latest list of persons who were (are) entitled to participate in the issuer's general shareholders' meeting (a different list of persons made for the purpose of exercising (performing) rights vested in the Issuer's shares and for the compilation of which the nominal holders of issuer's shares submitted the data on persons in the interests of which they owned (own) the issuer's shares): **23 130**

The date of the list of persons included in the latest list of persons who were (are) entitled to participate in the Issuer's General Shareholders' Meeting (a different list of persons made for the purpose of exercising (performing) rights vested in the Issuer's shares and for the compilation of which the nominal holders of issuer's shares submitted the data on persons in the interests of which they owned (own) the issuer's shares): **24.04.2013**

Owners of issuer's common stock entitled to be listed in this list: **23 130**

6.2. Information on the issuer's shareholders owning 5 and more percent of its charter (contributed) capital (mutual fund) or 5 and more percent of its common stock, as well as information on persons controlling such shareholders or, in the absence of such controlling

persons, - on shareholders owning 20 and more percent of its charter (contributed) capital (mutual fund) or 20 and more percent of its common stock

Shareholders of the Issuer owning 5 or more percent of its nominal (reserve) capital (unit fund) or 5 or more percent of its common stock

Full company name: **FLETCHER GROUP HOLDINGS LIMITED**

Abbreviated company name: **FLETCHER GROUP HOLDINGS LIMITED**

Domicile

Cyprus, Vasilissis Freiderikis, 20 EL GRECO HOUSE, Flat/Office 104 P.C. 1066, Nicosia

The entity's share in the issuer's nominal capital: **85.54%**

Share in the issuer's common stock owned by the entity: **85.54%**

Entities controlling the issuer's shareholder

Full company name: **FLETCHER INDUSTRIAL EQUITY FUND LIMITED**

Abbreviated company name: **FLETCHER INDUSTRIAL EQUITY FUND LIMITED**

Domicile

Winterbotham Place, Marlborough & Queen Streets, Nassau, Bahamas

Basis for control executed by the entity controlling the issuer's shareholder (stockholding in an entity which is an issuer's shareholder, partnership agreement, agency agreement, shareholder agreement, other agreement covering the exercise of rights certified by shares (interest) of the legal entity which is the issuer's shareholder):

Interest in a legal entity being an Issuer's shareholder.

Evidence of the entity controlling the issuer's shareholder exercising such control: **the right to dispose of over 50 percent of votes in the supreme management body of the legal person being an issuer's shareholder**

Control type: **direct control**

Share of this entity in the nominal (reserve) capital (unit fund) of the issuer's shareholder, %: **89.49**

Other information stated by the issuer at its discretion:

none

6.3. Information on the interest of the state or municipality in the issuer's nominal (reserve) capital, availability of a special right ("golden share")

Information on managers of state, municipal equity stakes

No such persons

Entities which perform functions of the issuer's shareholder on behalf of the Russian Federation, a Russian Federation constituent or a municipality

Ownership of the Russian Federation constituent

Description: **State Budgetary (Regional) Educational Institution for Orphans and Children without Parental Custody, Children's Home No.6**

Domicile: **65 Lenin Str. Village of Borinskoye, Lipetsk district, Lipetsk region, 398510, Russia .**

The share of the issuer's nominal (reserve) capital (unit fund), in the state (federal, Russian Federation constituent's), municipal ownership: **0.022782**

Availability of a special right for participation of the Russian Federation, constituents of the Russian Federation, municipalities in the management of the issuer – joint-stock company ("golden share"), special right ("golden share") validity period

No such right

6.4. Information on limitations imposed on participation in the Issuer's nominal (reserve) capital (unit fund)

There are no limitations imposed on participation in the Issuer's nominal (reserve) capital

6.5. Information on changes in composition and extent of participation of the Issuer's shareholders owning at least 5% of its nominal (reserve) capital (unit fund) or at least 5% of its common stock

The composition of the issuer's shareholders (participants) owning 5 or more percent of the Issuer's nominal (reserve) capital, and for issuers which are joint-stock companies - also 5 or more percent of the issuer's common stock, determined as of the date of the list of persons entitled to participate in every general shareholders' (participants') meeting of the issuer held in the course of the latest completed fiscal years preceding the date of the reporting quarter closure, as well as from the date of the current year beginning to the date of the reporting quarter closure on the basis of the list of persons entitled to participate in every such meeting

Date of compiling the list of persons entitled to participate in the issuer's general shareholders' meeting:
10.04.2012

The list of shareholders (participants)

Full company name: ***FLETCHER GROUP HOLDINGS LIMITED***

Abbreviated company name: ***FLETCHER GROUP HOLDINGS LIMITED***

Domicile: ***Vasilissis Freiderikis, 20 EL GRECO HOUSE, Flat/Office 104 P.C. 1066, Nicosia, Cyprus***
Not a resident of the Russian Federation

The entity's share in the issuer's nominal capital, %: **85.54**

Share in the issuer's common stock owned by the entity, %: **85.54**

Full company name: ***Deutsche Bank Trust Company Americas***

Abbreviated company name: ***Deutsche Bank Trust Company Americas***

Domicile: ***60 Wall Street, New York, NY 10005, USA***

Not a resident of the Russian Federation

The entity's share in the issuer's nominal capital, %: **7.13**

Share in the issuer's common stock owned by the entity, %: **7.13**

Date of compiling the list of persons entitled to participate in the issuer's general shareholders' meeting:
13.08.2012

The list of shareholders (participants)

Full company name: ***FLETCHER GROUP HOLDINGS LIMITED***

Abbreviated company name: ***FLETCHER GROUP HOLDINGS LIMITED***

Domicile: ***Vasilissis Freiderikis, 20 EL GRECO HOUSE, Flat/Office 104 P.C. 1066, Nicosia, Cyprus***
Not a resident of the Russian Federation

The entity's share in the issuer's nominal capital, %: **85.54**

Share in the issuer's common stock owned by the entity, %: **85.54**

Full company name: ***Deutsche Bank Trust Company Americas***

Abbreviated company name: ***Deutsche Bank Trust Company Americas***

Domicile: ***60 Wall Street, New York, NY 10005, USA***

Not a resident of the Russian Federation

The entity's share in the issuer's nominal capital, %: **7.41**

Share in the issuer's common stock owned by the entity, %: **7.41**

Date of compiling the list of persons entitled to participate in the issuer's general shareholders' meeting:
24.04.2013

The list of shareholders (participants)

Full company name: **FLETCHER GROUP HOLDINGS LIMITED**

Abbreviated company name: **FLETCHER GROUP HOLDINGS LIMITED**

Domicile: **Vasilissis Freiderikis, 20 EL GRECO HOUSE, Flat/Office 104 P.C. 1066, Nicosia, Cyprus**

Not a resident of the Russian Federation

The entity's share in the issuer's nominal capital, %: **85.54**

Share in the issuer's common stock owned by the entity, %: **85.54**

Full company name: **Deutsche Bank Trust Company Americas**

Abbreviated company name: **Deutsche Bank Trust Company Americas**

Domicile: **60 Wall Street, New York, NY 10005, USA**

Not a resident of the Russian Federation

The entity's share in the issuer's nominal capital, %: **7.73**

Share in the issuer's common stock owned by the entity, %: **7.73**

6.6. Information on interested-party transactions concluded by the Issuer

Information on the number and volume (in money terms) of the Issuer's transactions recognized as per the Russian law as interested-party transactions, which required the approval of the authorized Issuer's management body, based on the last reporting quarter results

Unit of measurement: **RUB**

Description	Total number, pcs.	Total volume in money terms
The Issuer's interested-party transactions within the reporting period, which required the approval of the Issuer's authorized management body	17	RUB 25,633,278,819 / EUR 100,090
The Issuer's interested-party transactions within the reporting period, which were approved by the general shareholders' (participants') meeting	0	0
The Issuer's interested-party transactions within the reporting period, which were approved by the Issuer's Board of Directors (Supervisory Board)	17	RUB 25,633,278,819 / EUR 100,090
The Issuer's interested-party transactions within the reporting period, which required the approval of the Issuer's authorized management body but have not been approved by it	0	0

Transactions (groups of related transactions) whose price makes 5 or more percent of the Issuer's assets book value determined on the basis of the Issuer's financial statements as of the last reporting date before conclusion of the transaction concluded by the Issuer in the last reporting period

No such transactions

Interested-party transactions (groups of related interested-party transactions), which were not approved by the Issuer's Board of Directors (Supervisory Board) of the general shareholders' (participants') meeting, when such an approval was mandatory as per the Russian law

No such transactions

6.7. Information on the amount of the accounts receivable

Not included in this reporting quarter

VII. Accounting (financial) statements of the issuer and other financial information

7.1. The Issuer's annual accounting (financial) statements

Not included in this reporting quarter

7.2. The Issuer's quarterly accounting (financial) statements

Not included in this reporting quarter

7.3. Consolidated issuer's accounting (consolidated financial) statements

Not included in this reporting quarter

7.4. Information on the issuer's accounting policy

NLMK's accounting policy for 2013 was defined in accordance with the legislature of the Russian Federation on accounting and approved by NLMK's Order No. 870 dd. 29.12.2012 "On accounting policies of NLMK for the purposes of book-keeping and taxation" considering additions implemented by NLMK order №699 dd. 03-10-2013" On provision of separate accounting".

Provision on Accounting Policy approved by NLMK's Order No. 870 dd. 29.12.2010 "On accounting policies of NLMK for the purposes of bookkeeping and taxation" as amended by NLMK Order dd. 03-10-2013 No. 699 "On provision of separate accounting" is quoted in this clause.

**Appendix No.1
to order No. 870 dd. 29.12.2012
(order revision no.207 dd.16.03.11,**

REGULATIONS

on accounting policy for the purpose of accounting

I. General

1.1. This Provision sets unified methodological base, organization procedure, form and methods of financial statement preparations and issuance by NLMK (hereinafter "the Company").

1.2. The present Provision has been developed in line with the following normative documents:

- Federal Law No. 402-Ф3 dd. 06.12.2011 "Accounting";
- RF Ministry of Finance Order No. 34Н dd. 29.07.1998 (revision dd. 24.12.2010) "Approval of Provisions on accounting and financial statements in the Russian Federation";
- RF Ministry of Finance Order No. 106Н dd. 06.10.2008 (rev. dd. 27.04.2012) "Approval of Provisions on financial statements";
- RF Ministry of Finance Order No. 116Н dd. 24.10.2008 (rev. dd. 27.04.2012) "Approval of Provisions on accounting "Accounting of civil works contracts" RAS 2/2008;
- RF Ministry of Finance Order No. 154Н dd. 27.11.2006 (revision dd. 24.12.2010) "Approval of Provisions on accounting "Accounting of assets and liabilities the value of which is denominated in foreign currency" RAS 3/2006;
- RF Ministry of Finance Order No. 43-Н dd. 06.07.1999 (revision dd. 08.11.2010) "Approval of Provisions on accounting "Accounting policy of an enterprise" RAS 4/99";

- RF Ministry of Finance Order No. 44H dd. 09.06.2001 (revision dd. 25.10.2010) "Approval of Provisions on accounting "Inventory accounting" RAS 5/01";
- RF Ministry of Finance Order No. 26H dd. 30.03.2001 (revision dd. 24.12.2010) "Approval of Provisions on accounting "Accounting of fixed assets" RAS 6/01";
- RF Ministry of Finance Order No. 56H dd. 25.11.98 (revision dd. 20.12.2007) "Approval of Provisions on accounting "Events after balance date" RAS 7/98";
- RF Ministry of Finance Order No. 167H dd. 13.12.2010 (revision dd. 27.04.2012) "Approval of Provisions on accounting "Conditional facts of financial and economic activity" RAS 8/2010;
- RF Ministry of Finance Order No. 32H dd. 06.05.1999 (revision dd. 27.04.2012) "Approval of Provisions on accounting "Income of an enterprise" RAS 9/99;
- RF Ministry of Finance Order No. 33H dd. 06.05.1999 (revision dd. 27.04.2012) "Approval of Provisions on accounting "Expenses of an enterprise" RAS 10/99;
- RF Ministry of Finance Order No. 48H dd. 29.04.2008 "Approval of Provisions on accounting "Information on affiliated companies" RAS 11/2008";
- RF Ministry of Finance Order No. 143H dd. 08.11.2010 "Approval of Provisions on accounting "Information on segments" (RAS 12/2010)";
- RF Ministry of Finance Order No. 92H dd. 16.10.2000 (revision dd. 18.09.2006) "Approval of Provisions on accounting "Accounting of national assistance" RAS 13/2000";
- RF Ministry of Finance Order No. 153H dd. 27.12.2007 (revision dd. 24.12.2010) "Approval of Provisions on accounting "Accounting of intangible assets" RAS 14/2007";
- RF Ministry of Finance Order No. 107H dd. 06.10.2008 (revision dd. 27.04.2012) "Approval of Provisions on accounting "Accounting of expenses related to loans and credits" RAS 15/2008;
- RF Ministry of Finance Order No. 66-H dd. 02.07.2002 (revision dd. 08.11.2010) "Approval of Provisions on accounting "Information on discontinued activity" RAS 16/02";
- RF Ministry of Finance Order No. 115H dd. 19.11.2002 (revision dd. 18.09.2006) "Approval of Provisions on accounting "Accounting of R&D expenses" RAS 17/02";
- RF Ministry of Finance Order No. 114-H dd. 19.11.2002 (revision dd. 24.12.2010) "Approval of Provisions on accounting "Accounting of settlements on profit tax" RAS 18/02";
- RF Ministry of Finance Order No. 126H dd. 10.12.2002 (revision dd. 27.04.2012) "Approval of Provisions on accounting "Accounting of financial investments" RAS 19/2002";
- RF Ministry of Finance Order No. 105-H dd. 24.11.2003 (revision dd. 18.09.2006) "Approval of Provisions on accounting "Information on interest joint ventures" RAS 20/03";
- RF Ministry of Finance Order No. 63H dd. 28.06.2010 (revision dd. 27.04.2012) "Approval of Provisions on accounting "Correction of mistakes in accounting and book-keeping" RAS 22/2010";
- RF Ministry of Finance Order No. 11H dd. 02.02.2011 "Approval of Provisions on accounting "Cash flow statement" RAS 23/2011";
- RF Ministry of Finance Order No. 125H dd. 06.10.2011 "Approval of Provisions on accounting "Accounting of expenses on natural resources development" RAS 24/2011";
- RF Ministry of Finance Order No. 119H dd. 28.12.2001 (revision dd. 24.12.2010) "Approval of instructional guidelines on accounting of inventories";
- RF Ministry of Finance Order No. 91H dd. 13.10.2003 (revision dd. 24.12.2010) "Approval of instructional guidelines on accounting of fixed assets";
- RF Ministry of Finance Order No. 66H dd. 02.07.2010 "Forms of Accounting Statements of an enterprise";
- RF Ministry of Finance Order No. 94H dd. 31.10.2000 (revision dd. 08.11.2010) "Approval of Chart of accounts for financial and economic activity and instructions to it";
- RF Ministry of Finance Order No. 49 dd. 13.06.1995 (revision dd. 08.11.2010) "Approval of instructional guidelines on inventory-taking of real estate, property and financial liabilities";
- RF Ministry of Finance Order No. 44H dd. 20.05.2003 (revision dd. 25.10.2010) "Approval of instructional guidelines on preparation of financial statements during reorganization of an enterprise";
- RF Ministry of Finance Letter No. 160 dd. 30.12.1993 "Provision on accounting of long-term investments";
- Methodical instructions on planning, accounting and calculation of production costs at steel-making companies approved by RF Committee on steel industry dd. 08.10.2004;
- Other normative documents.

2. Organizational & technical provisions

2.1. Organization of accounting

2.1.1. President (Chairman of the Management Board) of the Company bears responsibility for the organization of accounting and record keeping of accounting documents.

2.1.2. The Company's accounting is maintained by specialized institution within the terms of service contract for maintaining of accounting.

2.1.3. The Company has the structural subdivision with individual financial statements - Canteens Department.

The following structural subdivisions do not have individual financial statements:

2.1.3.1. NLMK Representative Office in Moscow;

2.1.3.2. NLMK Representative Office in Novokuznetsk;

2.1.3.3. NLMK Branch in the city of Yekaterinburg - "NLMK-URAL".

2.1.4. The Company also has a structural subdivision – hotel Lesnoi Dom, for which separate analytical accounting of its business life is organized for the purposes of its financial results determination.

2.1.5. Head of structural division bears responsibility for the organization of accounting and record keeping of accounting documents in the Company's structural division with individual financial statements.

2.1.6. Accounting in the Canteen Department as well as in the hotel Lesnoi Dom is maintained by specialized institution within the terms of service contract for maintaining of accounting.

2.1.7. The Company considering the necessity of cash settlements by the subdivisions, has arranged the following cash desks:

2.1.7.1. Cash desk of Canteen Department;

2.1.7.2. Cash desk in Lesnoi Dom hotel;

2.1.7.3. Cash desk in UPP&PP shop;

2.1.7.4. Cash desk at NLMK Representative Office in Moscow;

2.1.7.5. Cash desk at NLMK Representative Office in Novokuznetsk.

2.1.8. Evaluation of business activity facts, assets and liabilities, financing sources of activities, income and expenses (hereinafter – accounting items) is performed in monetary terms, in the currency of the Russian Federation.

Monetary terms of accounting items is performed in rubles and kopecks, without rounding.

2.2. Accounting documents and records

2.2.1. Each fact of the Company's business activity is recorded by the primary reporting document.

2.2.2. The requirements of the specialized institution which maintains accounting of the Company, in conformance with the legislation in force, local regulatory norms, Company Standards and the order of interaction established in the Company, for documentary recording of the business activity facts and submission of the documents and data are binding for all Company's employees.

2.2.3. Specialized institution that maintains accounting of the Company is entitled not to accept primary documents for accounting in case of their undue issuance.

2.2.4. Primary records are made at the moment of business life fact, and should it be not possible – immediately upon its completion.

2.2.5. The Company uses primary records compiled:

- according to the forms contained in the catalogue of unified forms of primary records approved by the RF State Statistics Committee;
- according to the forms not contained in the catalogues of unified forms of primary records approved by the RF State Statistics Committee, but developed by the Company itself in accordance with the accounting legislation.

2.2.6. Forms of primary reporting documents contained in the catalogues of unified forms of primary records approved by the RF State Statistics Committee, are applied by the Company as amended by the Company's order.

2.2.7. List and samples of primary record forms used by the Company, for which there exist no unified forms, approved by the RF State Statistics Committee, are to be approved by a respective order.

2.2.8. The documents supporting business life facts are to be signed by the authorized officials of the Company.

2.2.9. The list of officials entitled to sign primary records of the Company is approved by the respective order.

2.2.10. The officials who issued and signed these documents are responsible for timely and proper arrangement of primary records, their submission in due time for accounting and validity of the data contained in them.

2.2.11. Primary record issuance, procedure and periods of their submission for accounting are governed by document flow schedule between the Company and the specialized institution that maintains accounting of the Company, envisaged by the agreement.

2.2.12. The submission dates for the last primary records for the reporting year to the specialized institution that maintains accounting of the Company are set by an order.

2.2.13. In case there are disagreements in maintaining of accounting records between the President (the Chairman of the Management Board) (head of structural division with individual financial statements) and specialized institution that maintains accounting of the Company:

1) data contained in the primary accounting document are accepted (are not accepted) by a specialized institution maintaining the Company's accounting for registry and saving in registers of accounting by written instruction of the President (chairman of the Management Board) (head of structural division with individual financial statements), that bears sole responsibility for the information created as a result of it;

2) accounting item is reflected (is not reflected) by a specialized institution that maintains the Company's accounting in accounting (financial) statements on the grounds of written instruction of the President (Chairman of the Management Board) (head of structural division with individual financial statements) who bears sole responsibility for reliability of the financial status of the economic entity as of the reporting date, financial result of its activity and cash flow during the reporting period.

2.2.14. The specialized institution that maintains the Company's accounting identifies the cases of untimely presentation of primary records for accounting as well as non-disclosure thereof in the respective reporting period and undertakes an internal investigation to punish those responsible for this violation. At the same time it is established that the most severe punishment is due to those who are responsible for forced accounting of primary records for the reporting year in the next year.

2.3. Form of accounting. **Information processing technology**

2.3.1. The Company uses automatic form of accounting.

2.3.2. The accounting procedure is supported by an integrated information system for management of production and business operations of the company based on SAP ERP software.

2.3.3. The automated system provides for the preparation of both internal management reporting and accounting (financial) statements in accordance with the statutory requirements.

2.4. Working card of accounts

2.4.1. The Company holds its items in accounts included into the Company's working card of accounts (Appendix to these Regulations), developed based on the card of accounts approved by the RF Finance Ministry and aimed at synthetic and analytical accounting.

2.4.2. Should there be any new accounting items or the necessity to detailize its analytic accounting, the Company can make amendments to the working card of accounts.

2.4.3. As different automated systems for accounting information processing are applied, structural divisions which hold separate accounts use working cards of accounts approved by the division manager as advised by the specialized institution carrying out the Company's accounting.

2.5. Inventory-taking procedure

2.5.1. Inventory-taking is one of the significant control procedures, quality and completeness of which make a substantial impact on evaluation of accounting data validity.

2.5.2. Inventory-taking is aimed to achieve the following targets:

- determination of actual availability of assets;
- matching of actually available assets with accounting data;
- check of accounting data completeness .

2.5.3. The procedure and terms of inventory-taking of assets and liabilities are set by the Company itself except the cases when the inventory taking is mandatory.

2.5.4. Inventory-taking is mandatory in case of:

- property letting on lease, buy-out or sale;
- changing of accountable officials;
- revelation of theft, misuse or damage of property;
- natural disasters, fire or other emergencies caused by extreme conditions;
- reorganization or liquidation of the Company or some of its subdivisions;
- other cases provided for by the RF legislation.

2.5.5. The Company makes an inventory with the following intervals:

- fixed asset inventory – once every three years as of 1 November;
- library stock inventory – once every five years as of 1 November;
- intangible asset inventory – annually as of 1 October;
- investments-in-progress inventory – annually as of 1 October;
- housing construction inventory – **annually as of 1 October;**
- inventory of WIP, semis and deferred expenses (except deferred expenses related to acquisition of financial investments) – **annually as of 1 October;**
- property inventory (excluding fixed assets, financial investments and cash funds) - annually as of 1 October;
- inventory of precious metals and articles made of them – twice a year as of January 1 and July 1 in all places of their storage and use, inventory of precious metals contained in component parts, articles, devices, tools, equipment both in operation and placed in storage areas (including those out of service) – annually as of October 1;
- inventory of financial liabilities, settlements, bad debt provisions, financial investments and investment depreciation provision, as well as deferred expenses related to acquisition of financial investments – annually as of 1 November;
- inventory of cash, cash items and strict accounting forms in cash offices – as of November 1. Dates of additional inventories of cash, cash items and strict accounting forms in cash offices within a year are set by an order.

2.5.6. Discrepancies between actual item availability and accounting data registers revealed upon inventory check are reflected in accounting in the reporting period which the date of the inventory refers to.

2.6. Accounting (financial) statements

2.6.1. The Company prepares and presents its annual accounting (financial) statements in line with the procedure set forward by the RF legislation, constituent documents and decisions of the Board of Directors.

2.6.2. The Company's accounting (financial) statement includes the results of activity of subsidiaries, representative offices and other subdivisions, including those with the individual financial statements.

2.6.3. The Company (subdivision with individual financial statements) compiles its accounting (financial) statement for a month, quarter (intermediate reporting) and year with progressive total from the beginning of the reporting year. Monthly accounting (financial) statement is an internal accounting and is meant for operational control of the Company's activity.

2.6.4. The Company's annual accounting (financial) statement is composed of:

- balance sheet;
- statement on financial performance (profit & loss statement);
- statement of changes in equity;
- cash flow statement;
- explanations to the balance sheet and statement on financial performance (profit and loss statement).

2.6.5. The Company's interim accounting (financial) statement is composed of:

- balance sheet;
- statement on financial performance (profit & loss statement).

2.6.6. The Company (subdivision with individual accounting statements) uses accounting (financial) statement forms approved by the Order of the RF Finance Ministry No. 66H dd. 02.07.2010 "Forms of Financial Statements of an enterprise".

2.6.7. The accounting unit of measurement is thousand rubles without any decimal digits.

2.6.8. For the purposes of reflection in accounting (financial) statements of the Company, the amount the relation of which to the total of the respective data for the reporting year is not less than five per cent is considered material.

2.6.9. The error is considered to be a significant one, where it is in aggregate with other errors for one and the same reporting year for one and the same parameter (entry) of the accounting (financial) statements makes an amount the ratio of which to the amount for the respective entry of accounting (financial) statements makes not less than five percent.

2.7. Internal control of business activity facts

2.7.1. For the purpose of efficient functioning of the Company, safety of assets, revelation and prevention of errors and distortion of information, as well as timely preparation of valid accounting (financial) information, an internal control system is functioning in the Company.

2.7.2. The Company's internal control system is composed of a complex of organizational arrangements, methods and procedures, and includes:

- accounting system;
- control environment;
- individual means of control.

2.7.3. Due to its accounting system the Company can maintain records of its business life facts, assets and liabilities, financing sources of activities, income and expenses by means of generation of documented organized information on the specified items, and draw up accounting (financial) statement based on it.

2.7.4. The general control environment of the Company includes:

- basic management principles;
- corporate policy;
- organizational structure;
- distribution of responsibilities and powers;
- HR policy;
- procedure of accounting (financial) statement preparation;
- standardization of procedures, including accounting ones;
- procedure of internal management accounting and preparation of internal accounting for management purposes;
- compliance of the Company's business activity with statutory requirements.

2.7.5. The system of means of control provides for the following:

- the facts of business life approved by the Company's management;
- true reflection of all facts of business life in accounts in line with the Company's accounting policy;
- access to assets only if authorized by the Company's management;
- proper actions by the Company's management in case the existing assets and liabilities do not correspond to the accounting data.

2.7.6. The Company implements the following procedures to control and maintain accounting and reporting:

- accountability of employees to other employees;
- limited access to assets and accounting records;
- control over applications and computer information systems, including entry of modifications and access rights for entry of information into the system and its elimination therefrom;
- internal audits and reconciliation of data on financial and business activity;
- matching of data obtained from internal sources with those from external sources of information;
- audit of analytical accounts, turnover balance sheets, and arithmetical accuracy of records;
- comparison and analysis of financial results with target figures and other additional procedures.

2.7.7. The Company's control authorities are Audit Commission and Internal Audit Division.

2.7.8. The Audit Commission is elected at the Company's general shareholders' meeting of the Company to control the Company's financial and business activity. The check (audit) of financial and economic activities of the Company is based on the results of the Company's activity for a year, as well as at any time at the initiative of the Audit Commission, or under the decision of the general meeting, the Board of Directors, or the demand of the Company's shareholders, owning in the aggregate not less than 10 % of the Company's voting shares. The Company's Audit Commission annually issues its opinion, which confirms the validity of data contained in annual accounting (financial) statements.

2.7.9. Internal Audit Division is a structural subdivision of the Company, which provides independent and impartial guarantees and consultations aimed at improvement of the Company's activity. Internal control functions are implemented via:

- audit operations aimed at evaluation of internal control systems for observance of legislation, asset safety, efficiency and effectiveness of activity of NLMK's subdivisions;
- auditing of the organization and functioning of accounting and internal control systems of preparation of accounting (financial), tax, statistical, management and other financial statements of NLMK.

3. Methodological provisions

3.1. Accounting of fixed assets

3.1.1. Fixed assets for the purposes of accounting include assets meeting the requirements of cl.4 of the Accounting Provision "Accounting of fixed assets" RAS 6/01.

3.1.2. Assets valued at less than 40,000 rubles per unit (inclusively) and meeting fixed asset criteria are accounted in line with the procedure specified in cl. 3.5.13 of this Provision.

3.1.3. Replacement equipment, special tools, accessories with service life exceeding 12 months and valued at more than 40,000 rubles are accounted under the procedure provided for fixed assets accounting in line with the Accounting Provision "Accounting of fixed assets", RAS 6/01.

3.1.4. Fixed assets are depreciated by straight-line method on the assumptions of their original (replacement) cost and norms of depreciation, calculated on the basis of their useful life.

3.1.5. Useful life of fixed assets is determined by Committees appointed by orders of managers of the Company's subdivisions according to Classification No. 1 approved by Provision of the RF Government dd. 01.01.2002.

3.1.6. Charging of depreciation and amortization is suspended if fixed assets are put to conservation for a 3-month period or longer upon the decision of the Company's authorized person, as well as during the period of assets reconstruction lasting for over 12 months.

3.1.7. Income and expenses related to retirement of fixed assets shall be reflected in accounting for the reporting period to which they relate and are accounted as other income and expenses.

3.1.8. There is no annual revaluation of fixed assets.

3.2. Accounting of intangible assets

3.2.1. Intangible assets include patents for inventions, certificates for useful models and other items corresponding to cl. 3 of Provision on accounting "Accounting of intangible assets" RAS 14/2007.

3.2.2. Amortization of intangible assets is charged by linear method with exclusion of cases when application of another method to charge amortization can be justified by reliable calculation of expected receipt of future economic benefits from using the intangible asset, including financial performance of possible sale of that asset.

3.2.3. Norms of amortization charges for intangible fixed assets put on balance before 1 January 2008 upon which it is impossible to define useful life are established in anticipation of twenty years (but not more than the period of company's activity).

3.2.4. Amortization for intangible fixed assets put on balance since 1 January 2008 upon which it is impossible to define useful life is not charged.

3.2.5. Amortization of intangible assets is reflected in accounts by accumulation of corresponding amounts on account 05*¹⁾ "Amortization of intangible assets" in the reporting period, to which they are related.

3.2.6. When useful life of an intangible asset is checked in order to make it more specific, more accurate definition of the useful life is performed in case of significant change in the period (for 12 months and longer of the previously defined one) within which the Company supposes to use that intangible asset.

3.2.7. When useful life of an intangible asset is checked in order to make it more specific, the applied method of verification can be changed in case of available reliable calculation of expected receipt of future economic benefits from using that intangible asset, justifying another method to calculate amortization.

3.2.8. Regular reevaluation of intangible assets is not conducted.

3.2.9. Intangible assets are not verified for depreciation.

3.2.10. Expenses for purchasing non-exclusive rights for using the result of intellectual activity or the means of individualization (computer software etc.) are charged to relevant accounts on a monthly basis by equal portions and in the amount determined by the Company's agreements or calculations, during the period they refer to.

3.3. Accounting of investments into non-current assets

3.3.1. Settlements between NLMK (Builder) and a Contractor are performed on a monthly basis according to an agreement on construction and Certificate on value of works done (Form No. KC-3) prepared on the basis

¹⁾ Hereinafter symbol «*» next to the double digit account number is used for designation of some subaccount or a number of subaccounts of the specified synthetic account in accordance with the working plan of the Company's accounts. In accordance with the methodology of the accounting the synthetic accounting is arranged in the accounts, assigned in accordance with the Chart of accounts for financial and economic activity approved by the order of the Russian Ministry of Finance dd. 31.10.2000 No. 94n. In actual reflection of the Company's economic operations in the balance sheet the particular subaccounts from the working Chart of accounts are used.

of Report on works done (Form KC-2) after step-by-step (intermediate) acceptance by the Builder of works done. Information on value of the works that have been carried out, contained in Forms KC-2 and KC-3 is considered as the basis for reflection of expenses related to construction of fixed assets in account 08* "Investments into non-current assets".

3.3.2. Acquisition of fixed assets, equipment, intangible assets are accounted using account 15* "Storing and acquisition of tangible property".

3.3.3. In the reporting period equipment accounting is carried out by accounting prices. The accounting price is set when first assigning a nomenclature number. When equipment arrives, its cost is determined based on the price specified in the delivery order which is established on the basis of a contract or other data.

3.3.4. Expenses related to equipment acquisition but not attributable to a specific facility, partial actual expenses related to acquisition of equipment incurred within the subsequent periods after the equipment's posting as well as business-trip expenses related to acquisition of the equipment shall be accounted in a separate sub-account of account 15* "Procurement and acquisition of tangible property" and shall be written off to account 16* "Deviation of tangible property cost" at the end of the reporting period.

3.3.5. Deviation of equipment acquisition cost in the delivery order from its cost expressed in accounting prices is written off to debit of account 16* «Deviation in the cost of tangible assets» with reference to nomenclature numbers.

3.3.6. Deviation of equipment actual cost from its acquisition cost in the delivery order is reflected in the debit of account 16* «Deviation in the cost of tangible assets» with reference to nomenclature numbers.

3.3.7. Additional expenses related to acquisition of equipment shall be debited to account 16* "Deviation of tangible property cost".

3.3.8. Equipment accounting is carried out by lots. During the reporting period equipment writing off (discharge) is carried out by means of evaluation of the average moving cost determined within the limits of the lot and the project stock which includes the quantity and cost of equipment as of the beginning of the month and all proceeds received before the write-off moment.

3.3.9. At the end of the reporting period the amounts of deviations in the equipment cost charged to account 16* "Deviation of tangible property cost" are written off:

- pro rata the quantity of the equipment written off (discharged) in the reporting period to the debit of capex accounts (35*);
- to account 07* "Equipment to be installed", 08* "Investments into non-current assets" for adjustment of their balance by the amount of deviations referred to the equipment balance as of the end of the reporting period.

3.3.10. Capex expenses during one reporting period are reflected in accounts 31 - 39 for the purpose of capex accounting by type of expenses. As of the end of the reporting period the actual capex expenses accumulated in accounts 31 - 39 are written off to account 08* "Investments into non-current assets".

3.3.11. R&D expenses, the results of which are to be used in production (works, services), or for the managerial purposes of the company, are accounted during the reporting period in accounts 31* - 39*, and at the end of the reporting period in the amount of actual expenses - to account 08* "Investments into non-current assets". In the reporting period in which R&D results are accepted as positive, the expenses charged to account 08* "Investments into non-current assets" are written off to account 04* "Non-tangible assets".

3.3.12. The Company's R&D expenses, the results of which are used either for production or managerial purposes of an organization, are accounted separately in account 04* "Intangible assets" and written off as operational expenses by a linear method within three years starting from the 1st day of the month following the month, when their use was actually started.

3.4. Accounting of financial investments

3.4.1. Units of financial investment accounting:

- a share – in shares accounting;
- a bond – in bond accounting;
- a share – in contributions to stockholders' equity;
- security series and number – in deposit certificate accounting;
- an agreement – in accounting of loans, deposits, assignment and special partnership contracts.

3.4.2. In analytic accounting on state and corporate securities the following information is formed: description of the issuer, security description, number, series, nominal price, purchase price, expenses related to security acquisition, total quantity, date of acquisition, date of sale or other retirement, place of storage.

3.4.3. The costs related to security acquisition making up less than five per cent of the amount paid to the seller under the contract are recognized as other expenses.

3.4.4. Debt securities for which current market value is not determined are accounted before the retirement at original cost.

3.4.5. Financial investments, for which the current market value is determined under the established procedure, are reflected as of the quarter end at their current market value.

3.4.6. For debt securities and loans granted evaluation at discounted cost is not made.

3.4.7. Financial investments (shares, bonds), for which their current market value is not determined, are evaluated at the moment of retirement at the average original cost.

3.4.8. Securities (except shares of joint-stock companies and bonds), contributions to the authorized capitals of other organizations, contributions under special partnership agreements, loans provided to other organizations, deposits with credit institutions, receivables acquired in the basis of assignment of right of demand, are valued at the original cost of each retiring unit of financial investment accounting.

3.4.9. Financial investments, which are not long-term investments at the time of acquisition, will be accounted as short-term ones.

3.4.10. The transfer of long-term financial investments to short-term financial investments is carried out when there is 12 months or less till their maturity.

3.4.11. Interest income upon securities (bonds, deposit certificates, notes) is recognized at time of interest payment.

3.4.12. Interest on loans granted and under other similar agreements is charged as of the end of the month.

3.5. Accounting of materials

3.5.1. The accounting unit of materials is stock number.

3.5.2. Evaluation of materials as of the end of the reporting period is done by actual first cost.

3.5.3. In the reporting period materials accounting is carried out by accounting prices. The accounting price of materials is set when first assigning a nomenclature number. When materials arrive, their cost is determined based on the price specified in the delivery order which is established on the basis of a contract or other data. Subsequently actual first cost of materials based on the data for the period preceding the previous period is used as accounting price of the acquired materials.

3.5.4. Incoming acquired materials are reflected using account 15* "Procurement and acquisition of tangible property" and 16* "Deviation of tangible property cost".

3.5.5. The cost of materials acquisition in accordance with the delivery order, including transportation and procurement expenses, is debited to account 15* "Procurement and acquisition of tangible property".

3.5.6. Deviation of materials acquisition cost in the delivery order from their cost expressed in accounting prices are written off to debit of account 16* «Deviation in the cost of tangible assets» with reference to nomenclature numbers.

3.5.7. Deviation of materials actual cost from their acquisition cost in the delivery order is reflected in the debit of account 16* «Deviation in the cost of tangible assets» with reference to nomenclature numbers.

3.5.8. Expenses related to materials acquisition but not assigned a specific nomenclature number, partial actual expenses related to acquisition of materials incurred within the subsequent periods after the materials' posting as well as business-trip expenses related to acquisition of the materials shall be accounted in a separate sub-account of account 15* "Procurement and acquisition of tangible property" and shall be written off to account 16* "Deviation of tangible property cost" at the end of the reporting period with distribution by nomenclature numbers pro rata to the contractual cost of the materials posted in the reporting period.

3.5.9. At the end of the reporting period the amounts of deviations charged to account 16* "Deviation of tangible property cost" are written off:

- pro rata the cost of the materials used in the reporting period to the debit of relevant accounts depending on the purposes for which the materials were used;
- to account 10* "Materials" for adjustment of balance by the amount of deviations referred to the materials balance as of the end of the reporting period.

3.5.10. The materials delivered, for which there are no settlement documents used for account settlements with the supplier, are registered as non-invoiced supplies at accounting prices.

3.5.11. The materials belonging to the Company, but either en route or pledged to the buyer, are accepted for accounting in the valuation provided for by the delivery order with subsequent updating of actual cost.

3.5.12. When the materials are released into production or retire otherwise they are valued at accounting prices with subsequent writing off of deviations of actual cost from the accounting prices to the relevant accounts at the end of the reporting period. When materials are written off, their evaluative calculation includes their quantity and cost as per the nomenclature number as of the beginning of the month, and also all incomings before the writing-off.

3.5.13. Assets costing RUR 40,000 per unit or less (inclusively) and qualifying as fixed assets, as well as purchased books, brochures and other publications are recognized in books and accounting (financial) statements as part of inventories under account 10* "Materials"; as they are released into operation, they are charged as production costs. For analytical accounting purposes, the changes in their balances are recorded in off-balance sheet.

3.5.14. Replaceable equipment, special tools, devices with the operation service not more than 12 months are written off to the production costs in full at the moment, when the facilities are put into operation. For analytical accounting purposes, the changes in their balances are recorded in off-balance sheet.

3.5.15. Special clothes, irrespective of their service and cost are accounted for within the inventories, written off to the production costs in full at the moment of the hand over for using. For analytical accounting purposes, the changes in its balance are recorded in off-balance accounts.

3.5.16. Waste and by-products used are assessed in line with the prices set by an authorized division of the Company.

3.5.17. Components, assembly units, spare parts and other materials, obtained from dismantling of decommissioned fixed assets or fixed assets repairs and suitable for further use, are valued at current market prices for scrap (utility waste, etc.) and are posted in correspondence with account 91* "Other income and expenses".

3.5.18. Value of containers obtained from suppliers and included into the price of tangible assets, in case of their utilization or sales, is posted in correspondence with account 91* "Other income and expenses" and valued at the price of possible usage or sale.

3.6. Accounting of goods

3.6.1. Retail goods shall be valued at their acquisition price (not applying account 42* "Mark up").

3.6.2. In the reporting period the goods accounting is carried out by accounting prices.

3.6.3. Incoming acquired materials are reflected using account 15* "Storing (procurement) and acquisition of tangible property" and 16* "Deviation of tangible property cost".

3.6.4. The procedure for accounting and valuation of acquired goods is similar to the procedure of accounting and valuation of acquired materials. At the end of the reporting period the goods' accounting price is brought up to the level of the actual first cost.

3.6.5. When the materials are released into production or retire otherwise they are valued, in the course of the reporting period, at accounting prices with subsequent writing off of deviations of actual cost from the accounting prices to the relevant accounts reflecting goods release at the end of the reporting period. When materials are depreciated, their evaluative calculation includes their quantity and cost as per the nomenclature number as of the beginning of month, and also all incomings before the depreciation.

3.6.6. Retail goods in the Canteens Department and "Lesnoy Dom" hotel shall be valued at sales prices with application of account 42* "Mark up".

3.6.7. Expenses related to stocking and delivery of purchased goods to Canteen Department warehouses and trading subdivisions are accounted as part of selling expenses.

3.6.8. Expenses related to transportation are distributed between goods sold and goods' balance as of the month end, and the goods sold are debited under account 90* "Sales".

3.6.9. The amount of distribution costs incurred by the Canteen Department, "Lesnoi Dom" hotel, related to transfer of goods to other subdivisions of the Company (milk and healthy and dietary meals for employees working in hazardous conditions, foodstuffs for delegations, etc.) is determined on the previous month results' basis with further adjustment of costs for each subdivision.

3.6.10. In case the costs of accommodation are distributed between the structural subdivisions of the Company, the calculation of the amount of the transferred costs is made by the way of dividing the actual costs per month by overall number of beds in "Lesnoi Dom" hotel, by actual number of accommodation days in a month and multiplying by the number of days during which the representatives of the Company's subdivisions actually stayed.

3.6.11. Electric energy sold in the market one day in advance is valued on the basis of the average value of electric energy purchased under regulated agreements. Electric energy sold in the balancing market is valued on the basis of average value of electric energy purchased in the market one day in advance and the part of electric energy purchased under regulated agreements after the sales in the market one day in advance.

3.7. Accounting of income and expenses

3.7.1. The Company recognizes revenues from sales of products and goods, as well as income related to rendering of services (execution of works), as income from ordinary activities, if the production and sales of products (goods), rendering of services (execution of works), as well as the conditions of gaining the income from these activities directly result from the Company's core business and have a systematic (continuous) nature.

3.7.2. All other types of income are recognized as other income.

3.7.3. The Company recognizes expenses on sales of products and goods, as well as expenses related to rendering of services (execution of works), as expenses on ordinary activities, if the production and sales of products (goods), rendering of services (execution of works) directly result from the Company's core business and have a systematic (continuous) nature.

3.7.4. All other types of expenses are recognized as other expenses.

3.7.5. Sales proceeds are defined by the Company as of transfer date of title for products, goods, results of works, services rendered (for charge) on the basis of settlement documents presented to buyers (customers).

3.7.6. Income and expenses in foreign currency, accounting for financial result from business outside the Russian Federation, are converted into rubles using the exchange rate of the RF Central Bank as of the date of transactions in foreign currency.

3.7.7. Separate accounting of income and expenses on controlled types of activities is done with accounts 9012010100 "Revenue from selling an RF service (net)" and 9022010100 "Cost of services sold – main activities (RF)" using analytics in terms of Material Master Records for controlled types of activities.

3.7.8. Separate accounting of income and expenses for subdivisions distinguished as independent classification units for the purposes of social industrial injury insurance and insurance against occupational diseases is done with accounts 90* "Sales" using analytics in terms of Material Master Records for types of economic activities.

3.8. Accounting of costs of production and sales of products, works, services

3.8.1. Accounts 31* - 39* are used for production and selling expenses accounting and accounts 20* "Core production" and 23* "Auxiliary production" reflect work-in-progress costs.

3.8.2. For calculation of costs of products (works, services) the process costing method and job-order costing method are applied.

3.8.3. A list of expense entries defined in industry-specific methodical recommendations on planning, forming and accounting of expenses for production and sales of products (works, services) of steelmaking enterprises is used for expense accounting.

Separate accounting of expenses for controlled types of activities is done in terms of CC per items and types of expenses in accordance with branch guidelines for planning, formation and accounting of expenses for production and sales of products (works, services) of steelmaking enterprises.

3.8.4. Expenses related to transportation of material resources (including handling) in the territory of the Company by vehicles and personnel of the Company are included into the conversion expenses of a corresponding subdivision.

3.8.5. Electric energy used in production is accounted at the average purchase price formed on the basis of purchase prices according to purchase agreements at electric energy markets.

3.8.6. The item "Salaries expense" represents the labor costs for the subdivision's industrial personnel, as well as labor costs for the personnel of auxiliary production units (shop maintenance personnel, etc.) and shop management personnel.

3.8.7. Actual expenses related to routine and major repairs are recognized as running period expenses upon their completion.

3.8.8. Indirect expenses of main production shops are distributed according to specific nature of a process (production stage) defined in industry-specific methodological recommendations on planning, forming and accounting for production and sales of products (works, services) of steelmaking enterprises.

3.8.9. The costs of packaging for the products in the rolling shops are attributed directly to the production order.

3.8.10. Expenses on voluntary property and personal insurance, expenses for licenses, certificates are included into the cost of goods manufactured (works, services) for the reporting period, in which the payment was effected under the contract. The expenses of the seasonal character are included into the cost of the products manufactured (works, services) at the moment when they appear.

3.8.11. Housing construction cost is formed on the basis of actual expenses incurred prior to the registration of title for real estate, including registration expenses (costs).

3.8.12. Work-in-progress as of the reporting period end is valued on the basis of the actual first cost generated based on work-in-progress cost as of the period beginning and production costs of the reporting period.

3.8.13. Evaluation of work-in-progress when order-by-order calculation method is used is effected on the basis of actual costs.

3.8.14. During the reporting period accounting of the work-in-progress is carried out using accounting prices. Actual first cost of work-in-progress based on the data for the period preceding the previous period is used as accounting price of work-in-progress.

3.8.15. Difference between actual cost and the cost of work-in-progress based on accounting prices is charged to account 20* "Core production" to a separate subaccount.

3.8.16. Deviations related to the balance of work-in-progress are written off from deviations subaccount to work-in-progress subaccount at the end of the month, when actual calculation is formed, for the purpose of determination of actual first cost of balances.

3.8.17. Semi-production produced in-house are valued as of the end of the reporting period at actual first cost for each type which is formed on the basis of semi-products cost as of the beginning of the period and the first cost of the reporting period.

3.8.18. In the reporting period semi-products accounting is carried out by accounting prices. Actual first cost of semi-products based on the data for the period preceding the previous period is used as accounting price of semi-products.

3.8.19. Difference between actual first cost and the cost of semi-products based on accounting prices is charged to account 21* "In-house produced semi-products" to a separate subaccount.

3.8.20. Semi-products are written off (when dispatched, released for production, etc.) at accounting prices. At the same time deviations related to consumed semi-products are written off to the accounts reflecting semi-products consumption pro rata their quantity.

3.8.21. Deviations related to the balance of semi-products are written off from deviations subaccount to semi-products subaccounts at the end of the month, when actual calculation is formed, for the purpose of determination of actual first cost of balances.

3.8.22. The difference between the actual costs of the material and the cost of the recyclable wastes in the rolling shops, formed as a result of writing off of the full amount of the given for single production order as crops, is attributed to the expenses of the respective conversion stage in item "Other expenses".

3.8.23. Materials produced in-house, intended for in-house needs and not used in the production process at the next conversion stage are valued as of the end of the reporting period at actual first cost for each MMR which is formed on the basis of in-house produced materials cost as of the beginning of the period and the first cost of the reporting period.

3.8.24. Valuation of finished goods intended for sale to third parties as of the end of the reporting period is carried out in accordance with cl. 3.9.1 of these Regulations.

3.8.25. Loss due to rejections (difference between the actual cost of the rejected steel and its practicable use cost) arisen and found in steelmaking and rolling shops are determined by each of the Material Master Records. Amount of loss due to rejections in production orders is attributed to "Other costs of the production stage" related to the production lines at fault.

3.8.26. Losses due to rejections found out within production orders in Repair & Maintenance Shops are referred to "Other costs" related to correspondent shop areas at fault.

Costs of losses due to rejects are reflected as per the planned costs (cost of materials, labour costs, general shop expenses) excluding wastes generated when defective products are reprocessed; and as per the price of the products if possibly used.

3.8.27. General costs are fully recognized in the cost of products (works, services) sold in the reporting period as operating expenses.

3.8.28. Expenses related to the sales of products (works, services) are fully recognized in the cost of products (works, services) sold in the reporting period as operating expenses.

3.9. Accounting of finished products (works, services)

3.9.1. Finished products shall be valued as of the end of the reporting period at actual first cost for each product type which is formed on the basis of finished product balances cost as of the beginning of the reporting period and the first cost of the reporting period.

3.9.2. Products (works, services), the title for which has not been transferred to buyers by the end of the reporting period, are valued on the basis of first cost at the time of shipment.

3.9.3. Within the reporting period, finished products accounting is carried out on the basis of book prices without application of account 40 "Product (works, services) output".

3.9.4. Actual first cost of finished products based on the data for the reporting period preceding the previous period is used as book price of the finished products.

3.9.5. Difference between actual cost and book price of the finished goods is charged to account 43* "Finished goods" to a separate subaccount by product type.

3.9.6. Finished goods are written off (when dispatched, released for production, etc.) at book prices. At the same time deviations related to sold finished goods are written off to sales accounts pro rata their quantity. Deviations related to the balance of finished goods are written off from deviations subaccount to finished goods subaccounts at the end of the reporting period, when actual calculation is formed, by product type for the purpose of determination of actual first cost.

3.10. Accounting of loans and credits

3.10.1. Interest payable to a lender (creditor) is recognized in the cost of an investment asset or as part of other expenses evenly over the contract validity period.

3.10.2. Additional borrowing costs are accounted in the reporting period which they belong to.

3.10.3. Accrued interest (discount) on notes payable and bonds placed is reflected as included in other expenses proportionally within a loan contract validity period.

3.10.4. Long-terms debt on loans and credits received is transferred into short-term debt at the moment when under loan or credit contracts there are 12 months and less before principal repayment.

3.11. Accounting of reserves

3.11.1. The Company creates the following reserves:

3.11.1.1. Tangible assets devaluation reserves:

- materials devaluation provisions (on a quarterly basis);
- work-in-progress products devaluation provisions (on a quarterly basis);
- semi-products devaluation provisions (on a quarterly basis).

3.11.1.2. Bad debt provision (on a quarterly basis);

3.11.1.3. Financial investments depreciation provision for investments whose market value is not determined (on a yearly basis).

3.12. Accounting of estimated liabilities

3.12.1. The Company creates estimated liabilities for forthcoming expenses on vacation pays (quarterly).

3.12.2. The necessity of estimated liabilities for any other facts within the business is subject to consideration by a committee.

3.13. Information by segments

3.13.1. Reporting segments are identified by activity type.

3.13.2. Reporting segment performance indicators subject to disclosure under RAS 12/2010 "Information by segment" are reported in accounting valuation.

3.13.3. The following indicators are disclosed for a reporting segment:

- a) proceeds from sales to buyers (customers) of the Company;
- b) financial result (profit or loss) for the reporting period.

The following information is additionally disclosed:

- a) proceeds from sales by product;
- b) share of proceeds from product sales to export;
- c) total proceeds from product sales to major customers.

Information on assets and liabilities for reported segment is not disclosed.

3.14. Information disclosure in cash flow statement

3.14.1. Short-term deposits placed for a period not exceeding 90 days, are classified as cash equivalents and reported in the accounting (financial) statements as part of other cash assets. Interest received on cash equivalents is accounted in cash flow statement as part of operating activities.

3.14.2. Cash flow amount in foreign currency is converted into rubles at the official rate of this foreign currency to ruble established by the Central Bank of the Russian Federation as of the date of the payment effecting or receipt.

3.14.3. In the presentation of cash flows in the cash flow statement, the following items are presented in summarized form as other cash inflow (payments) in accordance with cash flow type:

- placement and refund of deposits for 3 months and up;
- indirect taxes as part of cash inflow from buyers and customers, payments to suppliers and contractors and payments to / refunds from the RF budget system;
- inflow from contractors as refund of payments made earlier;
- currency exchange transactions;
- execution and receipt of payments as refunds as per earlier transactions.

3.14.4. Cash flows from current, investment and financial transactions are included in the same reporting segment identified by the type of activity.

3.15. Accounting of natural resource development expenses

3.15.1. Research expenses reported as part of intangible development assets, include:

- a) cost of obtaining the license entitling to perform exploration, assessment of mineral deposits and (or) the mineral survey, as well as extraction of mineral resources;
- b) cost of geological survey and assessment of mining feasibility and commercial viability, including:
 - cost of obtaining information on the results of topographical, geological and geophysical studies;
 - cost of obtaining information on exploratory drilling;
 - cost of obtaining the results of sampling;
 - cost of obtaining other geological information.

3.15.2. Other costs incurred in respect of the subsoil from the time of obtaining the license until the time when the commercial viability of the mining is established are recognized as expenses on ordinary activities (general expenses).

3.15.3. Intangible development assets are not subject to depreciation in the course of exploration, assessment and exploratory survey of mineral deposits.

3.15.4. For the purpose of assets check for impairment such assets are distributed between licensed sites, for which a separate license entitling to perform exploration, assessment of mineral deposits and (or) the mineral survey as well as extraction of mineral resources at this site is obtained.

3.15.5. In case the commercial viability of extraction in the subsoil area is confirmed, development assets are inspected for impairment and transferred to fixed assets or intangible assets intended for development and mining operations in the following way:

- a) cost of obtaining the license entitling to perform exploration, assessment of mineral deposits and the mineral survey, as well as extraction of mineral resources are transferred to intangible assets;
- b) costs of geological survey and assessment of mining feasibility and commercial viability are transferred to intangible assets. A part of costs of geological survey and assessment of mining feasibility and commercial viability can form an individual asset and be recognized as an item of fixed assets, in case it meets the criteria for fixed asset recognition specified in RAS 6/01.

3.15.6. The document confirming the commercial viability of the mining in the licensed area is the Report of the State Commission on Mineral Reserves.

3.16. Accounting of income tax calculations

3.16.1. The Company calculates deferred tax assets, deferred tax liabilities, running tax liabilities, contingent expenses (income) for income tax.

3.16.2. Calculation of differences is carried out based on the data collected in special registers for each indicator significant for application of Accounting Provision “Corporate income tax accounting” RAS 18/02 by means of comparison of accounting and tax data.

3.16.3. Deferred tax assets and deferred tax liabilities are recognized in balance sheets as non-current assets and long-term liabilities, respectively.

3.16.4. Current income tax is calculated based on information generated in the accounting system according to cl. 20 and 21 of Provision on accounting “Accounting of companies’ income tax” RAS 18/02.

**General Director
NLMK-Accounting Centre**

O.G. Zarubina

7.5. Information on total exports and the share of exports in total sales

Not included in this reporting quarter

7.6. Information on significant changes in the Issuer's property as of the closure date of the last completed fiscal year

Information on significant changes in the issuer's property within 12 months before the reporting quarter closure

Amendment description: *Acquisition into the Issuer's property*

Type of property (real estate item) withdrawn (acquired into property) from the Issuer's property:

Brief description of property (real estate item) withdrawn (acquired into property) from the Issuer's property:

Ground for a change:

Change effective as of:

Price of property acquisition:

Unit of measurement: **RUB**

7.7. Information on the issuer's participation in any legal procedures if this participation could have significantly affected its financial performance

The Issuer was / is not involved in any legal proceedings that affected / may affect the business performance, within the period from the beginning of the latest completed fiscal year to the end of the reporting quarter

VIII. Additional information on the issuer and the issuable securities it distributed

8.1. Additional information on the issuer

8.1.1. Information on the amount, structure of the nominal (reserve) capital (unit fund) of the issuer

Amount of the issuer's nominal (reserve) capital (unit fund) as of the date of the latest reporting quarter closure, RUB: **5,993,227,240**

Common stock

Total par value: **5,993,227,240**

Share of nominal capital, %: **100**

Preferred stock

Total par value: **0**

Share of nominal capital, %: **0**

The information on compliance of the nominal capital amount specified in this item with the issuer's constituent documents:

The amount of NLMK nominal capital is in line with NLMK Charter (new revision) approved by the General Shareholders' Meeting of NLMK on June 7, 2013 (Minutes No. 37), registered by the Interregional Inspectorate of the Federal Tax Service №6 in Lipetsk region 18 June 2013 with the Amendment approved by NLMK Board of Directors on November 15, 2013 (Minutes №215) registered by the Interregional Inspectorate of the Federal Tax Service №6 in Lipetsk region on November 27, 2013.

A part of the issuer's stock circulates outside the Russian Federation in accordance with foreign law related to foreign issuers' securities, certifying the rights applied to the issuer's stock

Category (type) of stock, circulating outside the Russian Federation:

Type of securities: *shares*

Stock category: *common*

Share of stock circulating outside of the Russian Federation in the total quantity of stock of the corresponding category (type): *8.05*

Foreign issuer whose securities represent the issuer's stock of the corresponding category (type):

Full company name: *Deutsche Bank Trust Company Americas*

Domicile: *60 Wall Street, New York, NY 10005, USA; 23 Great Winchester Street, London EC2P 2AX, UK*

Summary of the issue program (type of the program) related to the foreign Issuer's depositary securities, representing the stock of the corresponding category (type):

Global Depositary Shares were issued in accordance with Rule 144A, as well as Regulation S of the US Securities Act. Each Global Depositary Share represents 10 common shares of NLMK.

Information on permits issued by federal executive authorities for the issuer's shares of corresponding category (type) distribution and/or arrangement of circulation outside of the Russian Federation (if applicable):

In accordance with Notification of the Federal Financial Markets Service of Russia on the permit issue for NLMK's issue-grade securities circulation outside of the Russian Federation dd. 03.05.2005 No.05-BF-03/6941, the circulation of NLMK's common registered uncertified stock outside of the Russian Federation has been permitted.

Name of the foreign trade arranger (-s) in charge of circulation of issuer's securities (depositary securities representing rights in respect of the issuer's shares) (if such circulation exists):

London Stock Exchange plc

Other information on the issuer's securities circulation outside the Russian Federation stated by the issuer at its discretion:

none

8.1.2. Information on changes of the issuer's nominal (reserve) capital (unit fund) amount

No changes in the nominal capital within this period

8.1.3. Information on procedure of convocation and conduction of the issuer's supreme management body meeting

No changes in the information relevant to this clause within the reporting quarter

8.1.4. Information on profit-making organizations, where the issuer holds not less than 5 percent of the nominal (reserve) capital (unit fund) or not less than 5 percent of common stock

The list of profit-making organizations, where the issuer holds not less than 5 percent of the nominal (reserve) capital (unit fund) or not less than 5 percent of common stock

Full company name: *Limited-liability company Lipetsk Insurance Company "Chance"*

Abbreviated company name: *LLC LIC Chance*

Domicile

1, Kalinina Str., Lipetsk, 398059, Russia .

TIN: *4825002743*

OGRN: *1024840825151*

The issuer's share in the business entity's nominal (reserve) capital (unit fund): *100%*

The entity's share in the issuer's nominal capital: *0%*

Share in the issuer's common stock owned by the entity: *0%*

Full company name: *Limited-liability company Trade House NLMK*

Abbreviated company name: *LLC Trade House NLMK*

Domicile

bldg. 4, 52, nab. Kosmodamianskaya, Moscow 115054 Russia

TIN: 7705605953

OGRN: 1047796479400

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited-liability company Vtorchermet NLMK**

Abbreviated company name: **LLC "Vtorchermet NLMK"**

Domicile

3, Novinskaya Str., Ekaterinburg, 620024, Russia .

TIN: 7705741770

OGRN: 1067746805554

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited-liability company VIZ-Stal**

Abbreviated company name: **LLC VIZ-Stal**

Domicile

3, Novinskaya Str., Ekaterinburg, 620219, Russia .

TIN: 6658084667

OGRN: 1026602312923

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **"Holiday Hotel Novolipetsky Metallurg", Subsidiary Company of OJSC Novolipetsk Steel**

Abbreviated company name: **none**

Domicile

25, per. Chekhov, Morskoye, Sudak, Autonomous Republic of Crimea, 334886 Ukraine .

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Open joint-stock company Stoilensky**

Abbreviated company name: **OJSC Stoilensky**

Domicile

Drive 4, Fabrichnaya site, south-west industrial area, Stary Oskol, Belgorod region, Russia

TIN: 3128011788

OGRN: 1023102367750

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The issuer's share of common stock of such Joint-Stock Company: **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited-Liability Company Vtormetsnab NLMK**

Abbreviated company name: **LLC Vtormetsnab NLMK**

Domicile

3, Novinskaya Str., Ekaterinburg, 620024, Russia .

TIN: **4823023882**

OGRN: **1044800150471**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Open joint-stock company Altai-koks**

Abbreviated company name: **OJSC Altai-koks**

Domicile

2, Pritayezhnaya St., Zarinsk, Altai Territory, 659107 Russia

TIN: **2205001753**

OGRN: **1022200704712**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The issuer's share of common stock of such Joint-Stock Company: **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Open joint-stock company Dolomite**

Abbreviated company name: **OJSC Dolomite**

Domicile

1, Sverdlova str, Dankov, Lipetsk region, Russia .

TIN: **4803003415**

OGRN: **1024800548520**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The issuer's share of common stock of such Joint-Stock Company: **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Open joint-stock company "Studenovsk Joint-Stock Mining Company"**

Abbreviated company name: **OJSC Stagdok**

Domicile

Studenovskaya industrial site, rural settlement Vvedenskiy local council, Lipetsk district, Lipetsk region, Russia 398507

TIN: **4825000880**

OGRN: **1024800824300**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The issuer's share of common stock of such Joint-Stock Company: **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited-liability company "Construction & Erection Trust NLMK"**

Abbreviated company name: **LLC SMT NLMK**

Domicile

1, Kalinina Str., Lipetsk, 398017, Russia .

TIN: **4823035246**

OGRN: **1084823018895**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**
Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited-liability company "Novolipetsk Steel Service Center"**
Abbreviated company name: **LLC Novolipetsk Steel Service Center**

Domicile

8, Ferrosplavnaya str., Lipetsk, Russia .

TIN: **4823036698**

OGRN: **1094823003395**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Full company name:**
Abbreviated company name: **CJSC "Uralvtorchermet"**

Domicile

office 501, 3, Novinskaya Str., Ekaterinburg, 620024, Sverdlovsk region, Russia . 501

TIN: **6674128640**

OGRN: **1036605232927**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The issuer's share of common stock of such Joint-Stock Company: **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company NLMK-Long Products**
Abbreviated company name: **LLC "NLMK-Long Products"**

Domicile

3, Novinskaya Str., Ekaterinburg, 620024, Russia .

TIN: **6658352210**

OGRN: **1096658016036**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company Hotel Complex "Metallurg"**
Abbreviated company name: **LLC Hotel Complex "Metallurg"**

Domicile

1, Kalinina Str., Lipetsk, 398020, Russia 36, Lenin Str., Nizhnie Sergi, Sverdlovsk region, Russia

TIN: **4825068367**

OGRN: **1104823005210**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company "NLMK-Kaluga"**
Abbreviated company name: **LLC NLMK-Kaluga**

Domicile

20, Lyskin Str., Village of Vorsino, Borovsky district, Kaluga region, 249020 Russia .

TIN: **4003033040**

OGRN: **1124025005873**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**
The entity's share in the issuer's nominal capital: **0%**
Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company "Cleaning Company"**
Abbreviated company name: **LLC CLEANCOM**

Domicile

8, Ferrosplavnaya str., Lipetsk, Russia .

TIN: **4823039233**

OGRN: **1104823006584**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**
The entity's share in the issuer's nominal capital: **0%**
Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company "Novolipetsk Printing House"**
Abbreviated company name: **LLC NPД**

Domicile

2, Metallurgov sq., Lipetsk, Russia .

TIN: **4823039674**

OGRN: **1104823010148**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**
The entity's share in the issuer's nominal capital: **0%**
Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company "Ussuriysk Steel Service Center"**
Abbreviated company name: **LLC UMB**

Domicile

8, Communalnaya St., Ussuriysk, Primorskiy Area, 692519 Russia .

TIN: **2511070876**

OGRN: **1102511003011**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**
The entity's share in the issuer's nominal capital: **0%**
Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company "NLMK-Accounting Center"**
Abbreviated company name: **NLMK - Accounting Center**

Domicile

2, Metallurgov sq., 2, 398040 Lipetsk, Russia .

TIN: **4823040990**

OGRN: **1104823017419**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**
The entity's share in the issuer's nominal capital: **0%**
Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company NLMK Overseas Holdings**
Abbreviated company name: **LLC "NLMK Overseas Holdings"**

Domicile

2, Metallurgov sq., 2, 398040 Lipetsk, Russia .

TIN: **4823041480**

OGRN: **1114823002580**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company "NLMK-Metiz"**

Abbreviated company name: **LLC NLMK-Metiz**

Domicile

5, Koltsevaya Str., Berezovsky, Sverdlovsk region, 623704 Russia .

TIN: **6604029211**

OGRN: **1116604001348**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company "NLMK-Information Technologies"**

Abbreviated company name: **LLC "NLMK-Information Technologies"**

Domicile

2, Metallurgov sq., 2, 398040 Lipetsk, Russia pl. Metallurgov, 2

TIN: **4823055193**

OGRN: **1124823012500**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited liability company "Mining and Benefication Complex "Usinsky-3"**

Abbreviated company name: **LLC Mining and Benefication Complex "Usinsky-3"**

Domicile

30, Kommunisticheskaya str., Syktyvkar, Republic of Komi, Russia .

TIN: **1101097696**

OGRN: **1121101012361**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company "Mining and Benefication Complex "Zhernovsky-1"**

Abbreviated company name: **LLC Mining and Benefication Complex "Zhernovsky-1"**

Domicile

office 501-512, 11a, Pavlovskogo str., Novokuznetsk, Kemerovo region, 645007 Russia . 501-512

TIN: **4217148881**

OGRN: **1124217009245**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**

The entity's share in the issuer's nominal capital: **0%**

Share in the issuer's common stock owned by the entity: **0%**

Full company name: **Closed Joint Stock Company "Production Association "Uralmetallurgstroy"**

Abbreviated company name: **CJSC PO UMS**

Domicile

office 502, 3, Novinskaya Str., Ekaterinburg, 620024, Sverdlovsk region, Russia .

TIN: **6674226005**

OGRN: **1076674017782**

The issuer's share in the business entity's nominal (reserve) capital (unit fund): **100%**
The issuer's share of common stock of such Joint-Stock Company: **100%**
The entity's share in the issuer's nominal capital: **0%**
Share in the issuer's common stock owned by the entity: **0%**

Full company name: ***Open Joint Stock Company "Nizhnesergi hardware-metallurgy plant"***
Abbreviated company name: ***OJSC NSMMZ***

Domicile

3, Karl Libknekht Str., Revda, Sverdlovsk region, 623280, Russia .

TIN: ***6646009256***

OGRN: ***1026602051288***

The issuer's share in the business entity's nominal (reserve) capital (unit fund): ***92.59%***
The issuer's share of common stock of such Joint-Stock Company: ***92.59%***
The entity's share in the issuer's nominal capital: ***0%***
Share in the issuer's common stock owned by the entity: ***0%***

Full company name: ***Open Joint Stock Company "Lipetsky Gipromez"***
Abbreviated company name: ***OJSC Lipetsky Gipromez***

Domicile

1, Kalinina Str., Lipetsk, 398059, Russia .

TIN: ***4826002880***

OGRN: ***1024840836074***

The issuer's share in the business entity's nominal (reserve) capital (unit fund): ***57.57%***
The issuer's share of common stock of such Joint-Stock Company: ***57.57%***
The entity's share in the issuer's nominal capital: ***0%***
Share in the issuer's common stock owned by the entity: ***0%***

Full company name: ***Open Joint Stock Company "North Oil & Gas Company"***
Abbreviated company name: ***OJSC Severneftegas***

Domicile

bldg. 5A, 8, Barrikadnaya Str., Moscow, 123242 Russia .

TIN: ***0814143551***

OGRN: ***1020800767460***

The issuer's share in the business entity's nominal (reserve) capital (unit fund): ***51%***
The issuer's share of common stock of such Joint-Stock Company: ***51%***
The entity's share in the issuer's nominal capital: ***0%***
Share in the issuer's common stock owned by the entity: ***0%***

Full company name: ***Open joint-stock company Maxi-Group***
Abbreviated company name: ***OJSC Maxi-Group***

Domicile

18, third str. Yamskogo polya, Moscow 125040 Russia .

TIN: ***5046066187***

OGRN: ***1045009353696***

The issuer's share in the business entity's nominal (reserve) capital (unit fund): ***50.00005%***
The issuer's share of common stock of such Joint-Stock Company: ***50.00005%***
The entity's share in the issuer's nominal capital: ***0%***
Share in the issuer's common stock owned by the entity: ***0%***

Full company name: ***Limited-liability company "Neptune"***
Abbreviated company name: ***LLC Neptune***

Domicile

office 35, 1“v”, Admiral Makarov Str., Lipetsk, 398005 Russia № 35

TIN: *4823024251*

OGRN: *1044800159953*

The issuer's share in the business entity's nominal (reserve) capital (unit fund): *25%*

The entity's share in the issuer's nominal capital: *0%*

Share in the issuer's common stock owned by the entity: *0%*

8.1.5. Data on significant transactions concluded by the Issuer

Over the reporting quarter

There were no such transactions over this period

8.1.6. Data on the Issuer's credit ratings

No changes in the information relevant to this clause within the reporting quarter

8.2. Information on each category (type) of the Issuer's stock

No changes in the information relevant to this clause within the reporting quarter

8.3. Information on previous issues of the Issuer's issue-grade securities, except for the Issuer's stock

8.3.1. Information on issues, the securities of which were paid off

No changes in the information relevant to this clause within the reporting quarter

8.3.2. Information on issues, the securities of which are not paid off

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-07*

Other identification criteria of the securities: *interest-bearing non-convertible with mandatory centralized custody*

The securities issue wasn't subject to state registration: *Yes*

Identification Number of the issue: *4B02-01-00102-A*

Date of identification number assignment: *19.10.2009*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of securities in the issue: *10,000,000*

Quantity of par value securities in the issue: *10,000,000,000*

Par value: *1 000*

In line with the Russian legislation the par value is not foreseen for this type of securities: *No*

Status of securities in the issue: *in circulation*

State registration of the report on the results of the issue has not been performed: *Yes*

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: *6*

Date of the Securities repayment: *11.11.2014*

To be specified precisely: *Yes*

Web-page, where the text of resolution on the securities issue and securities prospectus is published: *www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509*

Any additional issues of securities: *No*

There are no outstanding liabilities under securities of the issue.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-04*

Other identification criteria of the securities: *interest-bearing non-convertible with mandatory centralized custody*

The securities issue wasn't subject to state registration: *Yes*

Identification Number of the issue: *4B02-02-00102-A*

Date of identification number assignment: *19.10.2009*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of securities in the issue: *5,000,000*

Quantity of par value securities in the issue: *5,000,000,000*

Par value: *1,000*

In line with the Russian legislation the par value is not foreseen for this type of securities: *No*

Status of securities in the issue: *in circulation*

State registration of the report on the results of the issue has not been performed: *Yes*

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: *6*

Date of the Securities repayment: *07.09.2015*

To be specified precisely: *Yes*

Web-page, where the text of resolution on the securities issue and securities prospectus is published: *www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509*

Any additional issues of securities: *No*

There are no outstanding liabilities under securities of the issue.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *07*

Other identification criteria of the securities: *non-convertible interest-bearing bonds, with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

The securities issue wasn't subject to state registration: *No*

State registration number of the securities issue: *4-07-00102-A*

State registration date: *08.12.2011*

Registrar: *FFMS of Russia*

Quantity of securities in the issue: *5,000,000*

Quantity of par value securities in the issue: *5,000,000,000*

Par value: *1,000*

In line with the Russian legislation the par value is not foreseen for this type of securities: *No*

Status of securities in the issue: *in circulation*

State registration of the report on the results of the issue has not been performed: *Yes*

Date of submittal of notification on the results of securities issue: *27.09.2012*

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: *20*

Date of the Securities repayment: **05.09.2022**

To be specified precisely: **Yes**

Web-page, where the text of resolution on the securities issue and securities prospectus is published:
www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509

Any additional issues of securities: **No**

There are no outstanding liabilities under securities of the issue.

Type of securities: **bonds**

Form of securities: **documentary pay-to-bearer**

Series: **08**

Other identification criteria of the securities: ***non-convertible interest-bearing bonds, with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion***

The securities issue wasn't subject to state registration: **No**

State registration number of the securities issue: **4-08-00102-A**

State registration date: **08.12.2011**

Registrar: **FFMS of Russia**

Quantity of securities in the issue: **10,000,000**

Quantity of par value securities in the issue: **10,000,000,000**

Par value: **1,000**

In line with the Russian legislation the par value is not foreseen for this type of securities: **No**

Status of securities in the issue: ***in circulation***

State registration of the report on the results of the issue has not been performed: **Yes**

Date of submittal of notification on the results of securities issue: **20.12.2012**

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: **20**

Date of the Securities repayment: **25.11.2022**

To be specified precisely: **Yes**

Web-page, where the text of resolution on the securities issue and securities prospectus is published:
www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509

Any additional issues of securities: **No**

There are no outstanding liabilities under securities of the issue.

Type of securities: **bonds**

Form of securities: **documentary pay-to-bearer**

Series: **BO-08**

Other identification criteria of the securities: ***interest-bearing non-convertible with mandatory centralized custody***

The securities issue wasn't subject to state registration: **Yes**

Identification Number of the issue: **4B02-08-00102-A**

Date of identification number assignment: **27.12.2012**

The identification number was assigned to the issue by: ***Closed Joint Stock Company "MICEX Stock Exchange"***

Quantity of securities in the issue: **10,000,000**

Quantity of par value securities in the issue: **10,000,000,000**

Par value: **1,000**

In line with the Russian legislation the par value is not foreseen for this type of securities: *No*

Status of securities in the issue: *distribution not started*

State registration of the report on the results of the issue has not been performed: *Yes*

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: *20*

Date of the Securities repayment: *the 3,640th (three thousand six hundred and fortieth) day from starting distribution of the bonds of the issue*

To be specified precisely: *No*

Web-page, where the text of resolution on the securities issue and securities prospectus is published: *www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509*

Any additional issues of securities: *No*

There are no outstanding liabilities under securities of the issue.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-09*

Other identification criteria of the securities: *interest-bearing non-convertible with mandatory centralized custody*

The securities issue wasn't subject to state registration: *Yes*

Identification Number of the issue: *4B02-09-00102-A*

Date of identification number assignment: *27.12.2012*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of securities in the issue: *10,000,000*

Quantity of par value securities in the issue: *10,000,000,000*

Par value: *1,000*

In line with the Russian legislation the par value is not foreseen for this type of securities: *No*

Status of securities in the issue: *distribution not started*

State registration of the report on the results of the issue has not been performed: *Yes*

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: *20*

Date of the Securities repayment: *the 3,640th (three thousand six hundred and fortieth) day from starting distribution of the bonds of the issue*

To be specified precisely: *No*

Web-page, where the text of resolution on the securities issue and securities prospectus is published: *www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509*

Any additional issues of securities: *No*

There are no outstanding liabilities under securities of the issue.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-10*

Other identification criteria of the securities: *interest-bearing non-convertible with mandatory centralized custody*

The securities issue wasn't subject to state registration: *Yes*

Identification Number of the issue: *4B02-10-00102-A*

Date of identification number assignment: *27.12.2012*

The identification number was assigned to the issue by: *Closed Joint Stock Company “MICEX Stock Exchange”*

Quantity of securities in the issue: *10,000,000*

Quantity of par value securities in the issue: *10,000,000,000*

Par value: *1,000*

In line with the Russian legislation the par value is not foreseen for this type of securities: *No*

Status of securities in the issue: *distribution not started*

State registration of the report on the results of the issue has not been performed: *Yes*

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: *20*

Date of the Securities repayment: *the 3,640th (three thousand six hundred and fortieth) day from starting distribution of the bonds of the issue*

To be specified precisely: *No*

Web-page, where the text of resolution on the securities issue and securities prospectus is published: *www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509*

Any additional issues of securities: *No*

There are no outstanding liabilities under securities of the issue.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-11*

Other identification criteria of the securities: *interest-bearing non-convertible with mandatory centralized custody*

The securities issue wasn't subject to state registration: *Yes*

Identification Number of the issue: *4B02-11-00102-A*

Date of identification number assignment: *27.12.2012*

The identification number was assigned to the issue by: *Closed Joint Stock Company “MICEX Stock Exchange”*

Quantity of securities in the issue: *5,000,000*

Quantity of par value securities in the issue: *5,000,000,000*

Par value: *1,000*

In line with the Russian legislation the par value is not foreseen for this type of securities: *No*

Status of securities in the issue: *in circulation*

State registration of the report on the results of the issue has not been performed: *Yes*

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: *20*

Date of the Securities repayment: *20.07.2023*

To be specified precisely: *Yes*

Web-page, where the text of resolution on the securities issue and securities prospectus is published: *www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509*

Any additional issues of securities: *No*

There are no outstanding liabilities under securities of the issue.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-12*

Other identification criteria of the securities: ***interest-bearing non-convertible with mandatory centralized custody***

The securities issue wasn't subject to state registration: ***Yes***

Identification Number of the issue: ***4B02-12-00102-A***

Date of identification number assignment: ***27.12.2012***

The identification number was assigned to the issue by: ***Closed Joint Stock Company "MICEX Stock Exchange"***

Quantity of securities in the issue: ***5,000,000***

Quantity of par value securities in the issue: ***5,000,000,000***

Par value: ***1,000***

In line with the Russian legislation the par value is not foreseen for this type of securities: ***No***

Status of securities in the issue: ***in circulation***

State registration of the report on the results of the issue has not been performed: ***Yes***

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: ***20***

Date of the Securities repayment: ***25.07.2023***

To be specified precisely: ***Yes***

Web-page, where the text of resolution on the securities issue and securities prospectus is published: ***www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509***

Any additional issues of securities: ***No***

There are no outstanding liabilities under securities of the issue.

Type of securities: ***bonds***

Form of securities: ***documentary pay-to-bearer***

Series: ***BO-13***

Other identification criteria of the securities: ***interest-bearing non-convertible with mandatory centralized custody***

The securities issue wasn't subject to state registration: ***Yes***

Identification Number of the issue: ***4B02-13-00102-A***

Date of identification number assignment: ***27.12.2012***

The identification number was assigned to the issue by: ***Closed Joint Stock Company "MICEX Stock Exchange"***

Quantity of securities in the issue: ***5,000,000***

Quantity of par value securities in the issue: ***5,000,000,000***

Par value: ***1,000***

In line with the Russian legislation the par value is not foreseen for this type of securities: ***No***

Status of securities in the issue: ***in circulation***

State registration of the report on the results of the issue has not been performed: ***Yes***

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: ***20***

Date of the Securities repayment: ***02.10.2023***

To be specified precisely: ***Yes***

Web-page, where the text of resolution on the securities issue and securities prospectus is published: ***www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509***

Any additional issues of securities: ***No***

There are no outstanding liabilities under securities of the issue.

Type of securities: *bonds*
Form of securities: *documentary pay-to-bearer*
Series: *BO-14*
Other identification criteria of the securities: *interest-bearing non-convertible with mandatory centralized custody*
The securities issue wasn't subject to state registration: *Yes*
Identification Number of the issue: *4B02-14-00102-A*
Date of identification number assignment: *27.12.2012*
The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of securities in the issue: *5,000,000*
Quantity of par value securities in the issue: *5,000,000,000*
Par value: *1,000*
In line with the Russian legislation the par value is not foreseen for this type of securities: *No*
Status of securities in the issue: *distribution not started*

State registration of the report on the results of the issue has not been performed: *Yes*
Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: *20*
Date of the Securities repayment: *the 3,640th (three thousand six hundred and fortieth) day from starting distribution of the bonds of the issue*
To be specified precisely: *No*
Web-page, where the text of resolution on the securities issue and securities prospectus is published: *www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509*

Any additional issues of securities: *No*

There are no outstanding liabilities under securities of the issue.

8.4. Information on a person (persons), who provided security for Issuer's secured bonds as well as security conditions for the Issuer's obligations in respect of the secured bonds

The Issuer hasn't registered secured bonds prospectus, no admittance to trading at the Stock Exchange of commercial bonds has been provided

8.4.1. Terms of ensuring discharge of obligations with respect to bonds with mortgage cover

The Issuer has not distributed any bonds with mortgage cover, with respect to which the liabilities have not been discharged yet

8.5. Information on organizations registering the rights to the Issuer's issue-grade securities

No changes in the information relevant to this clause within the reporting quarter

8.6. Information on legislative acts governing import and export of capital, that could affect payment of dividends, interest and other payments to non-residents

The legislative acts governing import and export of capital, that can influence payment of dividends on Issuer's shares, interest and other payments to non-residents owning the Issuer's securities, are as follows: international agreements and contracts on double taxation prevention, Tax Code of the Russian Federation (part one) No. 146-Φ3 dd. 31.07.1998 (revision dd. 02.11.2013); Tax Code of the Russian Federation (part two) No. 117-Φ3 dd. 05.08.2000 (revision dd. 02.11.2013); Federal Act No. 173-Φ3 dd. 10.12.2003 "On currency control" (revision dd. 02.07.2013); Federal Act No. 39-Φ3 dd. 22.04.1996 (revision dd. 23.07.2013) "On securities market", Federal Act No. 208-Φ3 dd. 26.12.1995 (revision dd. 06.11.2013) "On joint-stock companies".

8.7. Description of income taxation procedures with respect to the Issuer's issue-grade securities distributed and to be distributed

No changes in the information relevant to this clause within the reporting quarter

8.8. Information on declared (accrued) and paid dividends on the Issuer's stock as well as return on the Issuer's bonds

8.8.1. Information on declared and paid dividends on the Issuer's stock

Dividend period

Year: **2008**

Period: **6 months**

The issuer's management body that passed the resolution to declare dividends: **General Shareholders' (stakeholders') Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (declaring) was made: **19.09.2008**

Date of the list of persons entitled to dividends for this dividend period: **01.08.2008**

Date of the minutes of meeting: **19.09.2008**

Number of the minutes of meeting: **29**

Stock category: **common**

Amount of declared dividends on stock of this category (type), per share, RUB: **2**

Total amount of declared dividends on all stock of this category (type), RUB: **11 986 454 480**

Total amount of dividends paid out on all stock of a certain category (type), RUB: **11 968 690 973**

Source of the declared dividends payment: **NLMK's net profit for 1H 2008 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.**

The share of declared dividend in the net profit of the reporting year, % **27.05**

The share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), % **99.85**

Deadline for the payout of declared dividends on the Issuer's stock:
till December 18, 2008

Form and other terms and conditions of declared dividends payment on the Issuer's stock:
Declared dividends to be paid out in: cash.

Other terms and conditions of declared dividends payments: cash to be transferred as follows:

- **for legal entities (shareholders) – at NLMK's discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payment date, by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by the Company's Registrar or a special written statement of a shareholder – foreign investor, received by NLMK prior to the payment date;**
- **for individuals – employees of NLMK (shareholders) - by cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**
- **for individuals – employees of NLMK (shareholders) - by cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**
-

Funds transfer expenses are to be borne by NLMK.

The declared dividends on the Issuer's stock were not paid out in full

Reasons for the nonpayment of the declared dividends:

No bank details submitted to NLMK's Shareholder Register for cashless dividend collection by persons included in the list of persons entitled to collect dividends, as well no-show of shareholders to collect dividends in cash at the cash desk of OJSC Lipetskombank.

Dividend period

Year: **2008**
Period: **full year**

The issuer's management body that passed the resolution to declare dividends: **General Shareholders' (stakeholders') Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (declaring) was made: **05.06.2009**

Date of the list of persons entitled to dividends for this dividend period: **17.04.2009**

Date of the minutes of meeting: **05.06.2009**

Number of the minutes of meeting: **30**

Stock category: **common**

Amount of declared dividends on stock of this category (type), per share, RUB: **2**

Total amount of declared dividends on all stock of this category (type), RUB: **11 986 454 480**

Total amount of dividends paid out on all stock of a certain category (type), RUB: **11 968 690 973**

Source of the declared dividends payment: **NLMK's net profit for 2008 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.**

The share of declared dividend in the net profit of the reporting year, % **16.72**

The share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), % **99.85**

Deadline for the payout of declared dividends on the Issuer's stock:

According to the resolution of NLMK's Extraordinary Shareholders' Meeting dated September 19, 2008 declared dividends on common shares of the Company based on the results of the 1st half-year of 2008 shall be paid out by December 18, 2008.

Form and other terms and conditions of declared dividends payment on the Issuer's stock:

Declared dividends to be paid out in: cash. (Taking into account the paid interim dividends for the 1st half-year of 2008 in the amount of 2 rubles per common stock, the Issuer's General Shareholders' Meeting took the decision not to pay dividends for the 2nd half-year of 2008).

Other terms and conditions of declared dividends payments: cash to be transferred as follows:

- **for legal entities (shareholders) – at NLMK's discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payment date, by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by the Company's Registrar or a special written statement of a shareholder – foreign investor, received by NLMK prior to the payment date;**
- **for individuals – employees of NLMK (shareholders) - by cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**
- **for individuals – employees of NLMK (shareholders) - by cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**
-

Funds transfer expenses are to be borne by NLMK.

The declared dividends on the Issuer's stock were not paid out in full

Reasons for the nonpayment of the declared dividends:

No bank details submitted to NLMK's Shareholder Register for cashless dividend collection by persons included in the list of persons entitled to collect dividends, as well no-show of shareholders to collect dividends in cash at the cash desk of OJSC Lipetskombank.

Dividend period

Year: **2009**
Period: **full year**

The issuer's management body that passed the resolution to declare dividends: **General Shareholders' (stakeholders') Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (declaring) was made: **04.06.2010**

Date of the list of persons entitled to dividends for this dividend period: **16.04.2010**

Date of the minutes of meeting: **04.06.2010**

Number of the minutes of meeting: **31**

Stock category: **common**

Amount of declared dividends on stock of this category (type), per share, RUB: **0.22**

Total amount of declared dividends on all stock of this category (type), RUB: **1 318 509 992.8**

Total amount of dividends paid out on all stock of a certain category (type), RUB: **1 316 508 914**

Source of the declared dividends payment: **NLMK's net profit for 2009 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.**

The share of declared dividend in the net profit of the reporting year, % **5.49**

The share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), % **99.85**

Deadline for the payout of declared dividends on the Issuer's stock:
till September 02, 2010.

Form and other terms and conditions of declared dividends payment on the Issuer's stock:
Declared dividends to be paid out in: cash.

Other terms and conditions of declared dividends payments: cash to be transferred as follows:

- **for legal entities (shareholders) – at NLMK's discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payout date – by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2009) or in a special written statement of a shareholder being a foreign investor, which is to be received by NLMK prior to the payout date;**
- **for individuals – employees of NLMK (shareholders) - by cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**
- **for other individuals (shareholders) – via OJSC Lipetskcombank (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2009) or in cash at the cash desk of OJSC Lipetskcombank).**

Funds transfer expenses are to be borne by NLMK.

The declared dividends on the Issuer's stock were not paid out in full

Reasons for the nonpayment of the declared dividends:

Failure of persons, included in the list of persons entitled to receive dividends, to submit to NLMK's Shareholder Register their bank details for the transfer of dividends in cashless form, as well as failure of shareholders to appear at the cash desk of OJSC Lipetskcombank to collect the dividends in cash.

Dividend period

Year: **2010**

Period: **6 months**

The issuer's management body that passed the resolution to declare dividends: **General Shareholders' (stakeholders') Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (declaring) was made: **30.09.2010**

Date of the list of persons entitled to dividends for this dividend period: **25.08.2010**

Date of the minutes of meeting: **30.09.2010**

Number of the minutes of meeting: **32**

Stock category: **common**

Amount of declared dividends on stock of this category (type), per share, RUB: **0.62**

Total amount of declared dividends on all stock of this category (type), RUB: **3 715 800 888.8**
Total amount of dividends paid out on all stock of a certain category (type), RUB: **3 709 890 872**
Source of the declared dividends payment: ***NLMK's net profit for 1H 2010 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.***
The share of declared dividend in the net profit of the reporting year, % **25.9**
The share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), % **99.84**

Deadline for the payout of declared dividends on the Issuer's stock:
till December 29, 2010.

Form and other terms and conditions of declared dividends payment on the Issuer's stock:
Declared dividends to be paid out in: cash.

Other terms and conditions of declared dividends payments: cash to be transferred as follows:

- ***for legal entities (shareholders) – at NLMK's discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payout date – by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2010) or in a special written statement of a shareholder being a foreign investor, which is to be received by NLMK prior to the payout date;***
- ***for individuals – employees of NLMK (shareholders) - by cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;***
- ***for other individuals (shareholders) – via OJSC "Lipetskcombank" (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making a list of persons entitled to receive dividends for 1H 2010) or in cash at the counter of OJSC "Lipetskcombank").***
Funds transfer expenses are to be borne by NLMK.

The declared dividends on the Issuer's stock were not paid out in full

Reasons for the nonpayment of the declared dividends:

Failure of persons, included in the list of persons entitled to receive dividends, to submit to NLMK's Shareholder Register their bank details for the transfer of dividends in cashless form, as well as failure of shareholders to appear at the cash desk of OJSC Lipetskcombank to collect the dividends in cash.

Dividend period

Year: **2010**

Period: ***full year***

The issuer's management body that passed the resolution to declare dividends: ***General Shareholders' (stakeholders') Meeting***

Date of the meeting of the Issuer's management body where a decision on dividends payment (declaring) was made: ***03.06.2011***

Date of the list of persons entitled to dividends for this dividend period: ***16.04.2011***

Date of the minutes of meeting: ***03.06.2011***

Number of the minutes of meeting: **33**

Stock category: ***common***

Amount of declared dividends on stock of this category (type), per share, RUB: **1.82**

Total amount of declared dividends on all stock of this category (type), RUB: **10 907 673 577**

Total amount of dividends paid out on all stock of a certain category (type), RUB: **10 890 735 236**

Source of the declared dividends payment: ***NLMK's net profit for 2010 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.***

The share of declared dividend in the net profit of the reporting year, % **33.68**

The share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), % **99.84**

Deadline for the payout of declared dividends on the Issuer's stock:

till August 02, 2011

Form and other terms and conditions of declared dividends payment on the Issuer's stock:

Declared dividends to be paid out in: cash. (Taking into account the paid interim dividends for the 1st half-year of 2010 in the amount of 62 kopecks per common share, the Company's General Shareholders' Meeting took the decision to additionally pay 1 ruble 20 kopecks per common share. The total amount of declared (accrued) dividends on all common stock, to be paid out additionally, including declared (accrued) interim dividends for the 1st half-year of 2010 in the amount of 3,715,800,888.8 rubles, makes 7,191,872,688 rubles.)

Other terms and conditions of declared dividends payments: cash to be transferred as follows:

- **for legal entities (shareholders) – at NLMK's discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payout date – by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2010) or in a special written statement of a shareholder being a foreign investor, which is to be received by NLMK prior to the payout date;**
- **for individuals – employees of NLMK (shareholders) - by cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**
- **for other individuals (shareholders) – via OJSC Lipetskcombank (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2010) or in cash at the cash desk of OJSC Lipetskcombank).**

Funds transfer expenses are to be borne by NLMK.

The declared dividends on the Issuer's stock were not paid out in full

Reasons for the nonpayment of the declared dividends:

Failure of persons, included in the list of persons entitled to receive dividends, to submit to NLMK's Shareholder Register their bank details for the transfer of dividends in cashless form, as well as failure of shareholders to appear at the cash desk of OJSC Lipetskcombank to collect the dividends in cash.

Dividend period

Year: **2011**

Period: **6 months**

The issuer's management body that passed the resolution to declare dividends: **General Shareholders' (stakeholders') Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (declaring) was made: **29.09.2011**

Date of the list of persons entitled to dividends for this dividend period: **15.08.2011**

Date of the minutes of meeting: **29.09.2011**

Number of the minutes of meeting: **34**

Stock category: **common**

Amount of declared dividends on stock of this category (type), per share, RUB: **1.4**

Total amount of declared dividends on all stock of this category (type), RUB: **8 390 518 136**

Total amount of dividends paid out on all stock of a certain category (type), RUB: **8 376 579 103**

Source of the declared dividends payment: **NLMK's net profit for 1H 2011 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.**

The share of declared dividend in the net profit of the reporting year, % **23.95**

The share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), % **99.83**

Deadline for the payout of declared dividends on the Issuer's stock:

till November 28, 2011

Form and other terms and conditions of declared dividends payment on the Issuer's stock:

Declared dividends to be paid out in: cash.

Other terms and conditions of declared dividends payments: cash to be transferred as follows:

- **for legal entities (shareholders) – at NLMK's discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payout date – by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2011) or in a special written statement of a shareholder being a foreign investor, which is to be received by NLMK prior to the payout date;**
- **for individuals – employees of NLMK (shareholders) - by cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**
- **for other individuals (shareholders) – via OJSC "Lipetskcombank" (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making a list of persons entitled to receive dividends for 1H 2011) or in cash at the counter of OJSC "Lipetskcombank").**

Funds transfer expenses are to be borne by NLMK.

The declared dividends on the Issuer's stock were not paid out in full

Reasons for the nonpayment of the declared dividends:

Failure of persons, included in the list of persons entitled to receive dividends, to submit to NLMK's Shareholder Register their bank details for the transfer of dividends in cashless form, as well as failure of shareholders to appear at the cash desk of OJSC Lipetskcombank to collect the dividends in cash.

Dividend period

Year: **2011**

Period: **full year**

The issuer's management body that passed the resolution to declare dividends: **General Shareholders' (stakeholders') Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (declaring) was made: **30.05.2012**

Date of the list of persons entitled to dividends for this dividend period: **10.04.2012**

Date of the minutes of meeting: **30.05.2012**

Number of the minutes of meeting: **35**

Stock category: **common**

Amount of declared dividends on stock of this category (type), per share, RUB: **2**

Total amount of declared dividends on all stock of this category (type), RUB: **11 986 454 480**

Total amount of dividends paid out on all stock of a certain category (type), RUB: **11 965 968 215**

Source of the declared dividends payment: **NLMK's net profit for 2011 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.**

The share of declared dividend in the net profit of the reporting year, % **34.58**

The share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), % **99.83**

Deadline for the payout of declared dividends on the Issuer's stock:

till July 30, 2012

Form and other terms and conditions of declared dividends payment on the Issuer's stock:

Declared dividends to be paid out in: cash. (Taking into account the paid interim dividends for the 1st half-year of 2011 in the amount of 1 ruble 40 kopecks per 1 common stock, the Issuer's General Shareholders' Meeting took the decision to pay additionally 60 kopecks per 1 common stock. The total amount of declared (accrued) dividends on all common stock to be paid out additionally, including declared (accrued) interim dividends for the 1st half-year of 2011 in the amount of 8,390,518,136 rubles, makes 3,595,936,344 rubles.)

Other terms and conditions of declared dividends payments: cash to be transferred as follows:

- *for legal entities (shareholders) by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2011) or in a special written statement of a shareholder being a foreign investor, which is to be received by NLMK prior to the payout date. At NLMK's discretion the payment shall be made in rubles or in a foreign currency at the official exchange rate of the RF Central Bank as at the last business day preceding the payment day;*
- *individuals – employees of NLMK (shareholders) – by cashless transfer of funds according to the payment details using bank cards of OJSC Lipetskcombank or in cash at Lipetskcombank;*
- *other individuals (shareholders) – via OJSC Lipetskcombank by cashless transfer of funds according to the payment details specified in the questionnaire of the registered individual held by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making a list of persons entitled to receive dividends for 2011) or in cash in OJSC Lipetskcombank. Cashless funds transfer expenses are to be borne by NLMK.*

The declared dividends on the Issuer's stock were not paid out in full

Reasons for the nonpayment of the declared dividends:

Failure of persons, included in the list of persons entitled to receive dividends, to submit to NLMK's Shareholder Register their bank details for the transfer of dividends in cashless form, as well as failure of shareholders to appear at the cash desk of OJSC Lipetskcombank to collect the dividends in cash.

Dividend period

Year: **2012**

Period: **full year**

The issuer's management body that passed the resolution to declare dividends: **General Shareholders' (stakeholders') Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (declaring) was made: **07.06.2013**

Date of the list of persons entitled to dividends for this dividend period: **24.04.2013**

Date of the minutes of meeting: **07.06.2013**

Number of the minutes of meeting: **37**

Stock category: **common**

Amount of declared dividends on stock of this category (type), per share, RUB: **0.62**

Total amount of declared dividends on all stock of this category (type), RUB: **3 715 800 888.8**

Total amount of dividends paid out on all stock of a certain category (type), RUB: **3 707 177 837**

Source of the declared dividends payment: **NLMK's net profit for 2012 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.**

The share of declared dividend in the net profit of the reporting year, % **14.77**

The share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), % **99.77**

Deadline for the payout of declared dividends on the Issuer's stock:
till August 7, 2013

Form and other terms and conditions of declared dividends payment on the Issuer's stock:
Declared dividends to be paid out in: cash.

Other terms and conditions of declared dividends payments: for legal entities and individuals (shareholders) by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2012) or in a special written statement of a shareholder being a foreign investor, which is to be received by NLMK prior to the payout date. At NLMK's discretion the payment shall be made in rubles or foreign currency at the official exchange rate of the RF Central Bank as of the last business day preceding the payment date. Cashless funds transfer expenses are to be borne by NLMK.

The declared dividends on the Issuer's stock were not paid out in full

Reasons for the nonpayment of the declared dividends:

failure of persons, included in the list of persons entitled to dividends, to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.

8.8.2. Information on accrued and paid yield on the Issuer's bonds

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-05*

interest-bearing non-convertible with mandatory centralized custody

Identification Number of the issue: *4B02-05-00102-A*

Date of identification number assignment: *19.10.2009*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of bonds in the issue: *10,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Main data on yield from the bonds of the issue:

Type of yield paid on the bonds of the issue: coupon yield on the first coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 53.60 (Fifty three) 60 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 536,000,000 (five hundred and thirty six million rubles).

Date, when the yield payment liability on the bonds of the issue is to be met: 04.05.2010

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 03.11.2009

- date of the end of coupon (interest) period: 04.05.2010

Total amount of yield paid on all the bonds of the issue: RUB 536,000,000 (five hundred and thirty six million rubles).

Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 53.60 (Fifty three) 60 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 536,000,000 (five hundred and thirty six million rubles).

Date, when the yield payment liability on the bonds of the issue is to be met: 02.11.2010

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 04.05.2010

- date of the end of coupon (interest) period: 02.11.2010

Total amount of yield paid on all the bonds of the issue: RUB 536,000,000 (five hundred and thirty six million rubles).

Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the third coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 53.60 (Fifty three) 60 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 536,000,000 (five hundred and thirty six million rubles).

Date, when the yield payment liability on the bonds of the issue is to be met: 03.05.2011

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 02.11.2010

- date of the end of coupon (interest) period: 03.05.2011
Total amount of yield paid on all the bonds of the issue: RUB 536,000,000 (five hundred and thirty six million rubles).
Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.
Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 53.60 (Fifty three) 60 kopecks.
RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 536,000,000 (five hundred and thirty six million rubles).
Date, when the yield payment liability on the bonds of the issue is to be met: 01.11.2011
Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.
monetary funds in the currency of the Russian Federation by cashless settlement. 182 days
- date of the beginning of coupon (interest) period: 03.05.2011
- date of the end of coupon (interest) period: 01.11.2011
Total amount of yield paid on all the bonds of the issue: RUB 536,000,000 (five hundred and thirty six million rubles).
Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.
Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 53.60 (Fifty three) 60 kopecks.
RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 536,000,000 (five hundred and thirty six million rubles).
Date, when the yield payment liability on the bonds of the issue is to be met: 01.05.2012 (taking into account that it falls on a non-working day - 02.05.2012)
Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.
monetary funds in the currency of the Russian Federation by cashless settlement. 182 days
- date of the beginning of coupon (interest) period: 01.11.2011
- date of the end of coupon (interest) period: 01.05.2012
Total amount of yield paid on all the bonds of the issue: RUB 536,000,000 (five hundred and thirty six million rubles).
Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.
Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 53.60 (Fifty three) 60 kopecks.
RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 536,000,000 (five hundred and thirty six million rubles).
Date, when the yield payment liability on the bonds of the issue is to be met: 04.05.2010
Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.
monetary funds in the currency of the Russian Federation by cashless settlement. 182 days
- date of the beginning of coupon (interest) period: 01.05.2012
- date of the end of coupon (interest) period: 30.10.2012
Total amount of yield paid on all the bonds of the issue: RUB 536,000,000 (five hundred and thirty six million rubles).
Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: Par value.
Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 1,000 (one thousand).
RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 10,000,000,000 (Ten billion).
Date when the liability on the repayment of the par value of the bonds of the issue is to be met: 30.10.2012
Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.
The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-01*

interest-bearing non-convertible with mandatory centralized custody

Identification Number of the issue: *4B02-01-00102-A*

Date of identification number assignment: *19.10.2009*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of bonds in the issue: *5,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *5,000,000,000*

Main data on yield from the bonds of the issue:

Type of yield paid on the bonds of the issue: coupon yield on the first coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 48.62 (Forty eight) rubles 62 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Date, when the yield payment liability on the bonds of the issue is to be met: 08.06.2010

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 08.12.2009

- date of the end of coupon (interest) period: 08.06.2010

Total amount of yield paid on all the bonds of the issue: RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 48.62 (Forty eight) rubles 62 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Date, when the yield payment liability on the bonds of the issue is to be met: 07.12.2010

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 08.06.2010

- date of the end of coupon (interest) period: 07.12.2010

Total amount of yield paid on all the bonds of the issue: RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the third coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 48.62 (Forty eight) rubles 62 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Date, when the yield payment liability on the bonds of the issue is to be met: 07.06.2011

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 07.12.2010

- date of the end of coupon (interest) period: 07.06.2011

Total amount of yield paid on all the bonds of the issue: RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 48.62 (Forty eight) rubles 62 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Date, when the yield payment liability on the bonds of the issue is to be met: 06.12.2011

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 07.06.2011

- date of the end of coupon (interest) period: 06.12.2011

Total amount of yield paid on all the bonds of the issue: RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 48.62 (Forty eight) rubles 62 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Date, when the yield payment liability on the bonds of the issue is to be met: 05.06.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 06.12.2011

- date of the end of coupon (interest) period: 05.06.2012

Total amount of yield paid on all the bonds of the issue: RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 48.62 (Forty eight) rubles 62 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Date, when the yield payment liability on the bonds of the issue is to be met: 04.12.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 05.06.2012

- date of the end of coupon (interest) period: 04.12.2012

Total amount of yield paid on all the bonds of the issue: RUB 243,100,000 (two hundred forty three million and one hundred thousand).

Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: Par value.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 1,000 (one thousand).

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 5,000,000,000 (five billion).

Date when the liability on the repayment of the par value of the bonds of the issue is to be met: 04.12.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-06*

interest-bearing non-convertible with mandatory centralized custody

Identification Number of the issue: *4B02-06-00102-A*

Date of identification number assignment: *19.10.2009*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of bonds in the issue: *10,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Main data on yield from the bonds of the issue:

Type of yield paid on the bonds of the issue: coupon yield on the first coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 38.64 (thirty eight) rubles 64 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

Date, when the yield payment liability on the bonds of the issue is to be met: 07.09.2010

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 09.03.2010

- date of the end of coupon (interest) period: 07.09.2010

Total amount of yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 38.64 (thirty eight) rubles 64 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 08.03.2011 (taking into account that it falls on a non-working day - 09.03.2011)

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 07.09.2010

- date of the end of coupon (interest) period: 08.03.2011 z.

Total amount of yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the third coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 38.64 (thirty eight) rubles 64 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 06.09.2011

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 08.03.2011

- date of the end of coupon (interest) period: 06.09.2011

Total amount of yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 38.64 (thirty eight) rubles 64 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 06.03.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 06.09.2011

- date of the end of coupon (interest) period: 06.03.2012

Total amount of yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 38.64 (thirty eight) rubles 64 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 04.09.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 06.03.2012

- date of the end of coupon (interest) period: 04.09.2012

Total amount of yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: 38.64 (thirty eight) rubles 64 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 05.03.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 04.09.2012

- date of the end of coupon (interest) period: 05.03.2013

Total amount of yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred eighty-six million four hundred thousand).

Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of yield paid on the bonds of the issue: Par value.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 1,000 (one thousand).

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 10,000,000,000 (Ten billion).

Date when the liability on the repayment of the par value of the bonds of the issue is to be met: 05.03.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-07*

interest-bearing non-convertible with mandatory centralized custody

Identification Number of the issue: *4B02-01-00102-A*

Date of identification number assignment: *19.10.2009*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of bonds in the issue: *10,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Main data on yield from the bonds of the issue:

Type of yield paid on the bonds of the issue: coupon yield on the first coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 44.63 (Forty four rubles) 63 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 446,300,000 (Four hundred forty six million three hundred thousand rubles).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 15.05.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 15.11.2011

- date of the end of coupon (interest) period: 15.05.2012

Total amount of yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred forty six million three hundred thousand rubles).

Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 44.63 (Forty four rubles) 63 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 446,300,000 (Four hundred forty six million three hundred thousand rubles).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 13.11.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 15.05.2012

- date of the end of coupon (interest) period: 13.11.2012

Total amount of yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred forty six million three hundred thousand rubles).

Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the third coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 44.63 (Forty four rubles) 63 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 446,300,000 (Four hundred forty six million three hundred thousand rubles).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 14.05.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 13.11.2012

- date of the end of coupon (interest) period: 14.05.2013

Total amount of yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred forty six million three hundred thousand rubles).

Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 44.63 (Forty four rubles) 63 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 446,300,000 (Four hundred forty six million three hundred thousand rubles).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 12.11.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 14.05.2013

- date of the end of coupon (interest) period: 12.11.2013

Total amount of yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred forty six million three hundred thousand rubles).

Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-02*

interest-bearing non-convertible with mandatory centralized custody

Identification Number of the issue: *4B02-02-00102-A*

Date of identification number assignment: *19.10.2009*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of bonds in the issue: *5,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *5,000,000,000*

Main data on yield from the bonds of the issue:

Type of yield paid on the bonds of the issue: coupon yield on the first coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 43.63 (Forty three rubles) 63 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 20.06.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 21.12.2011

- date of the end of coupon (interest) period: 20.06.2012

Total amount of yield paid on all the bonds of the issue: RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).

Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 43.63 (Forty three rubles) 63 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 19.12.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 20.06.2012

- date of the end of coupon (interest) period: 19.12.2012
Total amount of yield paid on all the bonds of the issue: RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).
Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the third coupon.
Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 43.63 (Forty three rubles) 63 kopecks.
RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).
RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 19.06.2013
Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.
monetary funds in the currency of the Russian Federation by cashless settlement. 182 days
- date of the beginning of coupon (interest) period: 19.12.2012
- date of the end of coupon (interest) period: 19.06.2013
Total amount of yield paid on all the bonds of the issue: RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).
Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: Par value.
Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 1,000 (one thousand).
RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 5,000,000,000 (five billion).
Date when the liability on the repayment of the par value of the bonds of the issue is to be met: 19.06.2013
Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.
The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.

Type of securities: *bonds*
Form of securities: *documentary pay-to-bearer*
Series: *BO-03*
interest-bearing non-convertible with mandatory centralized custody
Identification Number of the issue: *4B02-01-00102-A*
Date of identification number assignment: *19.10.2009*
The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of bonds in the issue: *5,000,000*
Par value of each bond of the issue, RUB: *1,000*
Volume of the issue at par value: *5,000,000,000*

Main data on yield from the bonds of the issue:
Type of yield paid on the bonds of the issue: coupon yield on the first coupon.
Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 43.63 (Forty three rubles) 63 kopecks.
RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).
RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 20.06.2012
Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.
monetary funds in the currency of the Russian Federation by cashless settlement. 182 days
- date of the beginning of coupon (interest) period: 21.12.2011
- date of the end of coupon (interest) period: 20.06.2012
Total amount of yield paid on all the bonds of the issue: RUB 218,150,000 (two hundred eighteen million

one hundred fifty thousand).

Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 43.63 (Forty three rubles) 63 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 19.12.2012

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 20.06.2012

- date of the end of coupon (interest) period: 19.12.2012

Total amount of yield paid on all the bonds of the issue: RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).

Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the third coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 43.63 (Forty three rubles) 63 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 19.06.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 19.12.2012

- date of the end of coupon (interest) period: 19.06.2013

Total amount of yield paid on all the bonds of the issue: RUB 218,150,000 (two hundred eighteen million one hundred fifty thousand).

Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: Par value.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 1,000 (one thousand).

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 5,000,000,000 (five billion).

Date when the liability on the repayment of the par value of the bonds of the issue is to be met: 19.06.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *BO-04*

interest-bearing non-convertible with mandatory centralized custody

Identification Number of the issue: *4B02-02-00102-A*

Date of identification number assignment: *19.10.2009*

The identification number was assigned to the issue by: *Closed Joint Stock Company "MICEX Stock Exchange"*

Quantity of bonds in the issue: *5,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *5,000,000,000*

Main data on yield from the bonds of the issue:

Type of yield paid on the bonds of the issue: coupon yield on the first coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 41.14 (Forty-one rubles) 14 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 205,700,000 (Two hundred five million seven hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 11.03.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 10.09.2012

- date of the end of coupon (interest) period: 11.03.2013

Total amount of yield paid on all the bonds of the issue: RUB 205,700,000 (Two hundred five million seven hundred thousand).

Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 41.14 (Forty-one rubles) 14 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 205,700,000 (Two hundred five million seven hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 09.09.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 11.03.2013

- date of the end of coupon (interest) period: 09.09.2013

Total amount of yield paid on all the bonds of the issue: RUB 205,700,000 (Two hundred five million seven hundred thousand).

Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *07*

non-convertible interest-bearing bonds, with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion

State registration number of the issue: *4-07-00102-A*

State registration date of the issue: *08.12.2011*

Registrar: *FFMS of Russia*

Notification on the issue results

Date of submission to the registration authority of the Notice on the securities issue results: *27.09.2012*

Quantity of bonds in the issue: *5,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *5,000,000,000*

Main data on yield from the bonds of the issue:

Type of yield paid on the bonds of the issue: coupon yield on the first coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUR 42.38 (Forty-two rubles) 38 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 211,900,000 (Two hundred and eleven million nine hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 18.03.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days
- date of the beginning of coupon (interest) period: 17.09.2012
- date of the end of coupon (interest) period: 18.03.2013
Total amount of yield paid on all the bonds of the issue: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand).
Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.
Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUR 42.38 (Forty-two rubles) 38 kopecks.
RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 211,900,000 (Two hundred and eleven million nine hundred thousand).
RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 16.09.2013
Form and other yield payment terms on the bonds of the issue: *monetary funds in the currency of the Russian Federation by cashless settlement.*
monetary funds in the currency of the Russian Federation by cashless settlement. 182 days
- date of the beginning of coupon (interest) period: 18.03.2013
- date of the end of coupon (interest) period: 16.09.2013
Total amount of yield paid on all the bonds of the issue: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand).
Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of securities: *bonds*

Form of securities: *documentary pay-to-bearer*

Series: *08*

non-convertible interest-bearing bonds, with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion

State registration number of the issue: *4-08-00102-A*

State registration date of the issue: *08.12.2011*

Registrar: *FFMS of Russia*

Notification on the issue results

Date of submission to the registration authority of the Notice on the securities issue results: *20.12.2012*

Quantity of bonds in the issue: *10,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Main data on yield from the bonds of the issue:

Type of yield paid on the bonds of the issue: coupon yield on the first coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 41.88 (Forty-one rubles) 88 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 418,800,000 (four hundred eighteen million eight hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 07.06.2013

Form and other yield payment terms on the bonds of the issue: *monetary funds in the currency of the Russian Federation by cashless settlement.*

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 07.12.2012

- date of the end of coupon (interest) period: 07.06.2013

Total amount of yield paid on all the bonds of the issue: RUB 418,800,000 (four hundred eighteen million eight hundred thousand).

Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.

Type of yield paid on the bonds of the issue: coupon yield on the second coupon.

Amount of yield to be paid on the bonds of the issue, in monetary terms, per common share: RUB 41.88 (Forty-one rubles) 88 kopecks.

RUB 41.14 (Forty-one rubles) 14 kopecks. RUB 418,800,000 (four hundred eighteen million eight hundred thousand).

RUB 386,400,000 (Three hundred eighty-six million four hundred thousand). 06.12.2013

Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.

monetary funds in the currency of the Russian Federation by cashless settlement. 182 days

- date of the beginning of coupon (interest) period: 07.06.2013

- date of the end of coupon (interest) period: 06.12.2013

Total amount of yield paid on all the bonds of the issue: RUB 418,800,000 (four hundred eighteen million eight hundred thousand).

Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.

8.9. Other information

No other information

8.10. Information on provided securities and the issuers of these securities, the title to which is certified by Russian depositary receipts

The Issuer does not issue provided securities, the title to which is certified by Russian depositary receipts.