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## Press release

12 October 2020

### Q3 and 9M 2020 NLMK Group Trading Update

**NLMK Group (LSE: NLMK, MOEX: NLMK) is pleased to announce that in Q3 2020 its steel output grew by 3% yoy to 3.9 m t (flat qoq). Sales increased by 11% yoy, totalling 4.4 m t (+2 qoq).**

**Q3 2020 highlights:**

- Steel output grew by 3% yoy to 3.9 m t (flat qoq).
- Sales increased by 11% yoy to 4.4 m t, due mainly to higher pig iron sales to the US, Chinese, and Turkish markets. Quarter-on-quarter, sales were up by 2%, while the share of finished products in the sales portfolio grew from 56% to 62%.
- Sales in export markets grew by 42% yoy to 1.8 m t, as shipments of semis increased. The 10% quarter-on-quarter reduction reflects the recovery of business activity in Russia and a normalized share of export sales by the Group's Russian companies.
- Sales in 'home' markets totalled 2.8 m t (-2% yoy), amid a decrease in demand for slabs for the production of large-diameter pipes on the Russia market. Quarter-on-quarter, sales grew by 19% due to the recovery in demand for finished products on the Russian market.

**9M 2020 highlights:**

- Steel output totalled 11.9 m t (flat yoy).
- Sales grew by 3% yoy to 13.3 m t, driven by a 4x increase in pig iron sales to 1 m t.
- Sales on 'home' markets declined by 4% yoy to 8.1 m t, due mainly to lower demand in the US market.
- Sales on export markets grew by 16% yoy to 5.2 m t, supported by increased exports of pig iron and slabs to third parties.

\* Hereinafter, Q3 2020 and 9M 2020 output and sales figures are preliminary and can be updated. Hereinafter, NLMK Group steel output and sales on 'home' markets are shown taking into account NBH performance. Product sales are shown without taking into account NBH performance. Sales to NLMK Group's 'home' markets are understood to be sales by NLMK Group companies in the regions where the products are produced in Russia, the EU, and the US.



## NLMK Group's Q3 2020 operating performance

**Steel output** grew by 3% yoy to 3.9 m t, driven by higher steel output at NLMK's Russian facilities (flat qoq). The qoq decline in steel output in the Russia Flat Products segment, related to the start of the second stage of BF and BOF overhauls at NLMK Lipetsk, was offset by the recovery in utilization rates in the Russia Long Products and NLMK USA segments. NLMK Lipetsk continues running at 100% capacity utilization; the Long Products segment was running at 96% capacity utilization in September. Towards the end of the quarter, utilization rates at NLMK's European companies recovered to 85% (against 66% in June). The rolling capacity utilization at the US plants remains low.

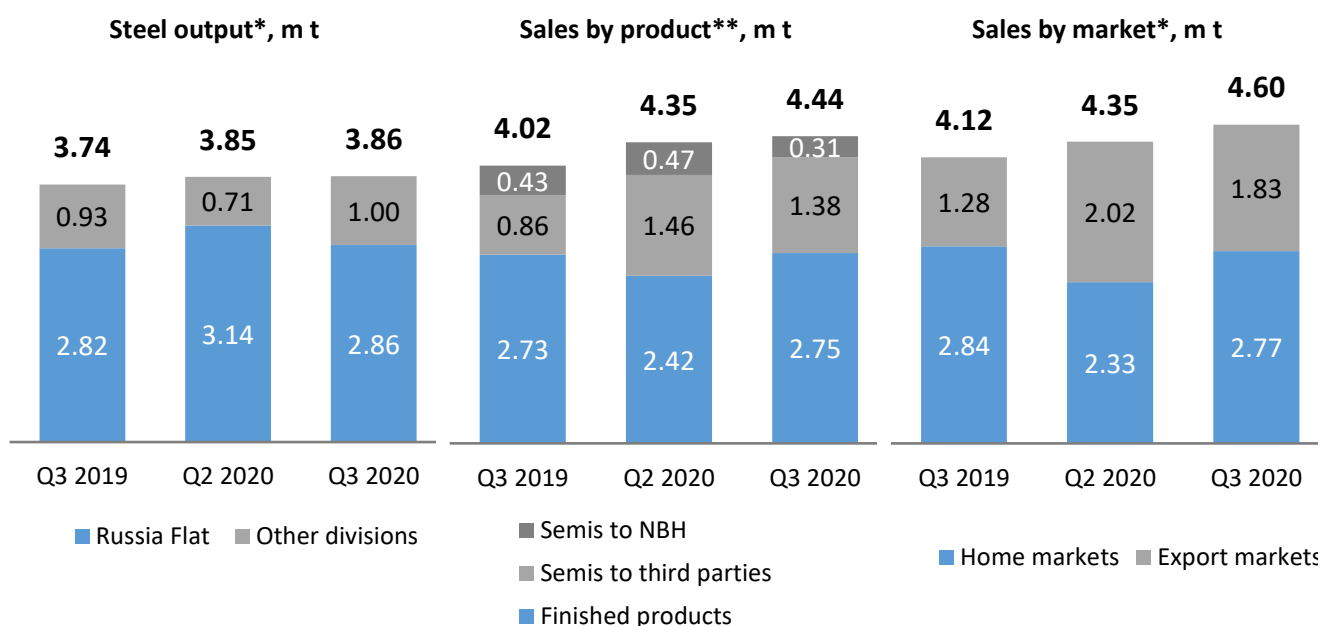
**Sales** grew by 11% yoy to 4.4 m t, due mainly to increased demand for pig iron. Higher productivity of Blast Furnace No. 6, achieved through the first stage of the overhauls in Q4 2019, supported the increase in pig iron sales, despite the Group carrying out a similar overhaul of Blast Furnace No. 4 this year. Quarter-on-quarter, sales increased by 2%, and the share of finished products in the sales portfolio increased due to the start of the second stage of BF and BOF overhauls at NLMK Lipetsk.

**Sales mix:** year-on-year, the share of semi-finished products in the consolidated sales mix increased, supported by a 31% yoy increase in the sales of pig iron, slabs, and billet, that reached 1.7 m t. Sales of semi-finished products to third parties increased by 61% yoy. Slab shipments to NBH decreased by 28% yoy. Sales of finished products grew by 1% yoy due to higher demand for long and hot-rolled products from the construction sector in Russia.

Quarter-on-quarter, sales of semi-finished products to third parties decreased by 5% to 1.4 m t with the start of the second stage of overhauls at NLMK Lipetsk. Slab deliveries to NBH decreased by 35% qoq. Sales of finished products grew by 14% qoq to 2.8 m t, driven by a recovery in demand for steel products on the Russian market. ([Appendix 2](#)).

**Sales on export markets** grew by 42% yoy to 1.8 m t with increased sales of pig iron and slabs to third parties. Quarter-on-quarter, export sales declined by 10%.

**Sales on 'home' markets** reduced by 2% yoy to 2.8 m t, amid declining demand in the US and EU markets. Sales in Russia increased by 10% yoy to 1.9 m t. Quarter-on-quarter, sales increased by 19% due to a gradual recovery in demand on the markets where NLMK Group operates ([Appendix 14](#)).



\*with NBH; \*\* without NBH



## NLMK Group's 9M 2020 operating performance

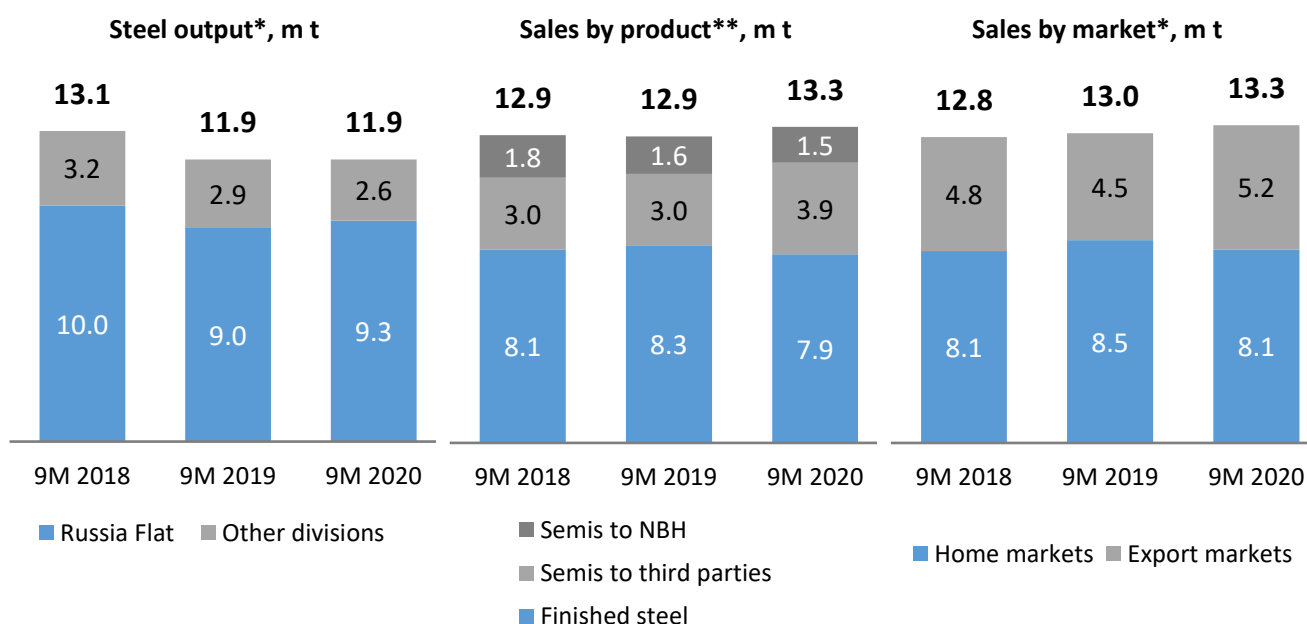
**Steel output** remained flat year-on-year. Lower steel output at the Russia Long Products facilities, and at NLMK's US and EU companies, impacted by the COVID-19 pandemic, was offset by higher steel output at the Lipetsk site.

**Sales** increased by 3% yoy to 13.3 m t with increased demand for pig iron.

**Sales mix:** sales of semis to third parties increased by 28% yoy to 3.9 m t, due to increased export sales of pig iron. Slab sales to NBH decreased by 4% yoy to 1.5 m t due to the segment's lower semis requirements ([Appendix 2](#)). Sales of finished products decreased by 5% yoy to 7.9 m t amid weak demand in April-May 2020 and sales redistribution to semi-finished products.

**Sales on export markets** grew by 16% yoy to 5.2 m t due to increased exports of pig iron (4x growth yoy) and slabs (+11% yoy). The US, Chinese, and Turkish markets were the main export destinations for pig iron.

**Sales on 'home' markets** reduced by 4% yoy to 8.1 m t, due to the slowdown in the US and EU sales during the economic crisis amid the COVID-19 pandemic ([Appendix 14](#)). Sales in Russia grew by 5% yoy to 5 m t.



\*with NBH; \*\* without NBH



## **Global prices in Q3 2020:**

### **Average raw material prices:**

- Global coal prices fell by an average of 5% qoq (-30% yoy), due to low demand from key consumer regions (Japan, India, and Europe) during the COVID-19 pandemic and import restrictions in China. Towards the end of the quarter, prices started to grow, driven by a gradual increase in steelmaking capacity utilization in key regions and expectations of worsening weather conditions in Australia at the end of 2020. Dollar-denominated coal prices in Russia fell by 34% qoq (-48% yoy), a delayed reflection of the Q2 2020 global benchmark trends.
- Iron ore prices grew by 26% qoq (+15% yoy), driven by an all-time-high steel output in China, attributable to state support for infrastructure projects. Uncertainty regarding the volume of supplies from the leading exporting countries served as an additional factor supporting the prices.
- Scrap prices in the US increased by 10% qoq (+3% yoy) with a gradual recovery in the utilization of steelmaking capacities in the region, and an increase in demand from Turkey. In Russia, dollar-denominated prices recovered by 13% qoq (-9% yoy) ahead of the winter season and intensified competition from scrap exporters.

### **Average steel product prices:**

- Reduced demand amid the COVID-19 pandemic put pressure on steel product prices, despite the high cost of the commodity basket on the global market. Towards the end of the reporting period, the price environment began to improve following the uptick in business activity.
- In Russia, dollar-denominated prices for uncoated flat steel declined by 3% qoq (-21% yoy). Dollar-denominated rebar prices climbed 1% qoq (-21% yoy).
- Export slab prices (FOB Black Sea) were up by 22% qoq (+2% yoy) amid limited supply and a recovery in demand on export markets.
- Average flat steel prices in the US declined by 1% qoq (-11% yoy). During September, prices grew by 15% against the previous month.
- In the EU countries, dollar-denominated prices for flat steel grew by an average of 5% qoq (-4% yoy), driven by the weakening of the US dollar against the euro; euro-denominated prices were 1-2% lower qoq. Towards the end of Q3, prices recovered to pre-crisis levels.



## SEGMENTAL PERFORMANCE

### NLMK RUSSIA FLAT PRODUCTS<sup>1</sup>

#### Q3 2020 performance

**Steel output** in Q3 2020 grew by 2% yoy to 2.9 m t. Quarter-on-quarter, steel output was down by 9% as the second stage of capital repairs began at NLMK Lipetsk's BOF operations. ([Appendix 9](#)).

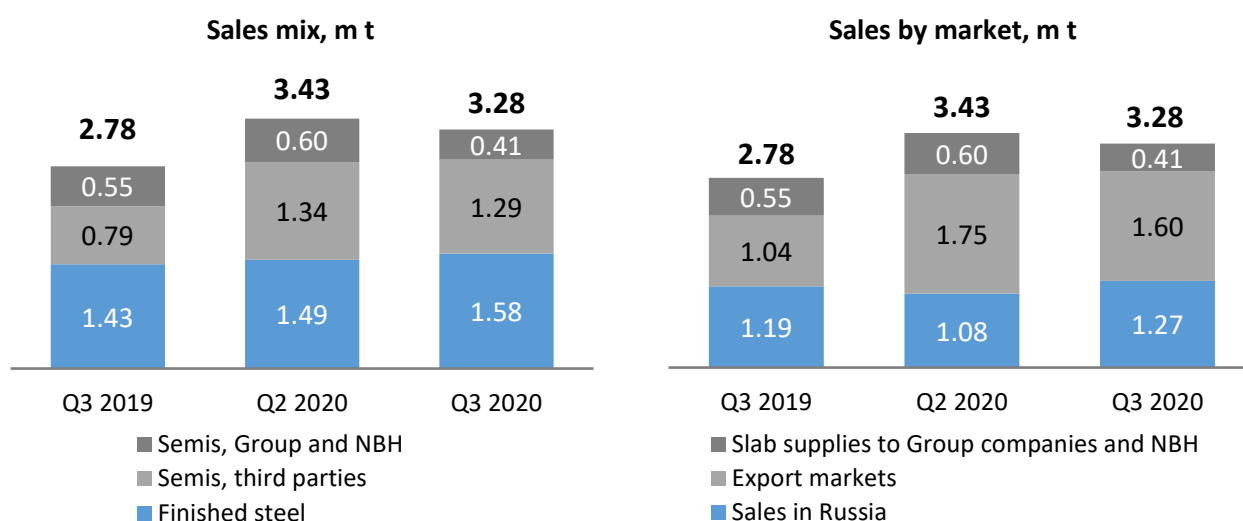
**Sales** in the Segment grew by 18% year-on-year to 3.3 m t due to the sale of additional pig iron volumes and an increase in BF equipment productivity. Quarter-on-quarter, sales dropped by 4%, following the drop in production ([Appendix 2](#)).

**Sales mix:** sales of semis to third parties were down by 4% qoq to 1.3 m t (+63 yoy), amid lower slab sales due to routine repairs and the recovery of demand for finished products in Russia. Sales of semis to NLMK Group companies and NBH decreased to 0.4 m t (-31% qoq; -25% yoy) due to sufficient stocks of semis at the Group's European facilities.

Finished steel sales grew by 6% qoq to 1.6 m t (+10% yoy) amid a recovery in demand in Russia. ([Appendix 3](#)).

**Sales markets:** sales in Russia grew by 18% qoq to 1.3 m t (+7% yoy) as demand recovered after the COVID-19 restrictions were lifted ([Appendix 3](#)).

Product exports were down by 14% qoq to 2 m t due to lower slab sales and a redirection of a part of hot-rolled steel sales to the internal market. The main export destinations in Q3 2020 were China, Turkey, and the US.



<sup>1</sup> NLMK Russia Flat companies include NLMK Lipetsk, VIZ-Steel, and Altai-Koks. Export sales are calculated including the corresponding share of trading companies.



## 9M 2020 performance

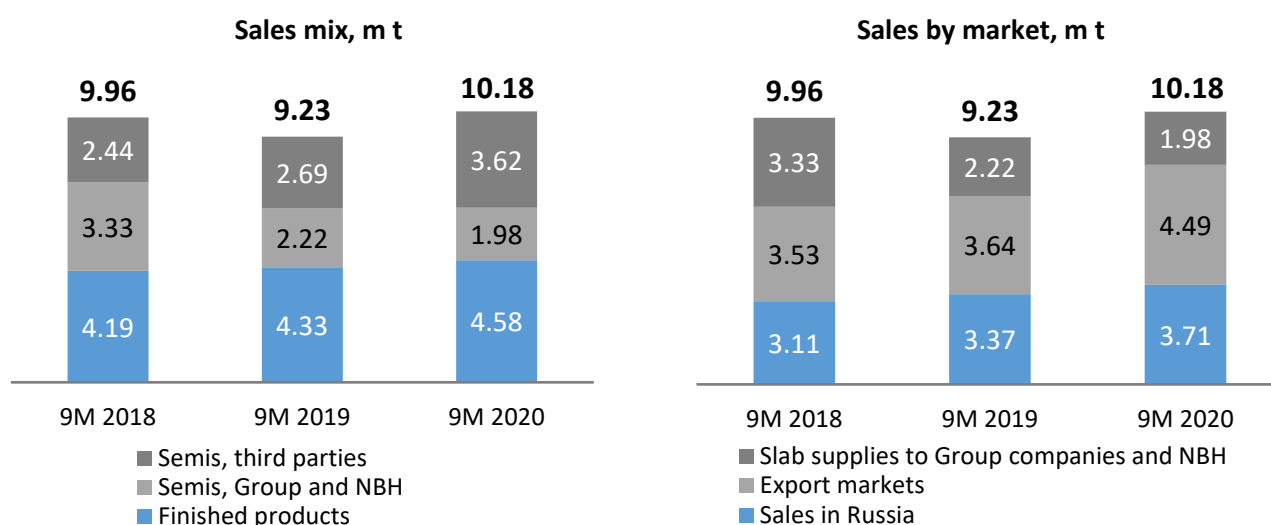
**Steel output** grew by 3% yoy to 9.3 m t ([Appendix 9](#)).

**Sales** in the Segment grew by 10% yoy to 10.2 m t, supported by a strong Q1 2020 performance and a quick recovery of demand in Russia in Q3 2020 ([Appendix 2](#)).

**Sales mix:** sales of finished steel reached 4.6 m t (+6% yoy) amid the completion of repair works on the Hot Strip Mill ([Appendix 3](#)).

Sales of semis to third parties went up by 35% yoy to 3.6 m t, driven mainly by higher export pig iron sales. Sales of semis to NLMK Group and NBH companies totalled 2 m t (-11% yoy) due to a lower demand for slabs from NLMK's European companies and suspended slab supplies to NLMK USA.

**Sales markets:** steel product sales in Russia grew by 10% to 3.7 m t, due mainly to increased sales of HRC and HDG ([Appendix 3](#)). Export sales went up by 10% yoy to 6.5 m t due to higher pig iron sales.





## NLMK RUSSIA LONG PRODUCTS<sup>2</sup>

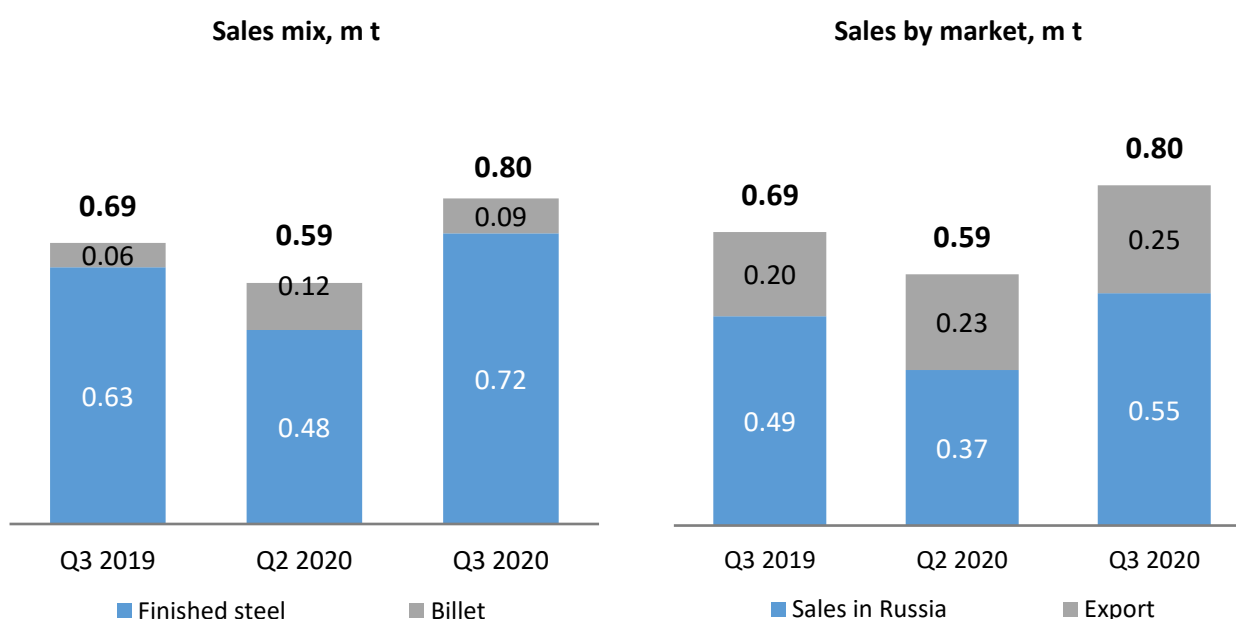
### Q3 2020 performance

**Steel output** grew to 0.8 m t (+29% qoq; +9% yoy) ([Appendix 9](#)) as capacity utilization rates recovered due to the delayed demand effect and the construction season. In September, capacity utilization rates stood at 96%.

**Sales** grew by 16% yoy to 0.8 m t. Quarter-on-quarter, sales grew by 35%, supported by the significant growth of the Russian long products market, associated with the previous quarter's low base effect amid the COVID-19 pandemic, and the shift in the start of the construction season ([Appendix 4](#)). Finished product sales went up by 50% qoq to 0.7 m t (+7% yoy). The share of finished products in total sales was 89% (+8 p.p. qoq, -2 p.p. yoy).

**Sales markets:** sales on the Russian market grew by 49% qoq (+11% yoy) due to the delayed demand effect. The share of sales in Russia reached 68% (+6 p.p. qoq, -3 p.p. yoy). Export sales stood at 0.3 m t, which is 13% more than last quarter. Year-on-year, exports increased by 28%.

**Scrap:** scrap sales grew by 29% qoq to 1.4 m t due to the seasonal increase in scrap stocks at NLMK Group sites. Year-on-year, scrap sales remained flat. The share of scrap sales to NLMK Group companies was 99% ([Appendix 4](#)).



<sup>2</sup> NLMK Russia Long companies include NLMK Ural, NLMK Metalware, NLMK Kaluga, and scrap collecting facilities. Export sales of long products are calculated taking into account the corresponding share of trading companies sales.



## 9M 2020 performance

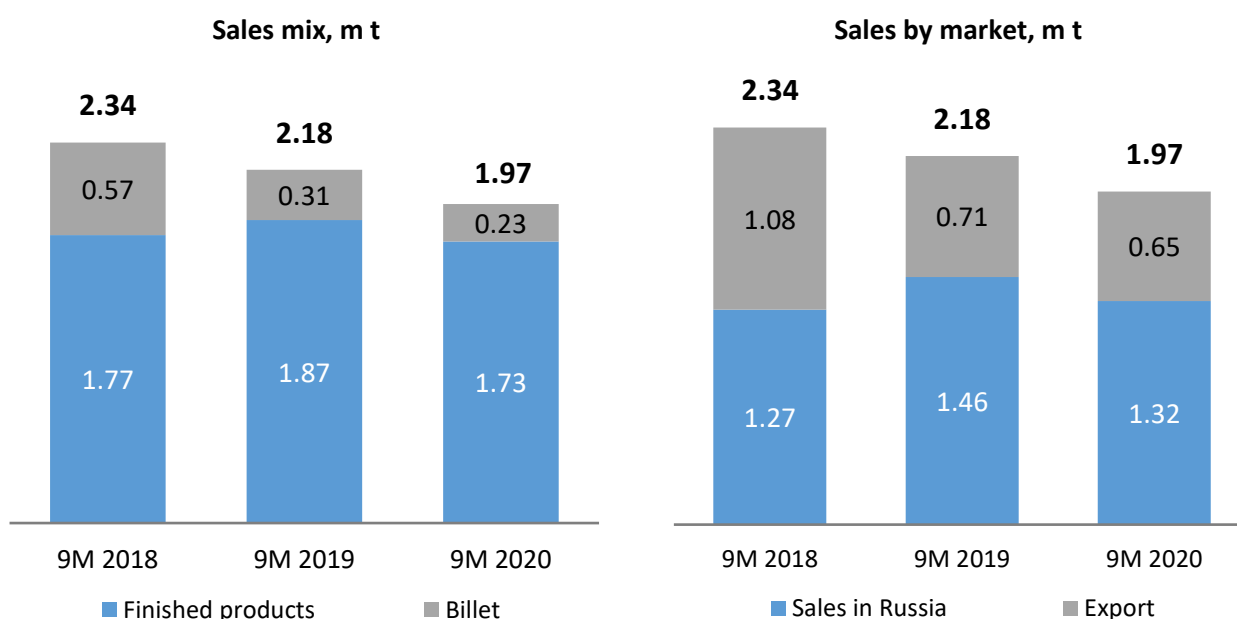
**Steel output** went down by 7% yoy to 2 m t, due to lower Segment load amid weaker Q2 2020 demand.

**Sales** decreased by 10% yoy to 2 m t, due to lower demand for long products in 2020 ([Appendix 9](#), [Appendix 4](#)). The share of finished products in total sales grew by 2 p.p. to 78%.

**Sales markets:** the share of the Russian market was 67% (flat yoy). Sales of long products in Russia went down by 10% yoy to 1.3 m t due to the two-month shift in the construction sector seasonal demand amid the COVID-19 pandemic.

Export sales also decreased by 10% yoy to 0.6 m t, due mainly to lower billet sales to Egypt.

**Scrap:** scrap sales were down by 6% yoy to 3.2 m t amid lower output in the NLMK Russia Long Products division and a corresponding decrease in demand for scrap ([Appendix 4](#)).





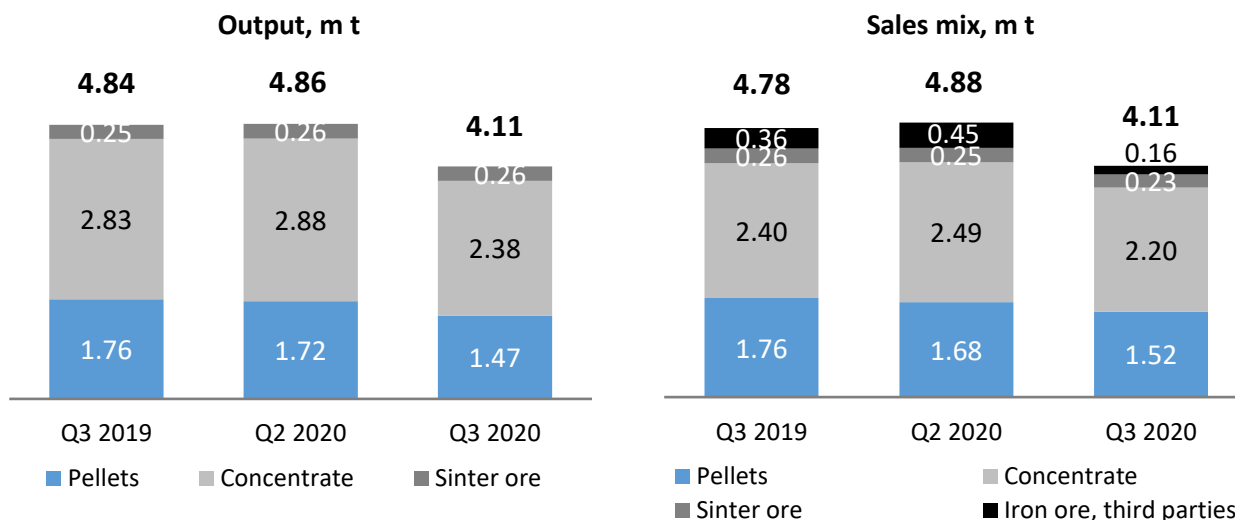


## MINING AND PROCESSING OF RAW MATERIALS

### Q3 2020 performance

**Iron ore production** decreased by 15% qoq and yoy to 4.1 m t due to an incident that led to a collapse of an ore supply conveyor gallery on September 7, 2020. On September 22, 2020 Stoilensky resumed production of iron ore products (Appendix 12).

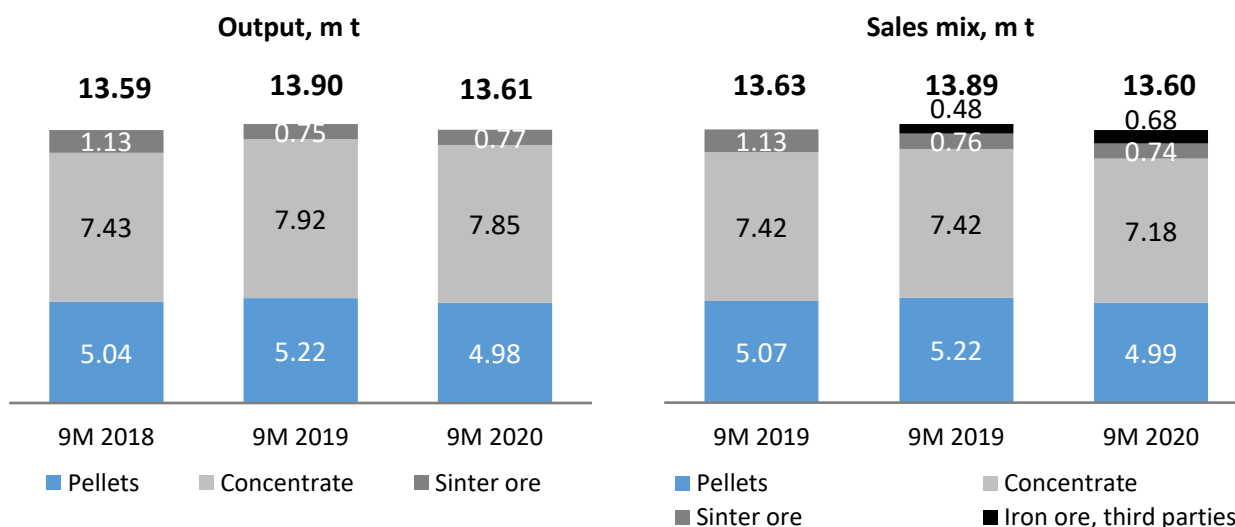
**Iron ore sales** decreased by 16% qoq to 4.1 m t (-14% yoy), following the decrease in production. Sales of iron ore to independent buyers went down by 65% qoq to 158 k t (-57% yoy). (Appendix 5).



### 9M 2020 performance

**Iron ore output and sales** went down by 2% yoy to 13.6 m t due to the conveyor gallery incident, which was partially offset by the growth of equipment productivity in H1 2020 (Appendix 12).

**Sales of iron ore to third parties** totalled 0.68 m t (+44% yoy) (Appendix 5).





## NLMK USA

### Q3 2020 performance

Sales in the Segment increased by 11% qoq to 0.37 m t due to the completion of planned repairs at the NLMK Indiana plant and the gradual recovery of business activity on the US market after the slump in demand in Q2 2020. Year-on-year, sales were 33% lower due to low NLMK Pennsylvania capacity utilization following a strike ([Appendix 6](#)).

### 9M 2020 performance

Sales stood at 1.2 m t (-29% yoy) as steel consumption decreased in the US, pressured by the consequences of the COVID-19 pandemic. The share of high value-added products in the Segment portfolio increased by 3 p.p. to 49% ([Appendix 6](#)).

## NLMK DANSTEEL

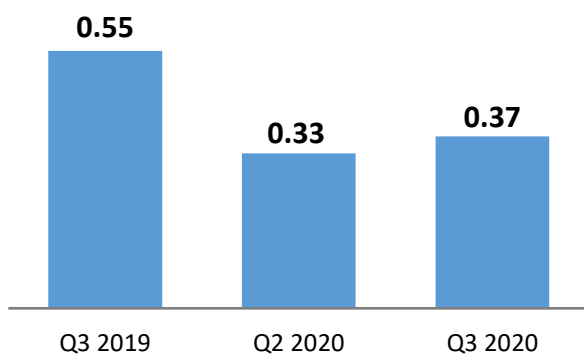
### Q3 2020 performance

Sales decreased by 21% qoq to 0.1 m t (-18% yoy) due to weak demand across almost all sectors, with the exception of wind energy, amid the COVID-19 pandemic. ([Appendix 7](#)).

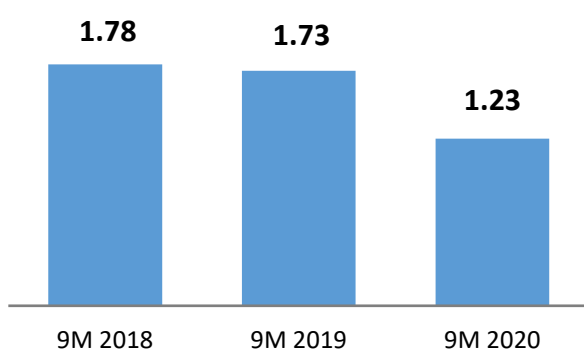
### 9M 2020 performance

Sales went down by 4% yoy to 0.38 m t as plate consumption decreased in Q2-3 2020 due to the pandemic ([Appendix 7](#)).

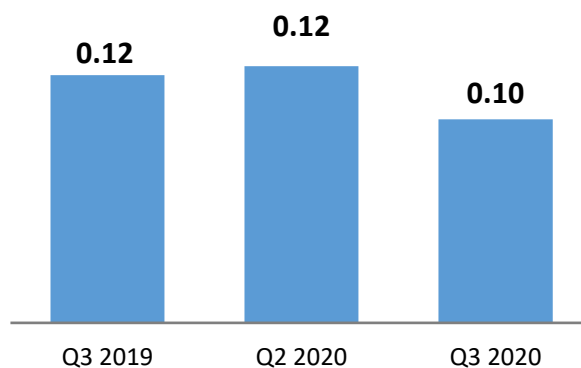
NLMK USA sales, m t



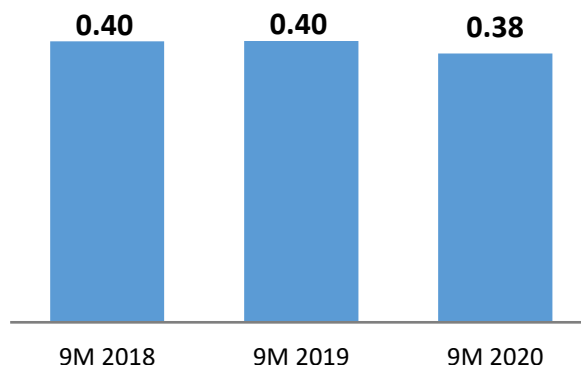
NLMK USA sales, m t



NLMK DanSteel sales, m t



NLMK DanSteel sales, m t





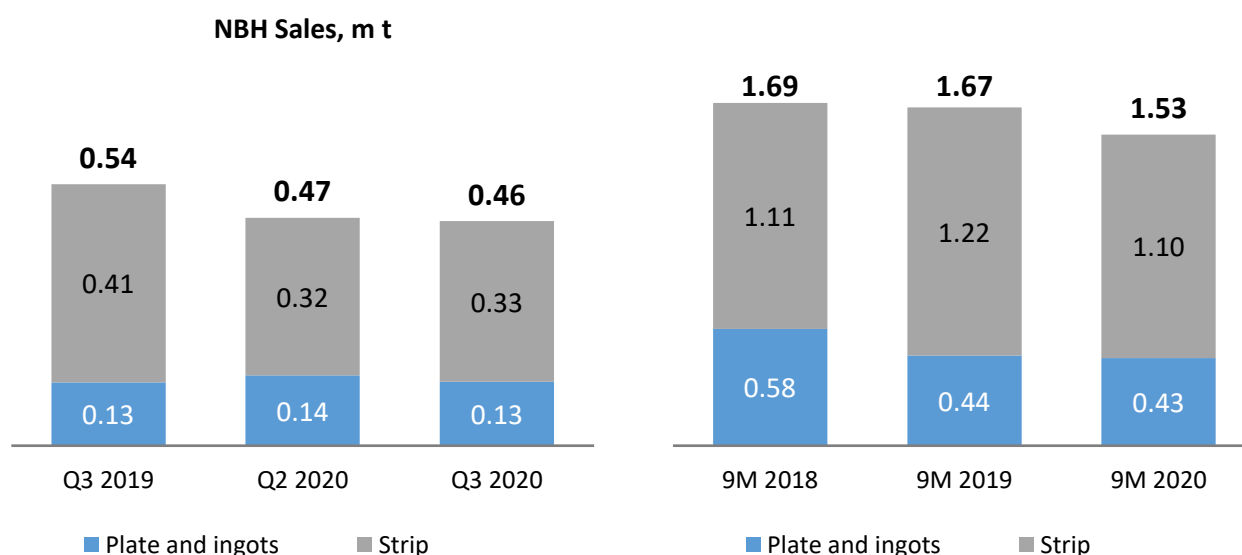
## JOINT VENTURE – NLMK Belgium Holdings (NBH)<sup>3</sup>

### Q3 2020 performance

Sales remained almost flat at 0.5 m t (-1% qoq). Year-on-year, sales were 14% lower ([Appendix 8](#)).

### 9M 2020 performance

Sales decreased by 8% yoy to 1.5 m t due to weaker demand for steel products in Q2 2020 amid the coronavirus pandemic ([Appendix 8](#)).



*Note: data to the diagrams is presented in tables in the Appendix, and is also available as a separate Excel sheet.*

<sup>3</sup> NBH assets include producers of plate NLMK Clabecq (Belgium), NLMK Verona (Italy) and producers of strip products NLMK La Louvière (Belgium) and NLMK Strasbourg (France).



## Appendices

### Appendix 1. NLMK Group operating highlights

Production, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
Crude steel production (without NBH)	3.824	3.809	0%	3.714	3%	11.804	11.782	0%
Crude steel production (with NBH)	3.864	3.855	0%	3.744	3%	11.929	11.919	0%
Capacity utilization	97%	90%	+7 p.p.	94%	+3 p.p.	93%	96%	-3 p.p.
<b>Sales, m t</b>								
Semi-finished steel <sup>5</sup>	1.690	1.928	-12%	1.287	31%	5.370	4.588	17%
Finished steel	2.753	2.424	14%	2.728	1%	7.931	8.309	-5%
Flat	2.037	1.946	5%	2.096	-3%	6.197	6.444	-4%
Longs and metalware	0.716	0.478	50%	0.632	13%	1.734	1.866	-7%
<b>Total consolidated sales</b>	<b>4.443</b>	<b>4.352</b>	<b>2%</b>	<b>4.015</b>	<b>11%</b>	<b>13.300</b>	<b>12.897</b>	<b>3%</b>
Sales to home markets of the Group <sup>6</sup>	60%	53%	+7 p.p.	69%	-9 p.p.	61%	65%	-4 p.p.
Sales to external markets	40%	47%	-7 p.p.	31%	+9 p.p.	39%	35%	+4 p.p.
For information: slab sales to foreign subsidiaries and affiliates	0.410	0.598	-31%	0.550	-25%	1.978	2.218	-11%
<b>Segment sales</b>								
Russia Flat Products	3.281	3.432	-4%	2.776	18%	10.182	9.234	10%
Russia Long Products	0.802	0.594	35%	0.693	16%	1.965	2.176	-10%
Mining	4.112	4.880	-16%	4.784	-14%	13.596	13.886	-2%
NLMK USA	0.366	0.330	11%	0.549	-33%	1.234	1.733	-29%
NLMK DanSteel	0.097	0.122	-21%	0.118	-18%	0.383	0.401	-4%
<b>For information: NBH Sales</b>	<b>0.461</b>	<b>0.468</b>	<b>-1%</b>	<b>0.537</b>	<b>-14%</b>	<b>1.534</b>	<b>1.667</b>	<b>-8%</b>

<sup>5</sup> Including commercial pig iron, slabs and billets

<sup>6</sup> Home markets: Russia for the Russian assets of NLMK Group, North America for NLMK USA and the EU market for NLMK DanSteel and NBH

### Appendix 2. NLMK Russia Flat Products sales by product

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
Pig iron	0.389	0.368	6%	0.054	> 100%	1.048	0.257	> 100%
Slabs incl.	1.314	1.571	-16%	1.290	2%	4.550	4.651	-2%
Slab sales to foreign subsidiaries and affiliates	0.410	0.598	-31%	0.550	-25%	1.978	2.218	-11%
to NLMK USA, NLMK DanSteel	0.102	0.126	-19%	0.119	-14%	0.464	0.637	-27%
to NBH	0.308	0.472	-35%	0.430	-28%	1.514	1.580	-4%
Hot-rolled steel	0.680	0.764	-11%	0.563	21%	2.085	1.837	14%
Cold-rolled steel	0.411	0.322	28%	0.415	-1%	1.149	1.205	-5%
Galvanized steel	0.229	0.185	24%	0.200	15%	0.629	0.567	11%
Pre-painted steel	0.129	0.096	34%	0.117	10%	0.322	0.306	5%
Non-grain-oriented steel	0.066	0.062	8%	0.075	-11%	0.200	0.203	-2%
Grain-oriented steel	0.064	0.065	-3%	0.063	1%	0.199	0.208	-4%
incl. VIZ-Steel	0.038	0.041	-7%	0.034	14%	0.116	0.117	0%
<b>Total products</b>	<b>3.281</b>	<b>3.432</b>	<b>-4%</b>	<b>2.776</b>	<b>18%</b>	<b>10.182</b>	<b>9.234</b>	<b>10%</b>
Coke sales from Altai-Koks	0.827	0.821	1%	0.715	16%	2.478	2.309	7%
incl. to NLMK Lipetsk	0.585	0.685	-15%	0.442	32%	1.959	1.593	23%



### Appendix 3. NLMK Russia Flat Products sales by region and product

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
<b>Russian market</b>	<b>1.269</b>	<b>1.079</b>	<b>18%</b>	<b>1.188</b>	<b>7%</b>	<b>3.711</b>	<b>3.375</b>	<b>10%</b>
Semi-finished products	0.106	0.176	-40%	0.208	-49%	0.572	0.637	-10%
Hot-rolled steel	0.520	0.412	26%	0.380	37%	1.425	1.133	26%
Cold-rolled steel	0.263	0.187	40%	0.257	2%	0.707	0.692	2%
Galvanized steel	0.220	0.177	24%	0.194	13%	0.597	0.526	13%
Pre-painted steel	0.128	0.096	33%	0.116	10%	0.320	0.302	6%
Non-grain-oriented steel	0.020	0.020	-2%	0.021	-7%	0.058	0.054	7%
Grain-oriented steel	0.012	0.011	15%	0.011	6%	0.032	0.030	6%
<b>Export markets</b>	<b>2.012</b>	<b>2.353</b>	<b>-14%</b>	<b>1.588</b>	<b>27%</b>	<b>6.471</b>	<b>5.859</b>	<b>10%</b>
Semi-finished products	1.596	1.762	-9%	1.136	41%	5.026	4.271	18%
Hot-rolled steel	0.160	0.352	-55%	0.183	-13%	0.660	0.703	-6%
Cold-rolled steel	0.148	0.135	10%	0.158	-6%	0.442	0.513	-14%
Galvanized steel	0.008	0.008	8%	0.005	60%	0.032	0.042	-22%
Pre-painted steel	0.001	0.000	> 100%	0.001	32%	0.002	0.004	-46%
Non-grain-oriented steel	0.047	0.042	13%	0.054	-13%	0.142	0.149	-5%
Grain-oriented steel	0.052	0.055	-6%	0.051	0%	0.167	0.177	-6%
<b>Total sales</b>	<b>3.281</b>	<b>3.432</b>	<b>-4%</b>	<b>2.776</b>	<b>18%</b>	<b>10.182</b>	<b>9.234</b>	<b>10%</b>

### Appendix 4 NLMK Russia Long Products sales by product

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
Billet	0.086	0.116	-26%	0.060	42%	0.232	0.311	-25%
Rebar	0.579	0.370	56%	0.508	14%	1.338	1.418	-6%
Sections	0.013	0.012	9%	0.001	> 100%	0.052	0.035	50%
Wire rod	0.051	0.044	16%	0.059	-14%	0.152	0.210	-28%
Metalware	0.074	0.053	40%	0.065	14%	0.192	0.202	-5%
<b>Total steel products</b>	<b>0.802</b>	<b>0.594</b>	<b>35%</b>	<b>0.693</b>	<b>16%</b>	<b>1.965</b>	<b>2.176</b>	<b>-10%</b>
<b>Ferrous and non-ferrous scrap, incl.</b>	<b>1.383</b>	<b>1.069</b>	<b>29%</b>	<b>1.400</b>	<b>-1%</b>	<b>3.199</b>	<b>3.388</b>	<b>-6%</b>
to NLMK Ural	0.465	0.412	13%	0.581	-20%	1.205	1.411	-15%
to NLMK Kaluga	0.392	0.265	48%	0.303	29%	0.829	0.927	-11%
to NLMK Lipetsk	0.505	0.371	36%	0.493	2%	1.104	0.992	11%

### Appendix 5. Mining Division sales

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
<b>Iron ore concentrate</b>	<b>2.346</b>	<b>2.941</b>	<b>-20%</b>	<b>2.763</b>	<b>-15%</b>	<b>7.853</b>	<b>7.899</b>	<b>-1%</b>
incl. to NLMK Lipetsk	2.203	2.489	-11%	2.399	-8%	7.184	7.424	-3%
<b>Pellets</b>	<b>1.519</b>	<b>1.685</b>	<b>-10%</b>	<b>1.759</b>	<b>-14%</b>	<b>4.991</b>	<b>5.223</b>	<b>-4%</b>
incl. to NLMK Lipetsk	1.519	1.685	-10%	1.759	-14%	4.991	5.223	-4%
<b>Sinter ore</b>	<b>0.247</b>	<b>0.254</b>	<b>-3%</b>	<b>0.262</b>	<b>-6%</b>	<b>0.752</b>	<b>0.763</b>	<b>-2%</b>
incl. to NLMK Lipetsk	0.232	0.254	-9%	0.262	-11%	0.737	0.763	-3%



## Appendix 6. NLMK USA sales

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
Hot-rolled steel	0.207	0.140	48%	0.289	-28%	0.627	0.933	-33%
Cold-rolled steel	0.069	0.083	-17%	0.118	-42%	0.263	0.345	-24%
Galvanized steel	0.086	0.107	-19%	0.138	-38%	0.339	0.449	-25%
<b>Total NLMK USA <sup>8</sup></b>	<b>0.366</b>	<b>0.330</b>	<b>11%</b>	<b>0.549</b>	<b>-33%</b>	<b>1.23</b>	<b>1.733</b>	<b>-29%</b>

<sup>7</sup> NLMK USA also sells non-significant volumes of merchant slabs not included into total rolled steel sales.

## Appendix 7. NLMK DanSteel sales

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
Thick plates	0.097	0.122	-21%	0.118	-18%	0.383	0.401	-4%

## Appendix 8. NBH (associated companies) sales

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
Hot-rolled steel	0.251	0.264	-5%	0.321	-22%	0.877	0.959	-9%
Cold-rolled steel	0.005	0.006	-12%	0.006	-6%	0.021	0.030	-31%
Coated steel	0.074	0.053	38%	0.080	-9%	0.204	0.233	-12%
<b>Total flat steel</b>	<b>0.330</b>	<b>0.323</b>	<b>2%</b>	<b>0.407</b>	<b>-19%</b>	<b>1.102</b>	<b>1.223</b>	<b>-10%</b>
Semi-finished (forged ingots)	0.011	0.014	-23%	0.011	4%	0.040	0.045	-12%
Thick plates	0.120	0.130	-8%	0.119	1%	0.391	0.399	-2%
<b>Total steel products, including flat steel</b>	<b>0.461</b>	<b>0.468</b>	<b>-1%</b>	<b>0.537</b>	<b>-14%</b>	<b>1.53</b>	<b>1.667</b>	<b>-8%</b>

## Appendix 9. NLMK Group steel output

Production, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
NLMK Lipetsk	2.864	3.145	-9%	2.818	2%	9.334	9.035	3%
NLMK Long Products	0.786	0.610	29%	0.719	9%	2.055	2.214	-7%
incl. NLMK Kaluga	0.361	0.272	33%	0.256	41%	0.889	0.881	1%
NLMK Indiana (NLMK USA)	0.173	0.053	> 100%	0.176	-2%	0.414	0.533	-22%
<b>NLMK Group (without NBH)</b>	<b>3.824</b>	<b>3.809</b>	<b>0%</b>	<b>3.714</b>	<b>3%</b>	<b>11.804</b>	<b>11.782</b>	<b>0%</b>
<i>for reference</i>								
NBH, NLMK Europe (EAF)	0.040	0.046	-12%	0.030	36%	0.125	0.137	-8%
<b>NLMK Group (with NBH)</b>	<b>3.864</b>	<b>3.855</b>	<b>0%</b>	<b>3.744</b>	<b>3%</b>	<b>11.929</b>	<b>11.919</b>	<b>0%</b>



#### Appendix 10. NLMK Group steel product output (without NBH)

Production, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
Merchant pig iron	0.389	0.422	-8%	0.076	> 100%	1.152	0.268	> 100%
Merchant slabs	1.057	1.365	-23%	1.095	-3%	3.836	3.655	5%
Flat steel	1.957	1.978	-1%	2.071	-6%	6.176	6.329	-2%
Merchant billets	0.110	0.097	14%	0.011	> 100%	0.246	0.228	8%
Long products	0.581	0.436	33%	0.587	-1%	1.561	1.690	-8%
Metalware	0.075	0.053	41%	0.066	14%	0.196	0.207	-5%
<b>Total steel products</b>	<b>4.169</b>	<b>4.351</b>	<b>-4%</b>	<b>3.907</b>	<b>7%</b>	<b>13.168</b>	<b>12.377</b>	<b>6%</b>

#### Appendix 11. NLMK Russia Flat Products steel product output

Production, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
Merchant pig iron	0.389	0.422	-8%	0.076	> 100%	1.152	0.268	> 100%
Merchant slabs	1.160	1.491	-22%	1.215	-5%	4.299	4.292	0%
Hot-rolled steel	0.708	0.751	-6%	0.591	20%	2.133	1.815	18%
Cold-rolled steel	0.369	0.343	7%	0.410	-10%	1.115	1.187	-6%
Galvanized steel	0.209	0.212	-1%	0.207	1%	0.631	0.585	8%
Pre-painted steel	0.106	0.112	-5%	0.095	11%	0.327	0.312	5%
Non-grain-oriented steel	0.065	0.066	-2%	0.064	1%	0.193	0.192	0%
Grain-oriented steel	0.066	0.069	-5%	0.058	13%	0.200	0.201	0%
<b>Total steel products</b>	<b>3.071</b>	<b>3.467</b>	<b>-11%</b>	<b>2.716</b>	<b>13%</b>	<b>10.050</b>	<b>8.852</b>	<b>14%</b>

#### Appendix 12. Output of main raw materials

Production, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
<b>Coke</b>	<b>1.415</b>	<b>1.438</b>	<b>-2%</b>	<b>1.333</b>	<b>6%</b>	<b>4.301</b>	<b>4.104</b>	<b>5%</b>
NLMK Lipetsk	0.608	0.605	1%	0.616	-1%	1.819	1.817	0%
Altai-Koks	0.807	0.833	-3%	0.717	13%	2.482	2.287	8%
<b>Iron ore</b>	<b>4.112</b>	<b>4.861</b>	<b>-15%</b>	<b>4.844</b>	<b>-15%</b>	<b>13.591</b>	<b>13.895</b>	<b>-2%</b>
Iron ore concentrate	2.384	2.877	-17%	2.831	-16%	7.850	7.921	-1%
Sinter ore	0.257	0.260	-1%	0.250	3%	0.772	0.750	3%
Pellets	1.471	1.724	-15%	1.763	-17%	4.969	5.224	-5%
<b>Ferrous metal scrap</b>	<b>0.660</b>	<b>0.509</b>	<b>30%</b>	<b>0.709</b>	<b>-7%</b>	<b>1.543</b>	<b>1.726</b>	<b>-11%</b>



### Appendix 13. NLMK Group steel product sales (without NBH)

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
<b>Semi-finished</b>	<b>1.690</b>	<b>1.928</b>	<b>-12%</b>	<b>1.287</b>	<b>31%</b>	<b>5.370</b>	<b>4.588</b>	<b>17%</b>
Pig iron	0.389	0.368	6%	0.054	> 100%	1.048	0.257	> 100%
Slabs	1.215	1.445	-16%	1.173	4%	4.090	4.020	2%
Billet	0.086	0.116	-26%	0.060	42%	0.232	0.311	-25%
<b>Flat steel</b>	<b>2.037</b>	<b>1.946</b>	<b>5%</b>	<b>2.096</b>	<b>-3%</b>	<b>6.197</b>	<b>6.444</b>	<b>-4%</b>
Plate	0.097	0.122	-21%	0.118	-18%	0.383	0.401	-4%
Hot-rolled steel	0.887	0.904	-2%	0.852	4%	2.712	2.769	-2%
Cold-rolled steel	0.480	0.405	18%	0.533	-10%	1.413	1.540	-8%
Galvanized steel	0.315	0.292	8%	0.338	-7%	0.968	1.017	-5%
Pre-painted steel	0.129	0.096	34%	0.117	10%	0.322	0.306	5%
Grain-oriented steel	0.064	0.065	-3%	0.063	1%	0.199	0.208	-4%
Non-grain-oriented steel	0.066	0.062	8%	0.075	-11%	0.200	0.203	-2%
<b>Long products</b>	<b>0.716</b>	<b>0.478</b>	<b>50%</b>	<b>0.632</b>	<b>13%</b>	<b>1.734</b>	<b>1.866</b>	<b>-7%</b>
Long	0.642	0.426	51%	0.568	13%	1.542	1.663	-7%
Metalware	0.074	0.053	40%	0.065	14%	0.192	0.202	-5%
<b>Total steel products</b>	<b>4.443</b>	<b>4.352</b>	<b>2%</b>	<b>4.015</b>	<b>11%</b>	<b>13.300</b>	<b>12.897</b>	<b>3%</b>

### Appendix 14. NLMK Group home and export steel product sales (with NBH)

Sales, m t	Q3 2020	Q2 2020	qoq	Q3 2019	yoy	9M 2020	9M 2019	yoy
<b>Home</b>	<b>2.770</b>	<b>2.325</b>	<b>19%</b>	<b>2.839</b>	<b>-2%</b>	<b>8.116</b>	<b>8.499</b>	<b>-5%</b>
Russia	1.851	1.447	28%	1.682	10%	5.065	4.836	5%
USA	0.366	0.330	11%	0.549	-33%	1.234	1.733	-29%
EU	0.552	0.548	1%	0.609	-9%	1.818	1.929	-6%
<b>Export</b>	<b>1.827</b>	<b>2.023</b>	<b>-10%</b>	<b>1.283</b>	<b>42%</b>	<b>5.203</b>	<b>4.484</b>	<b>16%</b>
<b>Total steel products</b>	<b>4.596</b>	<b>4.348</b>	<b>6%</b>	<b>4.122</b>	<b>11%</b>	<b>13.319</b>	<b>12.983</b>	<b>3%</b>