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• NLMK at a glance
  • Market update
  • Strategy 2022 highlights
  • Strategy 2022 execution
  • Capital allocation
  • NLMK’s performance
  • Appendix
NLMK AT A GLANCE

#1 producer in Russia*

TOP-20 globally*

Strong positions on the domestic and global markets (i.e. #1 in global slabs trade, TOP-5 in electrical steel**)

Balanced and diversified production chain
- Vertical integration
- Steel production in Russia
- Downstream – in the EU, the US, Russia

One of the most diversified steelmakers globally
- Geography of operations
- Product portfolio
- Customers
- Sales regions (>70 countries)

One of the most profitable globally
Investment grade ratings from Moody’s, S&P and Fitch (Baa2/BBB-/BBB)

*in terms of crude steel production ** electrical grain oriented (GO) steel

Source: World Steel Dynamics, Jun’20 data

LTM FINANCIALS SNAPSHOT

$2.3 bn - EBITDA
24% - EBITDA MARGIN
$1.8 bn - NET DEBT
0.79x - NET DEBT/EBITDA

Source: NLMK data, financial and operating results as of Q2'20 (LTM)
RAW MATERIALS SUFFICIENCY

ENERGY  65%
SCRAP  65%
PELLETS  96%
IRON ORE FINES  100%
COKE  100%

"HOME MARKET" SALES*, %

NLMK USA  100%
NLMK EUROPE  93%
NLMK RUSSIA  54%

CAPACITY STEEL VS DOWNSTREAM, m t pa**

CRUDE STEEL (incl. slabs for exports)
US  18.2
EU  0.8
Russia  0.2

FINISHED FLAT STEEL
US  17.2
EU  2.9
Russia  3.6

LONG STEEL
US  6.0
EU  6.0
Russia  2.8

* Sales in the regions where the products are manufactured
** Effective capacities, at current shifts and product mix
65% of NLMK’s sales were made in markets where the Group operates (home markets)

Global shipments with strong domestic footprint
- About 35% of NLMK’s deliveries was export
- Well diversified geography of sales with customers in more than 70 countries

Finished steel was 62% of total shipments without NBH and 75% with NBH LTM

** Market structure, with NBH, m t

- **Russia** 6.7
- **Europe** 4.6
- **USA** 3.1
- **Other markets** 2.6

** Home markets sales – 11.1 m t

- **Russia** 6.7
- **Europe** 2.5
- **N. America** 2.6
- **Export - finished steel** 1.9
- **Export - semis and pig iron** 1.1

**75% of sales with NBH were finished steel products**

- **Semis** 20%
- **LDP feedstock** 5%
- **HRC** 28%
- **Long products** 14%
- **Thick plates** 6%
- **CRC** 12%
- **Galvanized** 9%
- **Pre-painted** 3%
- **Electrical** 3%

**~62% of sales w/o NBH were finished steel products**

- **Semis** 33%
- **LDP feedstock** 5%
- **HRC** 21%
- **Long products** 14%
- **Thick plates** 3%
- **CRC** 11%
- **Galvanized** 8%
- **Pre-painted** 2%
- **Electrical** 3%

*Transformer and dynamo steel

*Sales in the regions where the products are manufactured
**Incl. export sales from the Russia Flat and Long to related markets

LTM as of Q2’20
LEADERSHIP IN SUSTAINABILITY – KEY HIGHLIGHTS

NLMK’s key principles of sustainable development:

- Creating long-term shareholder value
- Caring about health, wellbeing and development of employees
- Treating environment responsibly
- Delivering value-added products to our customers
- Adhering to high ethical standards in conducting business
- Developing, supporting and respecting the interests of local communities
- Maintaining transparency & high quality information disclosure

Selected non-financial indicators for 2019 were independently verified

NLMK IS THE UN GLOBAL COMPACT’S PARTICIPANT

ENVIRONMENT

- NLMK’s CO₂ specific emissions target by 2023: 1.94 t/t
- 97% of water used in production is recycled
- Every 4th tonne of steel is made of scrap
- Reduction in air emissions intensity (per tonne of steel) 2000-2018: 53%
- 92% of generated waste is reused

HEALTH & SAFETY

- Reduction in LTIFR since 2013: 56%
- More than 16K employees passed safety trainings in 2019: 16k
- In 2019, 18,000 of training sessions were achieved at NLMK’s Corporate University: 18k
- Turnover rate: 5.6%
• NLMK at a glance

• **Market update**
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The spread of the virus in H1’20 affected all regions
- China registered its first decline in GDP (-7%) since 1992 in Q1’20, but recovered fast owing to significant fiscal and monetary support
- Russia, the EU and the US showed double-digit decline in Q2’20

According to consensus, business activity would gradually recover in H2’20

IMF’s base case forecast implies a rebound in 2021 depending on the strength of the second wave of COVID-19 and employment trends
- Global GDP growth will be led by China (+8% yoy), while Indian economy could grow by 6%
- GDP in the US and the EU could increase by 5%-6% yoy supported by QE and other stimulus

To date, the announced fiscal stimulus has reached $11 trillion globally, more than three times higher than during GFC in 2008-2009

GLOBAL GDP DYNAMICS – SCENARIOS, yoy

Baseline scenario: a slower recovery path in the second half than envisaged in the previous outlook
Scenario 2: faster recovery
Scenario 3: second outbreak in 2021
Source: IMF June 2020 outlook
HISTORICAL STEEL DEMAND PATTERNS, WHAT TO EXPECT NEXT?

On average, every 1 p.p. change in global GDP leads to a 2-3 p.p. change in apparent steel consumption

- A 5% drop in global GDP in 2020, could lead up to 10% decline in steel demand
- Next year, with the expected rebound in global GDP of 5%, growth in steel demand could reach up to 10% growth yoy

worldsteel’s estimates are more conservative on both ends of the forecast spectrum

- According to worldsteel, demand decline should be less severe as compared to 2008-2009 crisis

Construction and infrastructure will be the key steel savior in 2020, as even under strict containment measures most of the countries continued activities in these sectors

---

* ASU – apparent steel use = output + imports - exports

---

**GLOBAL STEEL DEMAND DYNAMICS VS GDP**

Source: Bloomberg, worldsteel, analysts estimates

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**STEEL DEMAND FORECAST FOR 2020-2021**

Source: worldsteel, Eurofer, AISI, estimates
MARKET OVERVIEW

**PMI dynamics reflects the timeline of lockdowns across the regions:**
- In China, economic activity quickly rebounded already in March backed by government stimulus
- The US and the EU showed similar dynamics, with the US suffering from new outbreaks
- In Russia, business activity recovered at the end of June supported by CBR’s rate cuts

The spread of the COVID-19 pandemic led to sharp decline in steel demand in Russia, the EU and the US

Iron ore prices increased by $20/t since April amid concerns over reduced supply from Brazil and record high Chinese steel production

Coking coal prices dropped to $108/t in June due to low demand in key consumer regions during the pandemic as well as concerns over tightening import quotas in China

**DAILY CHINESE STEEL OUTPUT AND IRON ORE PRICES**

- Record daily output in China
- Another record

**STEEL DEMAND IN KEY REGIONS, Q2’20, QoQ**

<table>
<thead>
<tr>
<th>Region</th>
<th>Q2’20</th>
<th>Q1’20</th>
</tr>
</thead>
<tbody>
<tr>
<td>The US</td>
<td>&lt; -20%</td>
<td></td>
</tr>
<tr>
<td>The EU</td>
<td>&lt; -20%</td>
<td></td>
</tr>
<tr>
<td>Russia</td>
<td>-10-15%</td>
<td></td>
</tr>
</tbody>
</table>

**KEY COAL IMPORTERS’ STEEL OUTPUT AND HCC PRICES**

<table>
<thead>
<tr>
<th>Month</th>
<th>April 2020</th>
<th>May 2020</th>
<th>June 2020</th>
<th>July 2020*</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCC</td>
<td>144</td>
<td>-28%</td>
<td>-27%</td>
<td>-23%</td>
</tr>
<tr>
<td>Coke</td>
<td>2.8</td>
<td>3.0</td>
<td>3.1</td>
<td>3.0</td>
</tr>
<tr>
<td>China</td>
<td>83</td>
<td>105</td>
<td>110</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Bloomberg, *consensus estimates

**Source:** Bloomberg, Bloomberg, Eurofer, Metal Expert, estimates

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PMI dynamics reflects the timeline of lockdowns across the regions:

- In China, economic activity quickly rebounded already in March backed by government stimulus
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RUSSIAN STEEL DEMAND, % yoy

- Apparent domestic demand was down 10.7% yoy during 6M’20
- 2020 demand outlook: -10% yoy based on consensus estimates
- Domestic flat prices in RUB terms underpinned by limited supply in the beginning of the year, marginally softened in May-June; prices are currently back to growth supported by strong seasonal demand
- Export prices started recovering in late May on robust demand from Asia as well as gradual reopening of traditional destinations
- Export slab prices bottomed in mid-April and have been increasing since then

RUSSIAN DOMESTIC STEEL PRICES

Source: Metal Expert, NLMK estimates. Prices excl. VAT

RUSSIAN STEEL EXPORT PRICES, $/t

Source: Metal Expert

RUSSIA: LATEST UPDATE ON DEMAND AND PRICING
In 2009, the GFC shed almost 10 m t of Russian demand for steel. COVID-19 has had much smaller impact on steel consumption in Russia thus far.

Since the expansion into long products, NLMK’s share has been stable, or ~15% of Russian ASU.

During economic downturns (usually accompanied by FX devaluation) import’s share in Russia’s ASU tends to decline significantly.

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**APPARENT STEEL USAGE (ASU)* IN RUSSIA, m t**

- **Long**
- **Flat excl. pipes substrate**
- **Tubes**
- **NLMK’s share in total consumption**

![Graph showing apparent steel usage in Russia from 2006 to 2019 and LTM (July 2019 to June 2020).]

**FINISHED STEEL IMPORTS IN RUSSIA, m t**

- **Imports**
- **Share in consumption**

![Graph showing finished steel imports in Russia from 2006 to 2019 and LTM (July 2019 to June 2020).]

---

* ASU – apparent steel use = output + imports - exports

Source: Metal Expert, NLMK estimates. ** LTM = Jul’19-Jun’20
Flat steel prices in Q2’20 were lower qoq across key regions, reflecting weak market demand caused by ongoing Covid-19 pandemic

- In China, prices found a floor in late April and have been in recovery mode since then backed by healthy demand
- In the EU, prices have been gradually declining since late March
- In the US, the June price hikes were short-lived as economy is still recovering at slower than expected pace

Chinese domestic and Russian export prices currently demonstrate solid growth versus Q2’20 average

Steel prices in Russia are holding up well, close to mid-Mar’20 levels

Prices in the EU and the US are still 15-25% lower compared to pre-lockdown levels

Steel spreads keep improving as elevated iron ore prices are offset by decline in coking coal quotations and steel price growth
• NLMK at a glance
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• **Strategy 2022 highlights**
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Targeted structural effect of Strategy 2022 is extra $1.25 bn of EBITDA.

Operational efficiency improvements (no capex) to contribute almost half of the target.

Effect is balanced across strategy targets that should reduce execution risks.

Russian Flat division to generate 2/3 of target effect, however sizable gains targeted across the whole value chain.

Slab cost reduction of $27/t to be achieved through operational efficiency and investments.

### By Strategic Objective:

- **World-class sales portfolio**: $0.45 bn
- **Growth in low-cost steel production**: $0.30 bn
- **Leadership in operational efficiency**: $0.50 bn

### By Source:

- **Operational efficiency and sales portfolio management**: $0.57 bn
- **Investments**: $0.68 bn

### Effect on Slab Cash Costs by 2022, $/t

- **2018**: $266
- **Operational efficiency Strategy 2022**: $-18
- **Investment Strategy 2022**: $-9
- **Total target effect**: $-27 (10%)

Source: NLMK data, NLMK Annual Report 2018
Development capex under Strategy 2022 to total $2.1 bn

Investment portfolio remains flexible

Focus is on low-risk projects that meet strict investment criteria

IRR is the key metric used to assess projects. Hurdle rate is 25%

Overall IRR for development capex program is 29%

Conservative pricing assumptions are used for key projects: forecasted prices and spreads at or below 5Y average

CAPEX & EFFECTS, $ bn

<table>
<thead>
<tr>
<th>Development Capex</th>
<th>Target EBITDA effect</th>
<th>IRR</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2.1 bn</td>
<td>$0.7 bn pa</td>
<td>29%</td>
</tr>
</tbody>
</table>

World-class sales portfolio

Growth in low-cost steel production

Leadership in operational efficiency

Source: NLMK data, NLMK Annual Report 2018
Key focus areas of operational improvements with zero or minor capex
- Production growth along integrated value chain
- Lower cost of steel - targeted slab cash cost reduction of $18/t

Target setting
- Technology based
- Internal benchmarking
- Peers’ best practice

NLMK Production System to drive the process
- Ongoing technology development with the highest impact in the hot end production
- High engagement of operational personnel

Labor productivity to grow by 25% across the Group

GROWTH IN PRODUCTION THROUGH IMPROVED OPERATIONAL EFFICIENCY, m t

<table>
<thead>
<tr>
<th></th>
<th>Target effect</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>concentrate</td>
<td>+0.5</td>
<td>17.2*</td>
</tr>
<tr>
<td>pellets</td>
<td>+0.1</td>
<td>6.7</td>
</tr>
<tr>
<td>pig iron</td>
<td>+0.6</td>
<td>13.2</td>
</tr>
<tr>
<td>HRC Russia</td>
<td>+0.2</td>
<td>6.3*</td>
</tr>
<tr>
<td>HRC, thick plate Europe</td>
<td>+0.1</td>
<td>2.6</td>
</tr>
<tr>
<td>HRC USA</td>
<td>+0.1</td>
<td>2.2</td>
</tr>
<tr>
<td>HVA Russia &amp; Europe</td>
<td>+0.2</td>
<td>4.6</td>
</tr>
</tbody>
</table>

* Current normalized capacity

TARGETED REDUCTION IN SLAB CASH COSTS RELATIVE TO 2018, RUSSIA FLAT, $/t

- $18/t

1. Captive iron ore
2. Charge and coal consumption rates
3. Ferroalloys and refractories
4. Consumption rates, metal, materials, other
5. Consumption rates, energy

Source: NLMK data, NLMK Annual Report 2018
Target structural EBITDA gain of (+) $500 m pa

Minor CAPEX requirements of $50 m

The largest gains to come from production processes and technology

Russia Flat division to contribute the most
- Lower cost of steel
- Better yields
- Improved logistics and overhauls
- Removed bottlenecks
- Higher quality and productivity

Source: NLMK data, NLMK Annual Report 2018
### GROWTH IN LOW-COST STEEL PRODUCTION – OPERATIONAL TARGETS

**‘No-regret’ growth project to increase steel production to 14.2 m t pa (+1 m t)**
- Continuous casting upgrade at NLMK Lipetsk - superior quality slabs
- Concentrate and pellets output to rise by 2.3 m t and 1.2 m t pa, respectively – 100% integration in iron ore
- Infrastructure debottlenecking

**Increase in energy self-sufficiency at Russia Flat**
- A 300 MW power plant project to recover by-product fuel gases
- 94% energy self-sufficiency at NLMK Lipetsk

**Reduction of premium coal grades in total consumption**
- Coal charge stamping project to reduce premium grades consumption from 4.2 m t to 3.8 m t (from 45% to 40%)

### PRODUCTION VOLUMES, m t

<table>
<thead>
<tr>
<th></th>
<th>Concentrate</th>
<th>Pellets</th>
<th>Steel, NLMK Lipetsk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base level</td>
<td>Operational efficiency</td>
<td>Investment</td>
</tr>
<tr>
<td>2018</td>
<td>17.2*</td>
<td>2.3</td>
<td>6.7</td>
</tr>
<tr>
<td>2023 Target</td>
<td>20.0</td>
<td>0.5</td>
<td>8.0</td>
</tr>
<tr>
<td>2018</td>
<td>13.2*</td>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td>2023 Target</td>
<td>14.2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Normalized capacity

### ENERGY SELF-SUFFICIENCY TARGETS, NLMK LIPETSK

<table>
<thead>
<tr>
<th></th>
<th>Captive energy generation</th>
<th>Secondary fuel gas recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>59%</td>
<td>91%</td>
</tr>
<tr>
<td>2023 Target</td>
<td>94%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### COAL CONSUMPTION BY GRADE

<table>
<thead>
<tr>
<th></th>
<th>PCI &amp; other</th>
<th>Ordinary grades</th>
<th>Premium grades</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>23%</td>
<td>32%</td>
<td>45%</td>
</tr>
<tr>
<td>2023 Target</td>
<td>26%</td>
<td>34%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Source: NLMK data, NLMK Annual Report 2018
GROWTH IN LOW-COST STEEL PRODUCTION – FINANCIAL TARGETS

Target structural EBITDA gain of (+) $300 m pa

Targeted slab cash cost reduction of $9/t

CAPEX requirement: $990 m
- +1 m t of integrated steel: $510 m
- Captive power plant: $420 m

IRR on investments: 27%

TARGET EBITDA GAIN BY 2023 VS 2018, $ m pa

TOTAL REQUIRED CAPEX 2019-2023, $ m

Source: NLMK data, NLMK Annual Report 2018
Targeted structural EBITDA gain of (+) $450 m pa
- 60% of the effect to be generated by the Russian divisions and 40% by the European and the US divisions

CAPEX requirement: $1,060 m

IRR on investments: 29%

HVA products development – key objectives:
- To ensure an offtake for increased steel volumes
- To generate additional margins
- To reduce volatility of commodity segments

Source: NLMK data, NLMK Annual Report 2018
Russia Flat: New galvanizing line at NLMK Lipetsk
- Rising demand for coated products in Russia
- Additional HDG capacity of +0.4 m t to be partially used to feed existing pre-painted capacity
- Premium coatings and high strength grades

Russia Flat: Increased electrical steel output (GO and NGO) for the global market
- Expected boom in global production of EVs, energy-efficient equipment and transformers
- High grade GO output: +0.1 m t
- Premium grade NGO production for electric vehicles & energy-efficient motors: +0.1 m t

Russia Long: Improved product mix
- Switch from rebar to higher margin shapes: +0.2 m t, advanced metalware products: +65 k t
- Volumes to the Russian market: +0.5 m t (+28%)
- Direct rebar sales to construction end-users to achieve 33% of the portfolio (2018: 25%)

### WORLD-CLASS SALES PORTFOLIO – RUSSIA FLAT & LONG SALES TARGETS

### SALES TARGETS FOR SELECTED HVA PRODUCTS, RUSSIA FLAT, m t

- **HDG**
  - 2018: 0.8 m t
  - 2023 Target: 1.0 m t (+18%)

- **Pre-painted**
  - 2018: 0.4 m t
  - 2023 Target: 0.5 m t (+33%)

- **Electrical steels**
  - 2018: 0.6 m t
  - 2023 Target: 0.8 m t (+35%)

### TARGETED LONG PRODUCT MIX IMPROVEMENT, m t

<table>
<thead>
<tr>
<th>Product</th>
<th>2018</th>
<th>2023 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Metalware</strong></td>
<td>0.3 m t</td>
<td>0.4 m t</td>
</tr>
<tr>
<td><strong>Small sections</strong></td>
<td>2.4 m t</td>
<td>2.4 m t</td>
</tr>
<tr>
<td><strong>Long products</strong></td>
<td>1.8 m t</td>
<td>0.2 m t</td>
</tr>
</tbody>
</table>

Source: NLMK data, NLMK Annual Report 2018
Europe Strip: Increased exposure to fast growing premium segments
- Sales of thin and high-strength steel +0.6 m t. Wider accessible market, market share stays at the same level. Premium coatings: +0.1 m t
- Upgrade of hot strip mill and HDG line
- Europe Strip capacity utilization to reach 80-85%

Europe Plate: Premium plates at Dansteel
- Additional demand for thick plates for windmills production: 8-11 m t until 2023 and another 12-20 m t in 2023-2030
- +0.2 m t of thick plates for wind generation & pressure vessels at Dansteel
- Key projects: accelerated cooling system and new reheating furnace

Europe Plate: Mix improvement at Clabecq & Verona
- +0.2 m t of Q&T and DQ plates at Clabecq with corresponding reduction in commercial grades
- Europe Plate capacity utilization to reach 80%

US division’s strategy is under review
Safety development programs
- Safety culture programs & communications
- Contractors management
- Safety risk management

Targeted 35% drop in LTIFR relative to 2018 and zero fatalities
- LTIFR of 0.5 corresponds to TOP-20 steel companies, as per 2017 WSA ranking

Environmental programs’ focus
- Further reduction in environmental footprint
- Waste recycling: metallurgical briquette plant with a capacity of 700 kt pa

Specific air emissions to reach 19.0 kg/t of steel at NLMK Lipetsk

* LTIFR refers to Lost Time Injury Frequency Rate, the number of lost time injuries occurring in a workplace per 1 million man-hours worked, employees and contractors

SPECIFIC AIR EMISSIONS, NLMK LIPETSK, kg/t of steel

*adjusted for temporary production decrease at the Lipetsk site, actual number was 22.2 kg/t in 2019

Source: NLMK data, NLMK Annual Report 2019
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STRATEGY 2022 – RESULTS SNAPSHOT

During the first half of 2020, total effect of Strategy 2022 amounted to $113 m

Contributions from the operational efficiency programs during H1’20 are close to our annual target of $100 m

- The mining and Russia Flat divisions delivered 92% of total effect

Gains from investment projects contributed $16 m

- These were mainly aimed at increasing iron ore concentrate production and recycling of previously accumulated waste at the briquetting plant in Lipetsk

Most gains from Strategy 2022 investment projects are expected starting 2021
INVESTMENT PROJECTS STATUS

**NLMK: continuous casting machine #9**
- Productivity to increase by 80% to 1.8 m t pa
- Production of unique 'heavy' slabs (up to 400 mm thickness)

**Stoilensky: new beneficiation section**
- Concentrate output to grow by 14% to 20 m t pa by 2021
- Low energy and grinding body consumption rates, high reliability and lower maintenance load

**Altai-Koks: coal charge stamping**
- Improved coke quality
- Reduced production costs
- Lower reliance on premium coal grades

**NLMK: logistics and warehousing complex**
- Capacity to ship c. 1 m t of flat products pa
- Increased flexibility and the speed of deliveries
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• **Capital allocation**
  • NLMK’s performance
  • Appendix
Dividend policy remains intact
- Minimum 100% of FCF if ND/EBITDA is below 1.0x
- Minimum 50% of FCF if ND/EBITDA is above 1.0x

Higher capex during the strategy cycle is not affecting dividend payments
- Free cash flow to be calculated assuming normalized capex of $0.7 bn pa for the purposes of dividend payments

BoD recommendation for Q2’20 dividends amounts to $400 m

* Dividends recommended by the Board of Directors for Q2’20 are subject to shareholders’ approval
THE GROUP’S CAPEX OUTLOOK

2020 CAPEX in the range of $1.0-1.1 bn

Investments to peak in 2020-2021 due to completion of large maintenance projects and active phase of Strategy 2022 execution

2020 capex estimate of $1.0-1.1 bn:
- $0.3 bn: structural maintenance capex
- $0.3 bn: final payments for BF#6 and BOF#2; active phase of BF#4 and BOF#3 repairs at Lipetsk
- $0.5 bn: Strategy 2022 projects

Overall, we continue to expect capex to average about $0.9 bn pa through the cycle
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**Russian assets**
- NLMK Lipetsk site continues to run at 100% utilization
- Flat products shipments are being booked for September
- Long products – the start of the construction season coupled with government stimulus for the real estate market contributed to the segment’s utilization growth
- Q2’20 export share has increased reflecting the sales strategy in April-June, normalized in July

**Run rates at NLMK’s European plants and NLMK USA remain low**

---

**CAPACITY UTILIZATION, %**

<table>
<thead>
<tr>
<th></th>
<th>April 2020</th>
<th>June 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russian Flat</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Russian Long</td>
<td>65%</td>
<td>89%</td>
</tr>
<tr>
<td>Europe*</td>
<td>58%</td>
<td>66%</td>
</tr>
<tr>
<td>US Flat</td>
<td>60%</td>
<td>50%</td>
</tr>
</tbody>
</table>

* incl. Europe Plate (Clabecq and Verona mills) and Europe Strip which are part of NBH

**EXPORT SHARE IN NLMK’S RUSSIAN ASSETS SALES, %**

<table>
<thead>
<tr>
<th></th>
<th>Apr-20</th>
<th>May-20</th>
<th>Jun-20</th>
<th>Jul-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export</td>
<td>40%</td>
<td>36%</td>
<td>32%</td>
<td>43%</td>
</tr>
<tr>
<td>Russia</td>
<td>60%</td>
<td>64%</td>
<td>68%</td>
<td>57%</td>
</tr>
</tbody>
</table>
Shipments were down 3% qoq to 4.4 m t mainly due to foreign divisions’ weak performance

- Sales outside Russia grew by 6% qoq owing to higher sales to Asian markets from Russia Flat & Long
- Deliveries of semi-finished products increased by 10% qoq, driven by higher exports of pig iron and billets
- Finished steel sales decreased qoq amid lower demand in traditional markets

**Shipments were down 3% qoq to 4.4 m t mainly due to foreign divisions’ weak performance**

- Sales outside Russia grew by 6% qoq owing to higher sales to Asian markets from Russia Flat & Long
- Deliveries of semi-finished products increased by 10% qoq, driven by higher exports of pig iron and billets
- Finished steel sales decreased qoq amid lower demand in traditional markets
Resilient Q2’20 results, strong EBITDA margin

Revenue declined by 12% qoq due to lower sales volumes and steel product prices, with an increased share of semi-finished products in the sales mix

EBITDA almost flat qoq at $582 m supported by operational efficiency gains and ruble depreciation

EBITDA margin expanded by 3 p.p. qoq
- Revenue: $2,174 m (-12% qoq, -22% yoy)
- EBITDA: $582 m (-2% qoq, -21% yoy)
- EBITDA margin: 27% (+3 p.p. qoq, +1 p.p. yoy)
- FCF: $304 m (-8% qoq; +18% yoy)

Net debt-to-EBITDA ratio* stood at 0.79x
- Total debt: $3.36 bn (-3% qoq)
- Net debt: $1.83 bn (+3% qoq)

* For detailed information and calculations for this indicator please refer to the Appendix of Financial release
**Q2’20 PROFITABILITY IMPROVED DRIVEN BY OPERATIONAL EFFICIENCY PROGRAMS**

**Russian Flat products: EBITDA declined to $303 m**
- (-) Shipments decreased by 1% qoq amid weaker demand for finished products in April and May
- (-) Semis’ share in the product portfolio was higher
- (+) Operational efficiency programs and ruble depreciation supported the segment’s results

**Russian Long products: EBITDA stood at $10 m**
- (-) Billets’ share in the sales mix increased following a decrease in demand for rebar on the Russian market

**NLMK USA: EBITDA positive of $3 m**
- (+) Price spread widened
- (+) Absence of non-monetary reserves (posted in Q1’20)

**Mining: EBITDA increased by 9% qoq driven by higher revenue and gains from capex projects aimed at increasing output**

**Dansteel: EBITDA fell to -$3 m as shipments decreased**

**NBH: EBITDA improved qoq but remained in negative territory mainly due to lower sales volume**

---

**EBITDA BY DIVISION, $ m**

- Russian Flat Products: $455 m
- Russian Long Products: $355 m
- NLMK USA: $303 m
- DanSteel: $232 m
- Mining: $227 m
- Group: $594 m

**EBITDA MARGIN BY DIVISION, %**

- Russian Flat Products: 19%
- Russian Long Products: 35%
- NLMK USA: 55%
- DanSteel: 73%
- Mining: 73%
- Group: 74%

*Excluding one-off non-operating accrual for NLMK Clabecq restructuring costs of $23 m in 2Q’19*
FCF IN Q2’20 REMAINED RELATIVELY FLAT QOQ

Net operating cash flow decreased by 11% qoq to $549 m

Working capital release amounted to $57 m
- (+) $109 m: decrease in receivables was driven by improved customer payments management as well as declining steel product sales and prices
- (+) $23 m: iron ore inventory reduction and destocking of finished product driven by lower steel output at NLMK USA
- (-) $76 m: decrease in payables driven by lower slab purchases at NLMK USA

Capex in Q2’20 fell by $66 m qoq to $212 m against the backdrop of a managed slowdown of projects implementation and payment schedule optimization

Strong FCF of $304 m in Q2’20 vs. $331m in Q1’20

Q2’20 FCF BRIDGE, $ m

- EBITDA: 582
- Net working capital change: +57
- Other non-cash items: -27
- Income tax: -63
- NET OCF: 549
- Net interest: -26
- Capex: -212
- Capitalized interest: -7
- FCF: 304
**STRONG DEBT PORTFOLIO AND LIQUIDITY POSITION**

**Total debt down 3% qoq to $3.36 bn**
- Scheduled repayment of working capital lines

**Net debt / 12M EBITDA stood at 0.79x**
- Net debt rose by 3% qoq to $1.8 bn
- Liquidity of $1.5 bn fully covers ST debt
- c. $0.9 bn is available through undrawn credit lines
- Average cost of debt amounted to 3.1%

**Working capital lines maturing in 2020 could be rolled over or refinanced:**
- 35% will be rolled over to later periods
- 64% will be repaid or refinanced depending on company’s needs

**Newly signed €600 m revolving credit facility could be used to refinance existing working capital lines**

---

**LIQUIDITY AND SHORT-TERM DEBT, $ m**

<table>
<thead>
<tr>
<th>Liquid assets</th>
<th>Available credit lines</th>
<th>Cash and equivalents</th>
<th>ST debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,528</td>
<td>897</td>
<td>1,219</td>
<td></td>
</tr>
</tbody>
</table>

**DEBT* MATURITY, $ m**

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working capital lines</td>
<td>800</td>
<td>571</td>
<td>182</td>
<td>700</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>ECA lines</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eurobonds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

COST OF DEBT REMAINS LOW, %

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.9%</td>
<td>4.4%</td>
<td>4.2%</td>
<td>3.8%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>3.0%</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

* Excluding interest payments
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Steel capacity utilization is above 90% through the cycle

Steel output growth in 2013-2018 driven by efficiency improvements

Lower steel production in 2019-2020 due to major overhauls at the Lipetsk site

62% of sales are finished products

47% of finished products sales are high value added products

Strong domestic footprint with more than 2/3 of sales made in our home markets – Russia, Europe, USA

Source: NLMK operating results, with NBH

Steel production, m t

<table>
<thead>
<tr>
<th>Year</th>
<th>Crude steel output</th>
<th>Capacity utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>15.5</td>
<td>95%</td>
</tr>
<tr>
<td>2014</td>
<td>16.1</td>
<td>95%</td>
</tr>
<tr>
<td>2015</td>
<td>16.1</td>
<td>93%</td>
</tr>
<tr>
<td>2016</td>
<td>16.6</td>
<td>95%</td>
</tr>
<tr>
<td>2017</td>
<td>17.1</td>
<td>98%</td>
</tr>
<tr>
<td>2018</td>
<td>17.5</td>
<td>99%</td>
</tr>
<tr>
<td>2019</td>
<td>15.7</td>
<td>94%</td>
</tr>
<tr>
<td>LTM*</td>
<td>15.6</td>
<td>92%</td>
</tr>
</tbody>
</table>

Shipment structure w/o NBH by regions

Sales structure w/o NBH by product, m t

* LTM = Jul'19-Jun'20
NLMK holds leading positions in Russia in HVA production

The company has exposure to niche products:
- LDP feedstock
- The only transformer steel producer in Russia

This is further supported by diversification into flat / long products

NLMK also has the flexibility to relocate shipments from domestic to export markets and vice versa

NLMK: SALES TO THE RUSSIAN MARKET

by sector

Pipe producers: 22% (LTM: 16%)
Construction & infrastructure: 62% (LTM: 60%)
Semi-finished: Machine building: 27% (LTM: 13%)
Long products & metalware: 60% (LTM: 60%)
Flat steel: 25% (LTM: 27%)

NLMK: FLAT STEEL SALES IN RUSSIA, m t

2012: 3,244
2013: 3,793
2014: 4,130
2015: 4,089
2016: 4,243
2017: 4,413
2018: 4,033
2019: 4,643
LTM*: 4,898

Source: NLMK financial and operating results for Q2'20

NLMK’S SHARE ON THE RUSSIAN STEEL MARKET, H1’20

<table>
<thead>
<tr>
<th>Product Type</th>
<th>Share in Consumption</th>
<th>Share in Production</th>
<th>Import Share in ASU</th>
</tr>
</thead>
<tbody>
<tr>
<td>HRC</td>
<td>16%</td>
<td>9%</td>
<td>0%</td>
</tr>
<tr>
<td>CRC</td>
<td>36%</td>
<td>14%</td>
<td>0%</td>
</tr>
<tr>
<td>Galvanized steel</td>
<td>23%</td>
<td>22%</td>
<td>0%</td>
</tr>
<tr>
<td>Pre-painted</td>
<td>25%</td>
<td>27%</td>
<td>0%</td>
</tr>
<tr>
<td>Rebar</td>
<td>16%</td>
<td>6%</td>
<td>0%</td>
</tr>
<tr>
<td>Electrical</td>
<td>19%</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: NLMK financial and operating results for Q2'20, Metal Expert
**SALES & EXPORT STRUCTURE**

**NLMK - EXPORTS FROM RUSSIA BY PRODUCT, LTM, m t**

- Slabs to captive assets: 1.1 m t
- Slabs to NBH: 0.8 m t
- Semi-finished products: 0.5 m t
- Longs: 3.4 m t
- HRC: 0.8 m t
- HVA: 2.2 m t

Total: 8.7 m t

**Source:** NLMK financial and operating results as of Q2'20

---

**NLMK - EXPORTS FROM RUSSIA BY DESTINATION, LTM, m t**

- Captive: 1.7 m t
- EU: 3.0 m t
- S.&C. America: 0.6 m t
- N. America: 0.4 m t
- M.East and Turkey: 0.7 m t
- Other regions: 2.3 m t

Total: 8.7 m t

**Source:** NLMK financial and operating results as of Q2'20

---

**NLMK GROUP - SALES BREAKDOWN W/O NBH, LTM, m t**

- Russia flat: 26%
- Russia long: 24%
- Russia slabs: 15%
- Europe: 19%
- USA: 11%
- Other markets: 5%

Total: 17 m t

**Source:** NLMK financial and operating results as of Q2'20

---

**NLMK - FLAT EXPORTS FROM RUSSIA TO 3RD PARTIES, LTM, m t**

- HVA: 5.0 m t
- HRC: 1.0 m t
- Slabs: 1.0 m t
- Pig iron: 0.8 m t

Total: 5 m t

**Source:** NLMK financial and operating results as of Q2'20
**NL MK HAS LIMITED EXPOSURE TO TRADE BARRIERS**

Significant portion of NLMK’s exports and total shipments is not subject to import restrictions
- Semis are usually not subject to trade measures
- Sales in home markets from local assets are free from barriers

**Recent trade barriers in the EU**
- Specific trade restriction measures, including quotas were implemented in Feb 2019 until July 2021
- After the exhaustion of the quotas, a 25% tariff will be applied

**USA trade barriers: section 232, 25% tariff on almost all shipments from Russia**

For reference: NLMK International (EU & US) rolling capacity
- NLMK EU HRC capacity: 2.2 m t* (installed 2.2 m tpa)
- NLMK EU CRC capacity: 0.4 m t*
- NLMK EU Plate capacity: 1.4 m t*
- NLMK USA HRC capacity: 2.9 m t* (with 0.8 m tpa of captive EAF capacity)

* @current shifts

**94% OF NLMK’S EXPORTS FROM RUSSIA WAS NOT SUBJECT TO IMPORT RESTRICTIONS, LTM, m t**

- 8.7 m t:
  - 2.4 m t: Pig iron & billets
  - 2.2 m t: Slabs to captive assets
  - 2.9 m t: Slabs to 3rd parties

**SALES BY REGION**, LTM, m t

- 17.0 m t:
  - 6.7 m t: Russia
  - 3.4 m t: Europe
  - 2.6 m t: N. America
  - 2.5 m t: Export - finished steel
  - 1.9 m t: Export - semis and pig iron

**Free from import restrictions 8.2 m t**

**Including NBH**
### Slabs Sales from the Russian Flat Products Division, k t

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Slabs Sales, k t</th>
<th>QoQ</th>
<th>Total QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2'19</td>
<td>1,454</td>
<td></td>
<td>-2%</td>
</tr>
<tr>
<td>Q1'20</td>
<td>1,608</td>
<td></td>
<td>-47%</td>
</tr>
<tr>
<td>Q2'20</td>
<td>1,571</td>
<td></td>
<td>-36%</td>
</tr>
</tbody>
</table>

- **Dansteel & NLMK USA**: 472 k t (QoQ +52%)
- **NBH**: 973 k t (QoQ -52%)
- **To 3rd parties**: 734 k t (QoQ +47%)

### NBH Rolled Products Sales, k t

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Rolled Products Sales, k t</th>
<th>QoQ</th>
<th>Total QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2'19</td>
<td>13</td>
<td></td>
<td>-23%</td>
</tr>
<tr>
<td>Q1'20</td>
<td>79</td>
<td></td>
<td>-31%</td>
</tr>
<tr>
<td>Q2'20</td>
<td>356</td>
<td></td>
<td>-7%</td>
</tr>
</tbody>
</table>

- **CRC**: 79 k t (QoQ -37%)
- **Coated Plates & ingots**: 169 k t (QoQ -25%)
- **HRC**: 144 k t (QoQ -27%)

### NBH Financial Results, $ m

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue</th>
<th>EBITDA</th>
<th>QoQ</th>
<th>Total QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2'19</td>
<td>448</td>
<td>-49</td>
<td></td>
<td>-250</td>
</tr>
<tr>
<td>Q1'20</td>
<td>382</td>
<td>-19</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Q2'20</td>
<td>308</td>
<td>-14</td>
<td></td>
<td>250</td>
</tr>
</tbody>
</table>

### NLMK USA and NLMK Dansteel Sales, k t

<table>
<thead>
<tr>
<th>Quarter</th>
<th>NLMK USA Sales, k t</th>
<th>QoQ</th>
<th>NLMK Dansteel Sales, k t</th>
<th>QoQ</th>
<th>Total QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2'19</td>
<td>721</td>
<td></td>
<td>313</td>
<td></td>
<td>-36%</td>
</tr>
<tr>
<td>Q1'20</td>
<td>701</td>
<td></td>
<td>280</td>
<td></td>
<td>-26%</td>
</tr>
<tr>
<td>Q2'20</td>
<td>452</td>
<td></td>
<td>140</td>
<td></td>
<td>-27%</td>
</tr>
</tbody>
</table>

- **Plates**: 164 k t (QoQ -26%)
- **HDG**: 146 k t (QoQ -27%)
- **CRC**: 122 k t (QoQ -25%)
- **HRC**: 83 k t (QoQ -50%)
Continuous improvements across the board resulted in NLMK’s ESG ratings upgrades by the leading research agencies in the area of sustainability.

Sustainalytics revised NLMK’s ESG rating score from the 31.5 in 2019 to 28 this year: the lower the number – the stronger management of ESG issues by a company.

NLMK is currently ranked among top-3 steel companies analyzed by Sustainalytics.

NLMK remained a constituent of the FTSE4Good Index following June 2020 review.
NLMK’s tailings dam was put into operation in 1984

Tailings dam development plan was independently audited

Emergency preparedness is regularly assessed and response procedures are developed

Safety drills are regularly performed with the participation of Russia’s Ministry of Emergency Situations

Water recycling system is in place

NLMK responded to the Church of England Pensions Board request
Gradual decline in reliance on volatile iron ore market

- No iron ore supplies to the third parties in 2017 - 2018 after the launch of the pelletizing plant
- Reduced purchases of third-party's iron ore
- Strategy 2022: 100% self-sufficiency with growing output at the Lipetsk site

Consistent optimization of coking coal consumption

- Phase 1 - done: substituted imported coking coal with Russian grades after the launch of optimization measures at the Lipetsk site with no loss in coke quality
- Phase 2 - done: to roll out the PCI technology and introduce coking additives to optimize feedstock consumption as well as to raise coke quality
- Phase 3 – in progress: develop upstream technologies (charge stamping to be commissioned in Q2’2020 )

Source: NLMK financial and operating results for FY2018
Revenue/cost FX split provides a solid cushion in volatile commodity prices fluctuation

NLMK’s EBITDA sensitivity to 1 rub change translates into $6.6 m effect on EBITDA on annual basis

The company’s flexibility in sales mix (by product and region) allows to react quickly to FX rate changes

Hedging accounting: the amount of hedged revenue aligns the amount of payments on bonds and bonds’ coupons
Russian coal market is oversupplied with 30% of output exported...

- ... hence, Russian coking coal trades with a 30-40% discount vs global

NLMK relies on Russian coal suppliers

NLMK has over 100% sufficiency in coke (coal processing)

Since Q2’17 90% of BF at Lipetsk are equipped with pulverized coal injection (PCI) technology

- PCI reduces consumption of coke and natural gas by 30-50%

COAL PRICES AND IMPLICATIONS FOR NLMK

RUSSIAN COAL PRICES ARE 40% LOWER VS GLOBAL

Coking coal, China CFR

Average discount c. 40%

Coking coal, Russia FCA (ex.mine)

Source: Metal Expert

NLMK REMAINS COST LEADER AT ANY COAL PRICE

C/coal, China CFR
2012, $200/t
2013, $152/t
2014, $114/t
2015, $189/t
2019, $169/t
2017, $169/t
2016, $134/t
2015, $89/t

Cumulative capacities (M tonnes)

Source: WSD
**STEEL IMPORTS IN RUSSIA**

Ukraine is the main steel importer into Russia (41% of imports LTM), particularly of long products.

Kazakhstan is the second largest importer (27% of imports), predominately of flat steel.

*July 2019 – June 2020

**TOTAL IMPORTS (excl. pipes), m t**

<table>
<thead>
<tr>
<th>Year</th>
<th>Belarus</th>
<th>S. Korea</th>
<th>Others</th>
<th>EU</th>
<th>China</th>
<th>Kazakhstan</th>
<th>Ukraine</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>0.6</td>
<td>0.7</td>
<td>2.1</td>
<td>0.8</td>
<td>0.9</td>
<td>0.5</td>
<td>0.8</td>
<td>5.2</td>
</tr>
<tr>
<td>2011</td>
<td>0.7</td>
<td>0.8</td>
<td>2.7</td>
<td>0.9</td>
<td>0.9</td>
<td>0.5</td>
<td>0.8</td>
<td>6.7</td>
</tr>
<tr>
<td>2012</td>
<td>0.6</td>
<td>0.6</td>
<td>3.0</td>
<td>0.9</td>
<td>0.8</td>
<td>0.5</td>
<td>0.8</td>
<td>7.2</td>
</tr>
<tr>
<td>2013</td>
<td>0.7</td>
<td>0.5</td>
<td>3.2</td>
<td>0.8</td>
<td>0.8</td>
<td>0.5</td>
<td>0.8</td>
<td>7.1</td>
</tr>
<tr>
<td>2014</td>
<td>0.5</td>
<td>0.5</td>
<td>2.1</td>
<td>0.8</td>
<td>0.8</td>
<td>0.5</td>
<td>0.8</td>
<td>5.5</td>
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<td>0.5</td>
<td>1.3</td>
<td>2.0</td>
<td>4.9</td>
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**Source:** Metal Expert
In 2014-2018, Strategy 2017 delivered $1,348 m of net gains*, well above initial target.

Operational efficiency projects driven by NLMK Production System contributed c.$700 m.

Investment projects mainly focused on upstream operations generated c.$500 m.

Higher downstream capacity utilization and sales growth brought c.$150 m.

Capex was lower relative to previous cycle and stayed in line with target of $600 m pa.

Strategy 2017 projects were the main driver behind profitability growth from 14% in 2013 to 30% in 2018.

*All numbers include NBH results unless otherwise stated.

**Updated (reduced) capex target of 2015.
### KEY FINANCIALS

#### Income Statement

<table>
<thead>
<tr>
<th>($ m)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>10,396</td>
<td>8,008</td>
<td>7,636</td>
<td>10,065</td>
<td>12,046</td>
<td>10,554</td>
<td>9,519</td>
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<tr>
<td>Cost of sales</td>
<td>(7,389)</td>
<td>(5,496)</td>
<td>(5,074)</td>
<td>(6,798)</td>
<td>(7,680)</td>
<td>(7,303)</td>
<td>(6,535)</td>
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<tr>
<td>Gross profit</td>
<td>3,007</td>
<td>2,512</td>
<td>2,562</td>
<td>3,267</td>
<td>4,366</td>
<td>3,251</td>
<td>2,984</td>
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<tr>
<td>SG&amp;A</td>
<td>(1,419)</td>
<td>(1,125)</td>
<td>(1,075)</td>
<td>(1,236)</td>
<td>(1,354)</td>
<td>(1,249)</td>
<td>(1,258)</td>
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<tr>
<td>EBITDA</td>
<td>2,381</td>
<td>1,943</td>
<td>1,943</td>
<td>2,655</td>
<td>3,589</td>
<td>2,564</td>
<td>2,310</td>
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<tr>
<td>Operating income</td>
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<td>1,387</td>
<td>1,487</td>
<td>2,031</td>
<td>3,012</td>
<td>2,002</td>
<td>1,726</td>
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<td>Finance expenses</td>
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<td>(95)</td>
<td>(105)</td>
<td>(87)</td>
<td>(70)</td>
<td>(68)</td>
<td>(74)</td>
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<tr>
<td>Other operating income</td>
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<td>29</td>
<td>(210)</td>
<td>(121)</td>
<td>(213)</td>
<td>(140)</td>
<td>(356)</td>
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<td>Pre-tax income</td>
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<td>1,172</td>
<td>1,823</td>
<td>2,729</td>
<td>1,794</td>
<td>1,296</td>
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<td>Income tax</td>
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<td>(353)</td>
<td>(233)</td>
<td>(371)</td>
<td>(486)</td>
<td>(453)</td>
<td>(386)</td>
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<td>Minority</td>
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<td>4</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>1</td>
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<td>Net income</td>
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<td>967</td>
<td>935</td>
<td>1,450</td>
<td>2,238</td>
<td>1,339</td>
<td>909</td>
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</table>

#### EBITDA margin

- 23% 24% 25% 26% 30% 24% 24%

#### EPS

- 0.13 0.16 0.16 0.24 0.37 0.22 0.15

#### Production

<table>
<thead>
<tr>
<th>(m t)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude steel Group</td>
<td>15.9</td>
<td>15.9</td>
<td>16.4</td>
<td>16.9</td>
<td>17.3</td>
<td>15.5</td>
<td>15.6</td>
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<tr>
<td>With NBH</td>
<td>16.1</td>
<td>16.0</td>
<td>16.6</td>
<td>17.1</td>
<td>17.5</td>
<td>15.7</td>
<td>15.4</td>
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#### Sales

<table>
<thead>
<tr>
<th>(m t)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi-finished steel</td>
<td>4.9</td>
<td>6.0</td>
<td>5.7</td>
<td>5.7</td>
<td>6.8</td>
<td>6.0</td>
<td>6.4</td>
</tr>
<tr>
<td>Finished steel</td>
<td>10.2</td>
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<td>10.2</td>
<td>10.8</td>
<td>11.1</td>
<td>10.7</td>
<td>10.7</td>
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<tr>
<td>Flat</td>
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<td>7.7</td>
<td>8.0</td>
<td>8.5</td>
<td>8.4</td>
<td>8.5</td>
<td>8.3</td>
</tr>
<tr>
<td>Longs and metalware</td>
<td>2.3</td>
<td>2.1</td>
<td>2.2</td>
<td>2.3</td>
<td>2.4</td>
<td>2.5</td>
<td>2.3</td>
</tr>
<tr>
<td>Total consolidated sales</td>
<td>15.1</td>
<td>15.8</td>
<td>15.9</td>
<td>16.5</td>
<td>17.6</td>
<td>17.1</td>
<td>17.0</td>
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#### Balance Sheet

<table>
<thead>
<tr>
<th>($ m)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>1,102</td>
<td>1,515</td>
<td>1,508</td>
<td>1,358</td>
<td>1,184</td>
<td>1,186</td>
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<tr>
<td>Inventories</td>
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<td>1,205</td>
<td>1,549</td>
<td>1,879</td>
<td>1,816</td>
<td>1,634</td>
<td>1,376</td>
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<tr>
<td>Accounts receivable</td>
<td>1,123</td>
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<td>955</td>
<td>1,228</td>
<td>1,326</td>
<td>1,047</td>
<td>918</td>
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<td>Other current assets</td>
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<td>9</td>
<td>19</td>
<td>19</td>
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<td>13</td>
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<td>Fixed assets</td>
<td>5,614</td>
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<td>5,549</td>
<td>4,807</td>
<td>6,039</td>
<td>5,574</td>
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<tr>
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<td>118</td>
<td>181</td>
<td>205</td>
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<td>177</td>
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<tr>
<td>Other non-current assets</td>
<td>768</td>
<td>627</td>
<td>627</td>
<td>531</td>
<td>628</td>
<td>527</td>
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<tr>
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<td>10,349</td>
<td>8,918</td>
<td>10,239</td>
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<td>10,130</td>
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<td>506</td>
<td>468</td>
<td>380</td>
<td>398</td>
<td>468</td>
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<tr>
<td>Accounts payable</td>
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<td>888</td>
<td>1,029</td>
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<td>1,124</td>
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<tr>
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<td>373</td>
<td>590</td>
<td>553</td>
<td>350</td>
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<td>Long-term debt</td>
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<td>1,801</td>
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<tr>
<td>Other non-current liabilities</td>
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<td>399</td>
<td>450</td>
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<td>17</td>
<td>11</td>
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<td>Total shareholders' equity</td>
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<td>10,996</td>
<td>9,944</td>
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#### Cash flow statement

<table>
<thead>
<tr>
<th>($ m)</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude steel Group</td>
<td>15.9</td>
<td>15.9</td>
<td>16.4</td>
<td>16.9</td>
<td>17.3</td>
<td>15.5</td>
<td>15.6</td>
</tr>
<tr>
<td>With NBH</td>
<td>16.1</td>
<td>16.0</td>
<td>16.6</td>
<td>17.1</td>
<td>17.5</td>
<td>15.7</td>
<td>15.4</td>
</tr>
<tr>
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<td>456</td>
<td>624</td>
<td>577</td>
<td>562</td>
<td>584</td>
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<td>37</td>
<td>(380)</td>
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<td>496</td>
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<tr>
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<td>203</td>
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<td>Operating cash flow</td>
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<td>(559)</td>
<td>(592)</td>
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<td>(4)</td>
<td>(1)</td>
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<td>(1,537)</td>
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<td>1,222</td>
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</table>
COMPANY IR CONTACTS

Dmitriy Kolomytsyn, CFA
Director, Corporate Finance, IR

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