

NLMK

Q3 2010

Financial and Production Results

US GAAP

Consolidated Financial Statements

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KEY HIGHLIGHTS

Q3 2010 FINANCIAL PERFORMANCE

- Revenue: \$2,232 million (+4% q-o-q*)
- EBITDA \$695 million (-10%)
- EBITDA margin 31% (-5 p.p.)
- Net income USD516 million (+13%)
- Net debt: \$1,148 million (+21%)

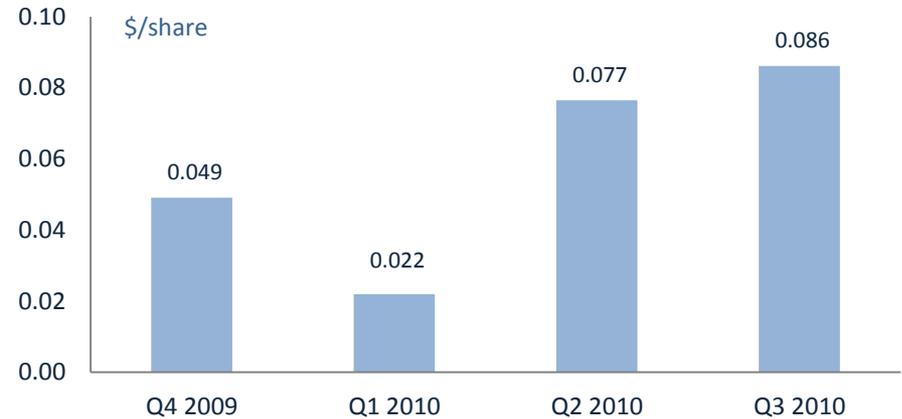
Q3 2010 OPERATING RESULTS

- Steel product sales: 3.0 m t (**)(+4%)
- Sales of HVA products: 0.9 m t (-5%)
- Average sales price per tonne of steel products USD688 (+3%)
- Cash cost per tonne of slab USD330 (+2%)

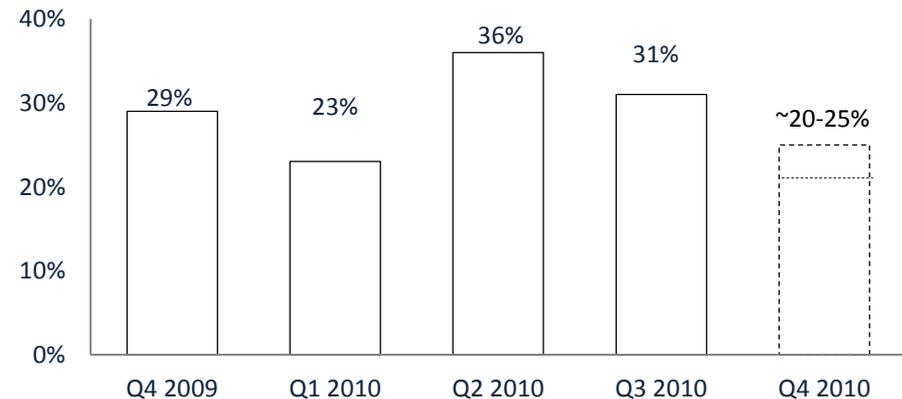
OUTLOOK: Q4 2010

- Market environment:
In Q4 we see a slight improvement in pricing environment in export markets.
- Crude steel production: app. 3 m.t.
- EBITDA margin: about 20-25%

EARNINGS PER SHARE



EBITDA MARGIN



*Hereinafter quarter-on-quarter comparison is given unless indicated otherwise

**Million tonnes

PRODUCTION

CRUDE STEEL PRODUCTION GROWTH

- NLMK Group steel output: 3.0 m t, +3%
- Novolipetsk (main site in Lipetsk): 2.32 m t, +2%
- Long Products Division : 0.50 m t, +10%
- NLMK Indiana : 0.14 m t, -13%

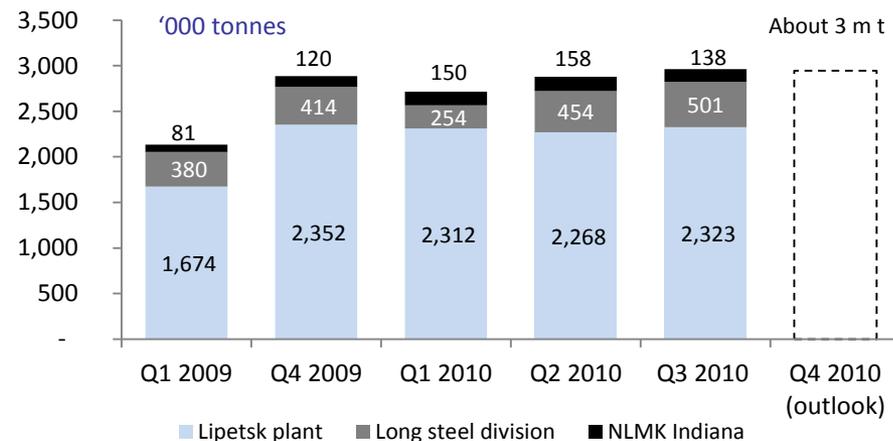
HIGH UTILISATION OF STEELMAKING CAPACITIES IN Q3 2010

- Lipetsk plant : 100%
- Long Products Division: 89%, -2 p.p.
- NLMK Indiana :76%, -11 p.p.

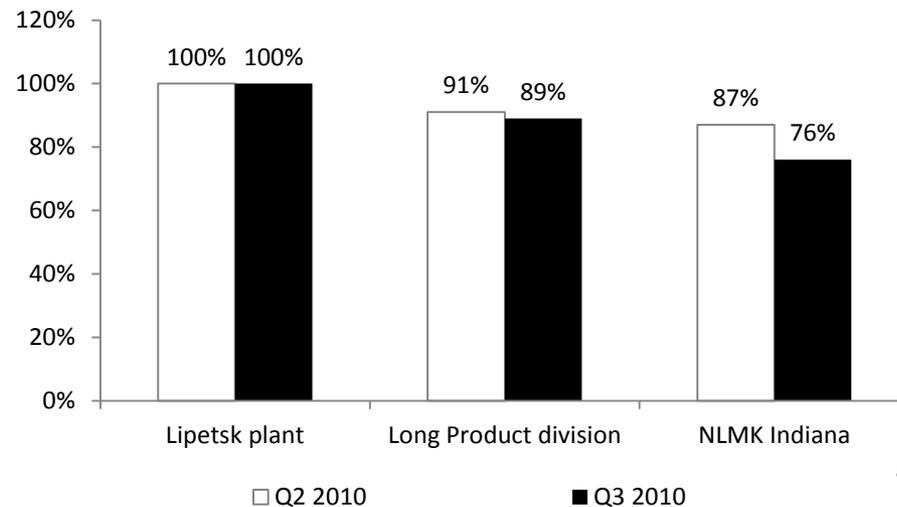
OUTLOOK

- Q4 '10: ~ 3 m t
- 12M 2010: ~ 11,5 m t

CRUDE STEEL PRODUCTION



STEELMAKING CAPACITY UTILISATION



SALES AND REVENUE

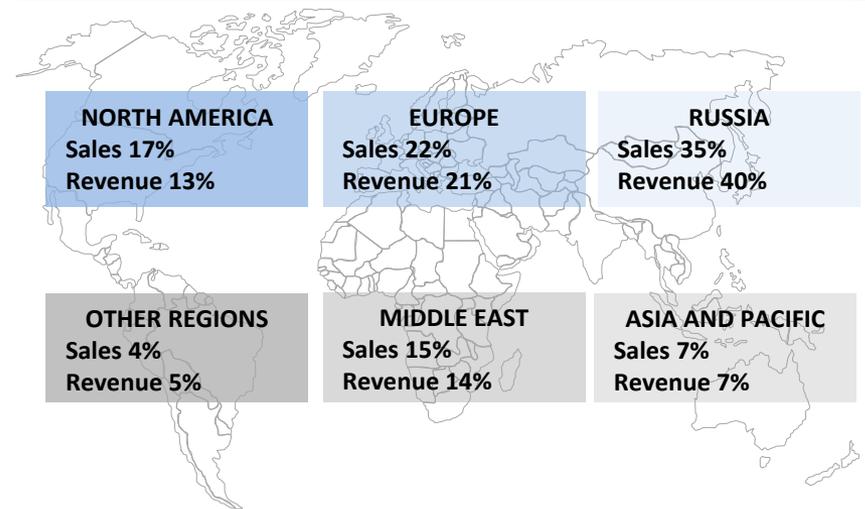
SUSTAINABLE EXPORT SALES AND INCREASING SALES TO THE LOCAL MARKET

- 40% - revenue from sales to local market on the back of increasing demand from the main consumers
- Growing sales to SE Asia and N America (+ 40% +6% accordingly)
- ... on the back of the seasonal decline of EU deliveries

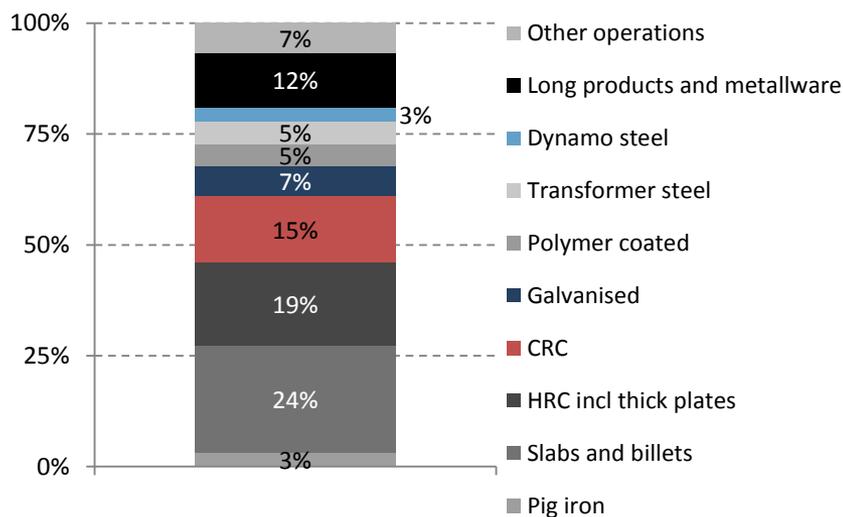
HIGH VALUE ADDED PRODUCTS

- the share of HVA products sales is about 29%

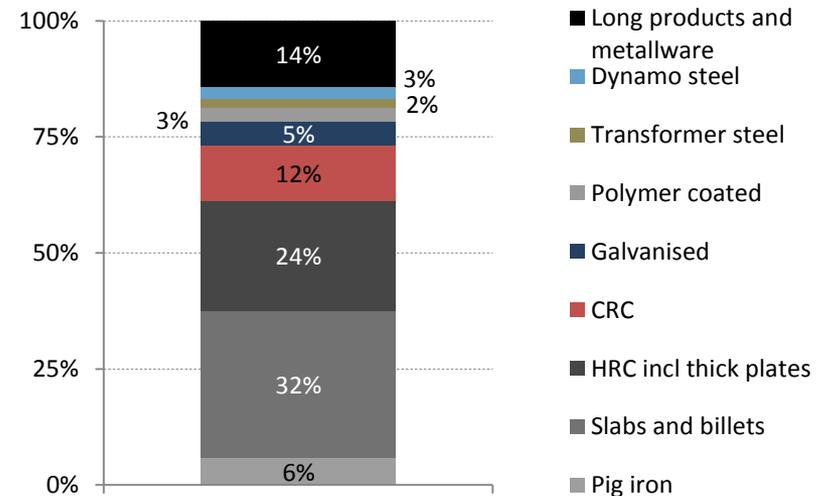
SALES AND REVENUE BY REGIONS IN Q3 2010



REVENUE BY PRODUCTS Q3 2010



SALES BY PRODUCTS Q3 2010



KEY DRIVERS

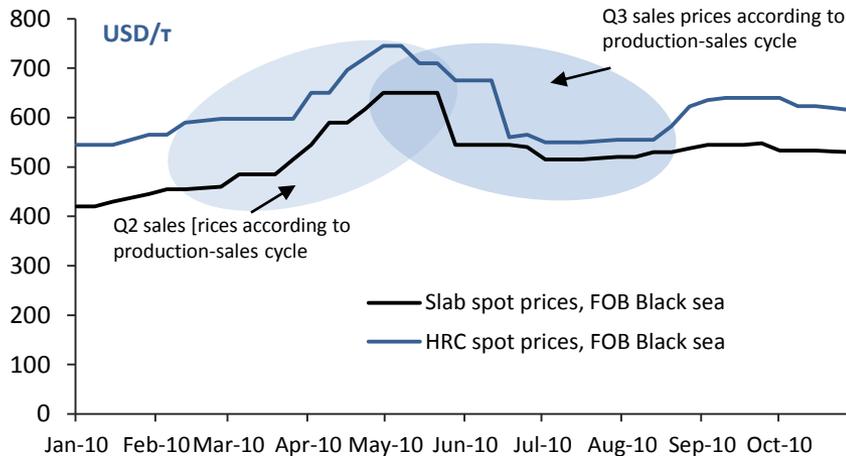
SUSTAINABLY HIGH DEMAND IN RUSSIA

- Steel products consumption in Russia increased by 5% q-o-q (whereas the construction sector accounts for over 50% of the overall consumption)
- ... that contributed to the increased sales to the domestic market
- ... increasing sales of value added longs

SALES PRICES LARGELY FLAT

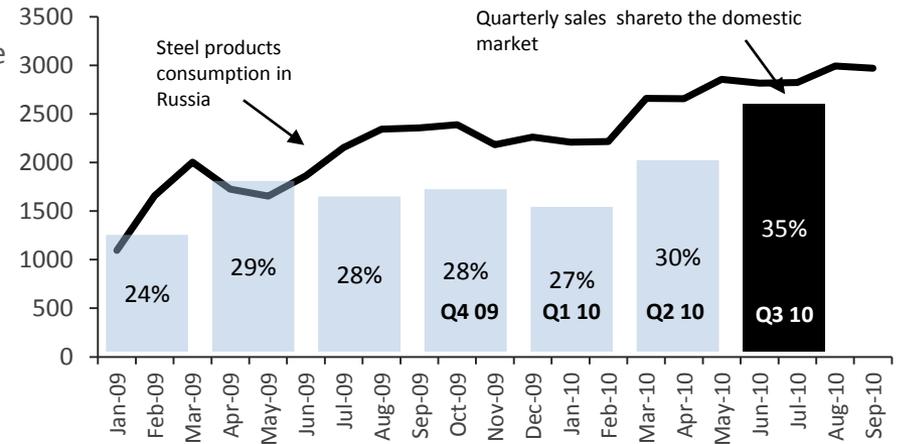
- Q2 '10 peak prices contributed to the Q3 results

STEEL PRICES IN LINE WITH THE PREVIOUS QUARTER



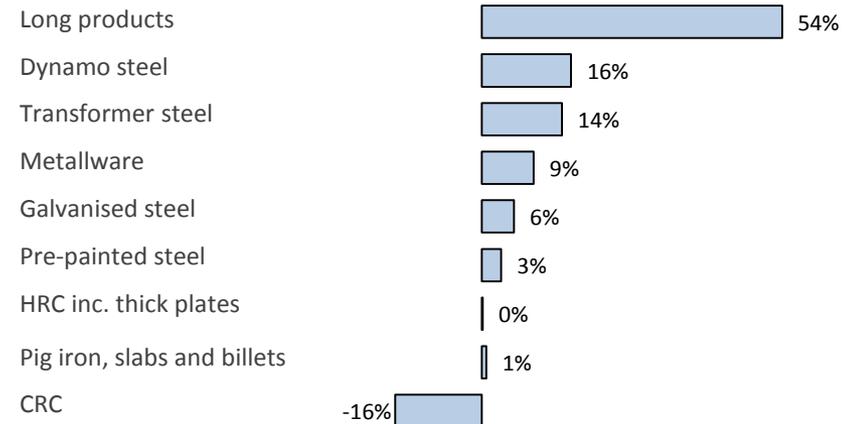
Data source: Steel Business Briefing

DOMESTIC MARKET SALES



Steel consumption data source: Metal-Expert

GROWING SALES OF THE LONG PRODUCTS*



* Q3 vs Q2 sales data. Tonnagewise

PRODUCTION COSTS

LOWEST PRODUCTION COSTS

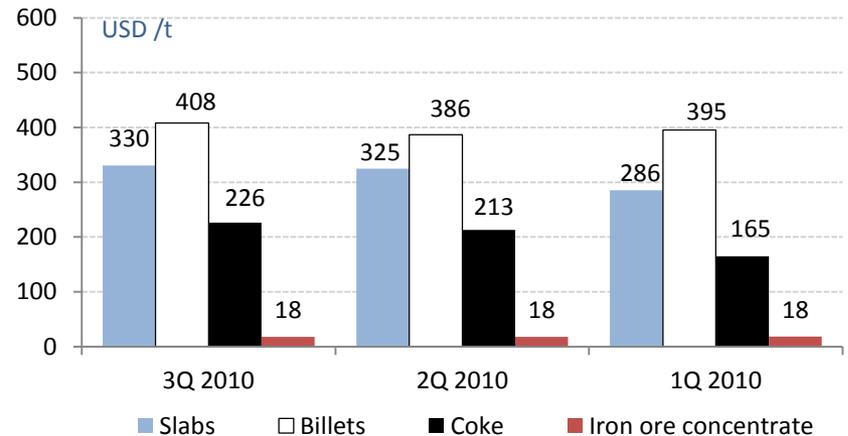
... backed by effective integration into raw materials

- Iron ore self-sufficiency – 100%
- Coke self sufficiency – over 100%
- Scrap self sufficiency - over 80%

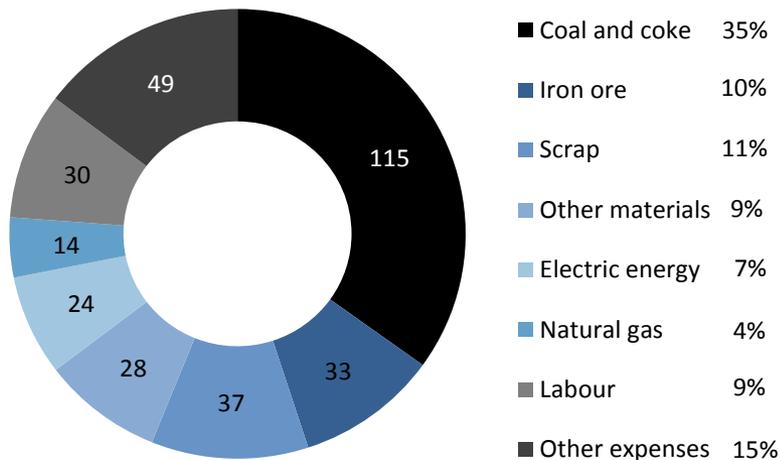
CASH COST OF SLABS AND BILLETS

- Slab cash cost largely flat q-o-q at \$330/t, or +\$5/t
- Billet cash cost driven by scrap market prices dynamics \$408/t, +6% q-o-q

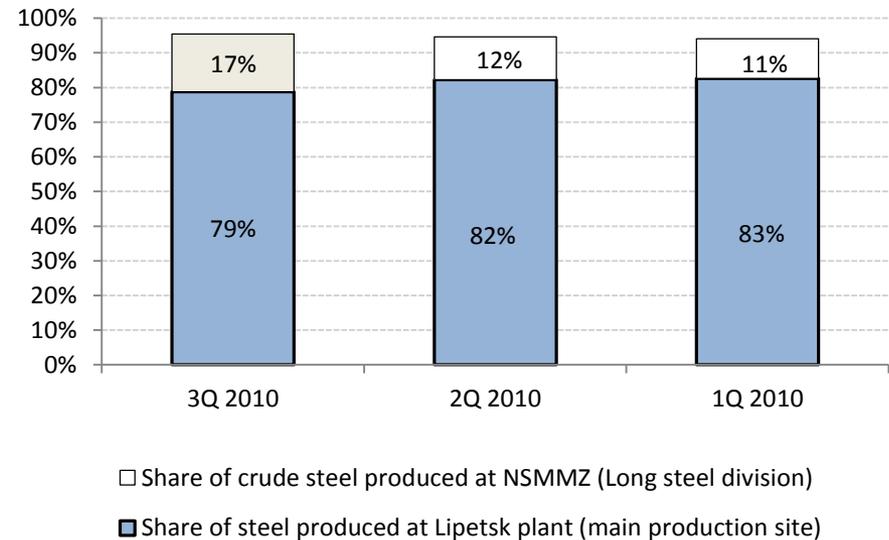
CASH COST OF PRODUCTS



SLAB CASH COST STRUCTURE, Q3 2010



STEEL PRODUCTION: BOF vs EAF



DEBT POSITION

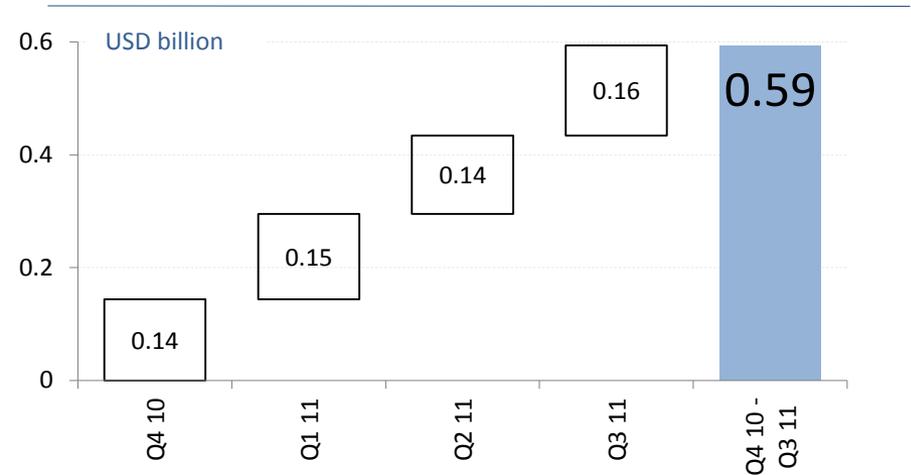
TOTAL DEBT USD2.65 BILLION:

- ST debt USD0.59 billion
- LT debt 2.06 billion
including 3 bond issues
Including EBRD loan, obtained in 3Q 2010

USD1.51 BILLION OF LIQUID FUNDS

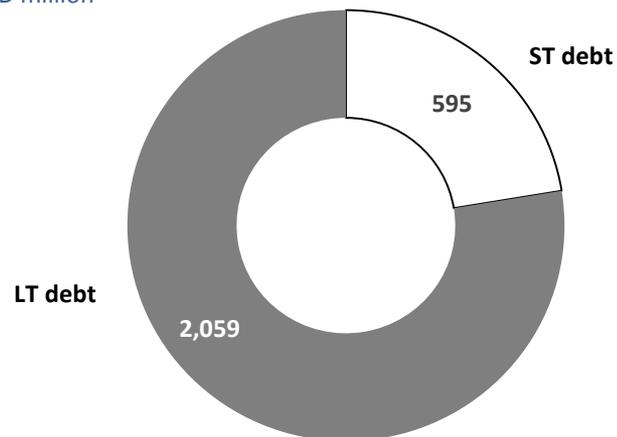
NET DEBT ²/ EBITDA³ 0.48

SHORT TERM DEBT PAYMENT¹

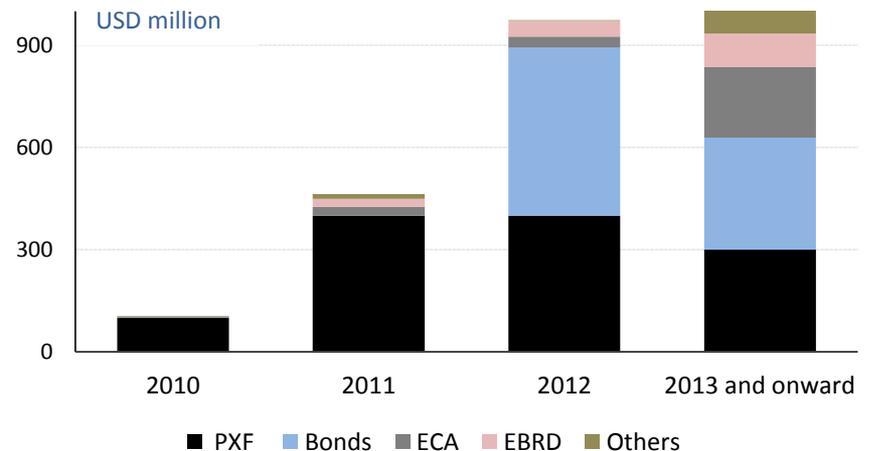


DEBT STRUCTURE

USD million



DEBT MATURITY



1. Incl interest payments

2. as at 30.09.2010

3. Last 12M EBITDA

INVESTMENTS

CRUDE STEEL CAPACITY GROWTH

- Increase of capacities by 40% to 17.4 m t per annum (2012)
- Quality improvement +30 new grades of steel

INCREASE FINISHED STEEL CAPACITY

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

MANAGEMENT OF VERTICAL INTEGRATION

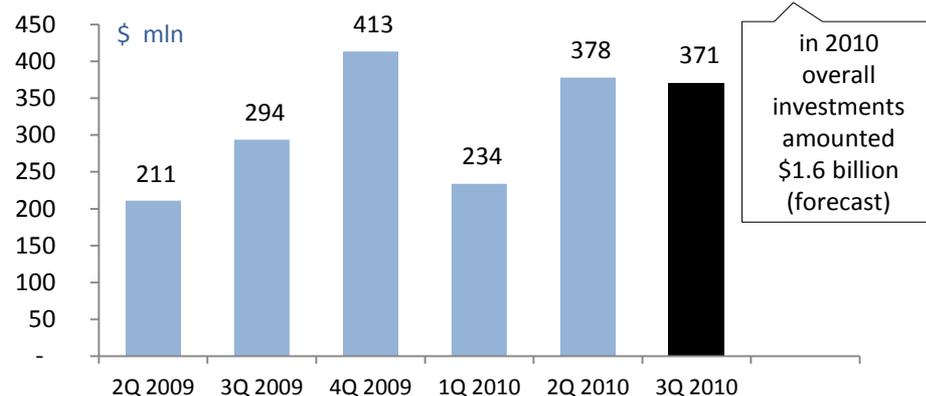
- Expansion of the mine and construction of new enrichment facilities at Stoilensky (ongoing)
- Expansion of scrap collecting facilities
- Development of coal deposit*

INCREASE OF PRODUCTION EFFICIENCY

- Increase of electricity self-sufficiency and efficiency
- Resource efficiency technologies

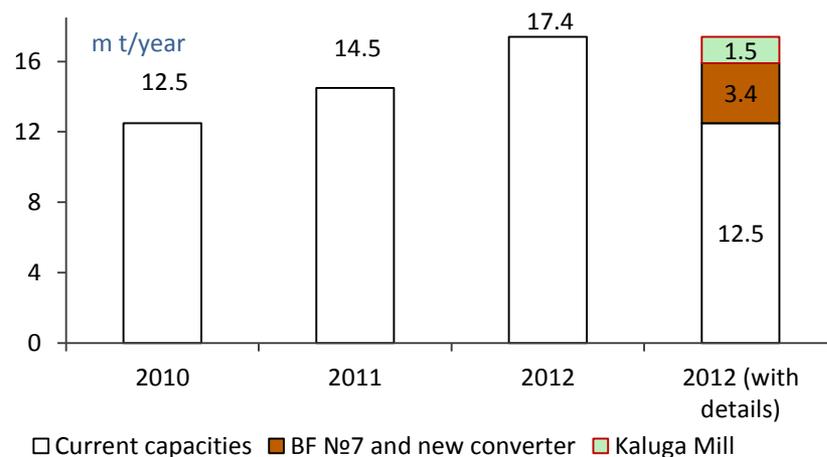
* Zhernovsky 1 minefield. Feasibility study launched

INVESTMENTS DYNAMICS



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

GROWTH OF STEEL PRODUCTION CAPACITIES



Q3 2010 CASH FLOW BRIDGE

Change in cash

Effect of exchange rate changes

-173

Dividends

-21

-43

Free cash flow

Short term financial investments and other financial operations³

-110

-514

Borrowings/ (repayments)

217

Acquisition and construction of PPE

-371

558

Cash flow from operations

Income tax

-126

Non-cash operations²

66

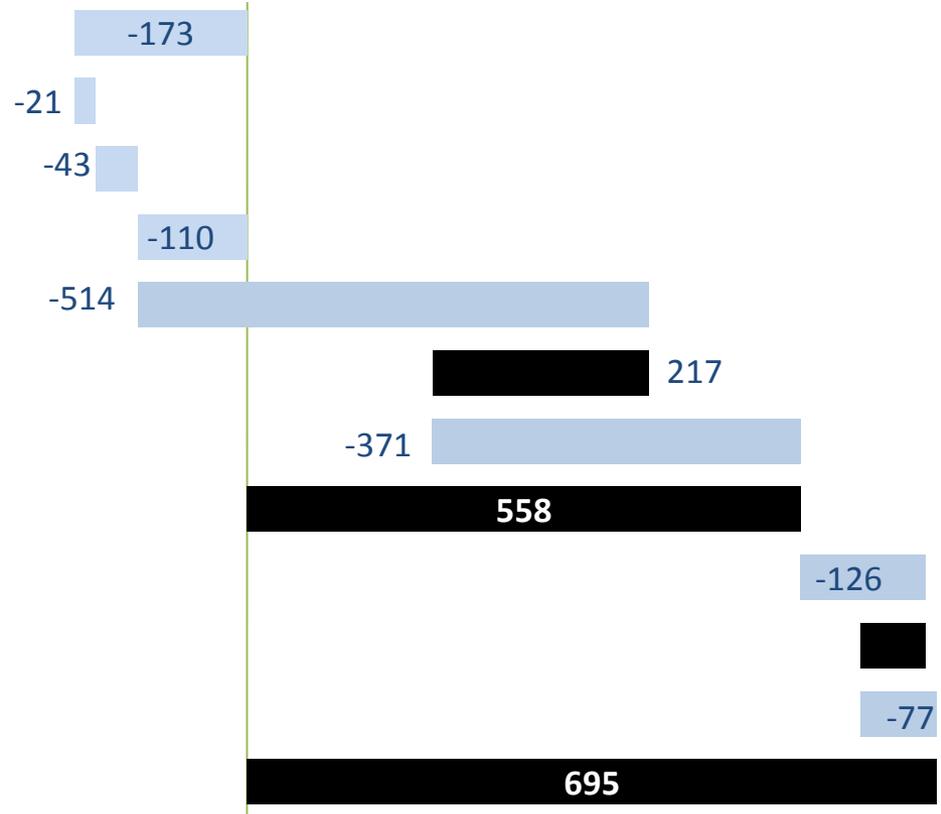
Change in working capital

-77

695

EBITDA¹

USD million



¹ EBITDA = Net income (after minorities) + income tax ± interest expense/(income) + depreciation ± losses/(gains) on disposals of property, plant and equipment and impairment losses ± losses/(gains) on financial investment ± losses/(gains) from disposal of subsidiaries + accretion expense on asset retirement obligations – gains on loan restructuring-(+)gains (losses) on discontinued operations + equity in net (earnings) / losses of associates –(+) net foreign currency exchange + settlement of agreement on the dispute and other extraordinary expenses.

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

³ Other financing activities include losses/(gains) on disposals of property, plant and equipment, gain from disposal of subsidiaries, acquisitions of stake in existing subsidiaries and settlement of abandoned acquisition and change in restricted cash funds as well as other financial corrections

OUTLOOK

Q4 2010 OUTLOOK

- Crude steel production and steel products sales to reach 3 m t
- Average sales prices to reflect seasonality trends
- Production cost to increase due to the seasonal restocking of scrap inventories and growing prices for coking coal
- EBITDA margin will be in the range of 20-25%

MARKET ENVIRONMENT

- In Q4 the prices reached the bottom and in the second half of the quarter we see the upward trend in prices on the back of growing prices for the raw materials
- These factors may support steel prices In the end of Q4 2010 and early Q1 2011

APPENDIX

INVESTMENT PROGRAM AND SEGMENTS RESULTS

BF PRODUCTION (2011)

BLAST FURNACE

- Location: Lipetsk
- Status: over 80% complete
- Capacity: 3.4 m t pa
- Goal: expand steel output at the main site

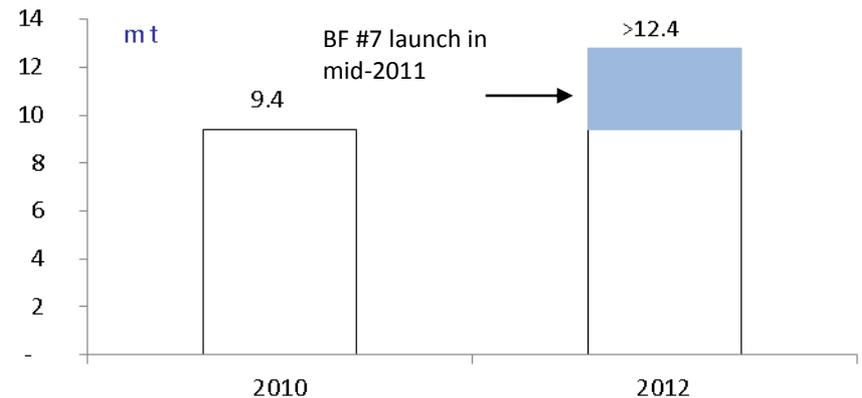
CONSTRUCTION OF POWER PLANT

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

PCI TECHNOLOGY INTEGRATION**

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

PIG IRON PRODUCTION CAPACITY (LIPETSK)



* Sufficiency rate based on increased steel capacity to 12.4 m tpa at Lipetsk site

** Pulverized coal injection

STEELMAKING (2011)

LADLE FURNACES and VACUUM DEGASSER

- Location and installation date: Lipetsk site, 2010-11
- Capacity: 12.4 m t pa (or 100% of crude steel produced at the Lipetsk site will be processed)
- Goals:
 - Reduced impurity content, chemical & physical uniformity
 - ... new grades of steel, incl. for the automotive industry



GAS EXHAUST DUCTS

- Location and installation date: Lipetsk site, 2009-2010
- Details: a secondary emissions collection and cleaning system at BOF shop#1 (40% of crude steel produced at the Lipetsk site)
- Goals:
 - Reduced environmental impact
 - Higher equipment reliability at BOF Shop #1
 - Potential use of waste gas for power generation



EXPANSION OF ROLLING CAPACITIES (2011)

EXPANSION OF HRC PRODUCTION

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

EXPANSION OF PLATE PRODUCTION

- Location: DanSteel (Denmark)
- Upgrading of existing capacities
- Capacity growth: +70,000 tonnes

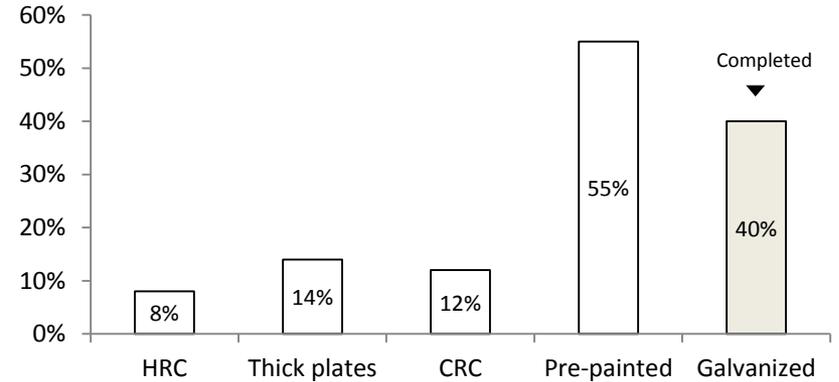
CRC MILL

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

COLOUR-COATING LINE

- Location: Lipetsk site
- New line
- Capacity growth: +200,000 tonnes

FLAT STEEL PRODUCTION GROWTH

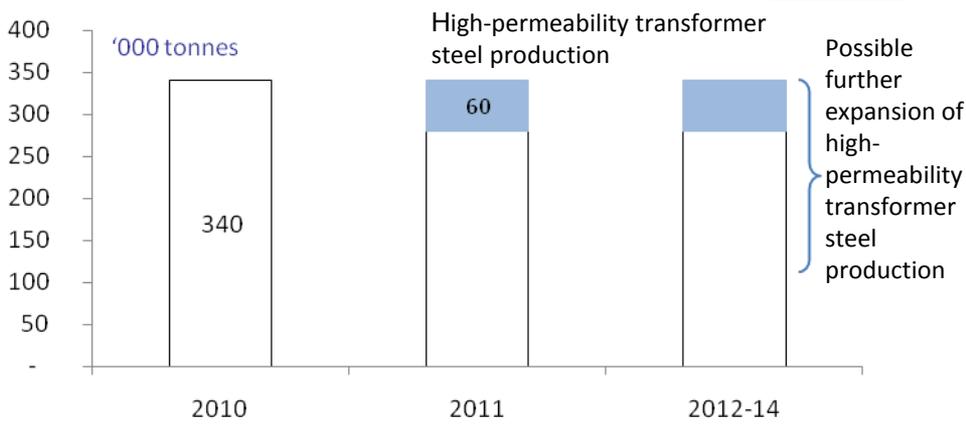


HIGH GRADE TRANSFORMER STEEL (2011-2012)

PRODUCTION UPGRADES AT NOVOLIPETSK

- Status: 80% complete
- Capacity: 60,000 t pa of high-permeability transformer steel
- Total investments: above \$300 m
- Improved quality and stronger market positions

TRANSFORMER STEEL PRODUCTION CAPACITIES



PRODUCTION UPGRADES AT VIZ-STAL

- Improved quality of products
- In the long term: considering launching high-permeability transformer steel production

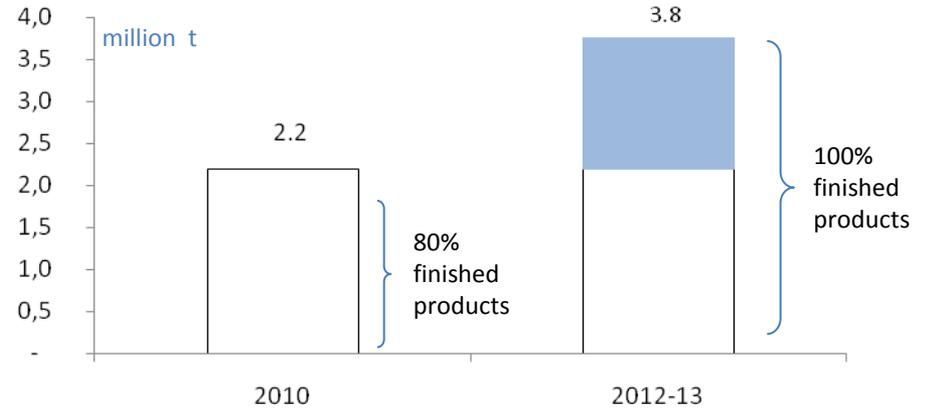


LONG PRODUCTS (2012-13)

KALUGA MINI-MILL (EAF)

- Location: Kaluga region
- Status: >25% complete
- Capacity: 1.55 m t pa
- Total investments: c. \$1.2 bn
- Extended product mix for construction

STEEL AND FINISHED PRODUCT CAPACITY



ROLLING MILL IN BEREZOVSKY

- Status: 99% complete
- Capacity: 1 m t pa
- Total investments: c. \$140 m
- Improved quality of products and stronger market positions



EXPANSION OF IRON ORE PRODUCTION (2011)

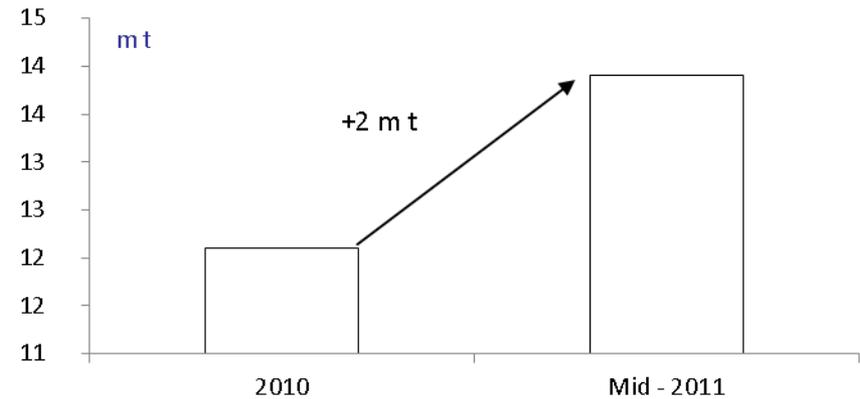
OPEN PIT EXPANSION

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

BENEFICIATION PLANT, 4th SECTION

- Location: Stoilensky (Stary Oskol)
- Capacity: +4 m t pa (since 2006)
- Goal: maintain 100% self-sufficiency in low cost iron ore

IRON ORE CONCENTRATE PRODUCTION CAPACITIES



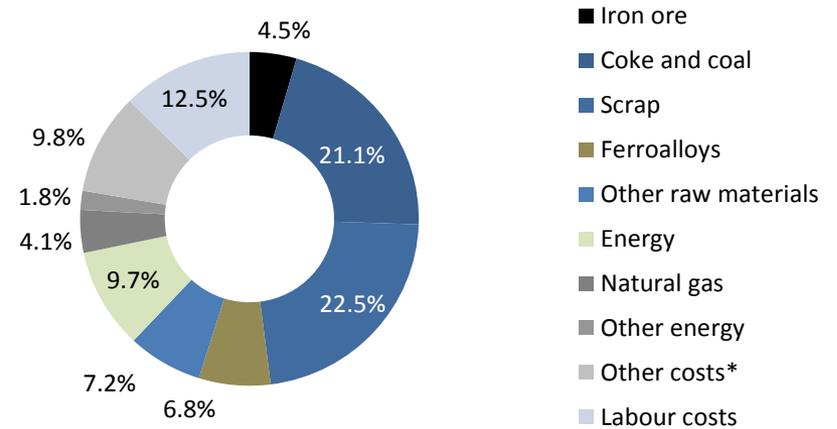
SEGMENTS IMPACT

STEEL SEGMENT DETERMINED GROUP FINANCIALS IN 3Q '10

- Revenue from third parties USD 1,903 million (85% of consolidated revenues)
- Operating profit USD 310 million (55% of the Group operating profit)

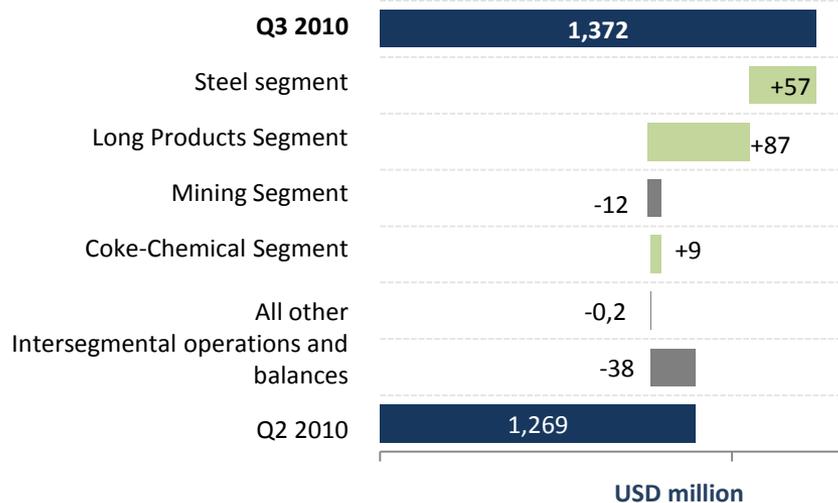
IMPROVED FINANCIAL RESULTS OF THE LONG STEEL DIVISION

CONSOLIDATED PRODUCTION COST, Q3 '10

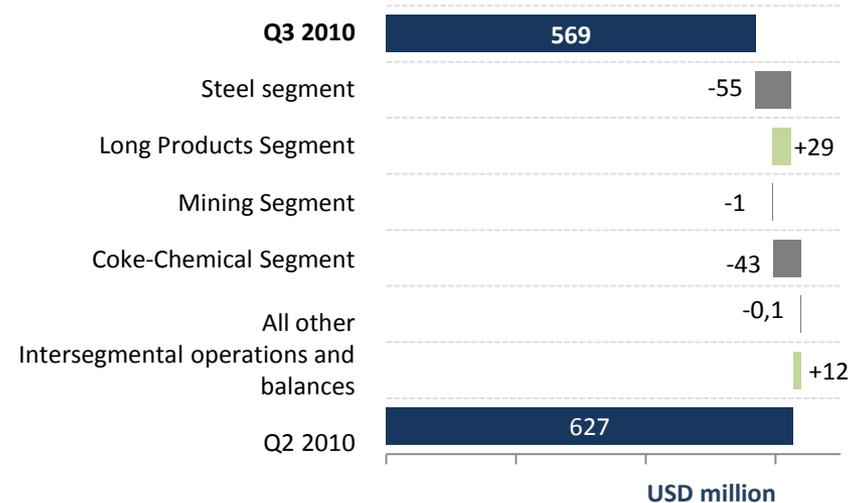


* incl : repairs, change in inventories and other expenses

PRODUCTION COST CHANGES



OPERATING PROFIT CHANGES



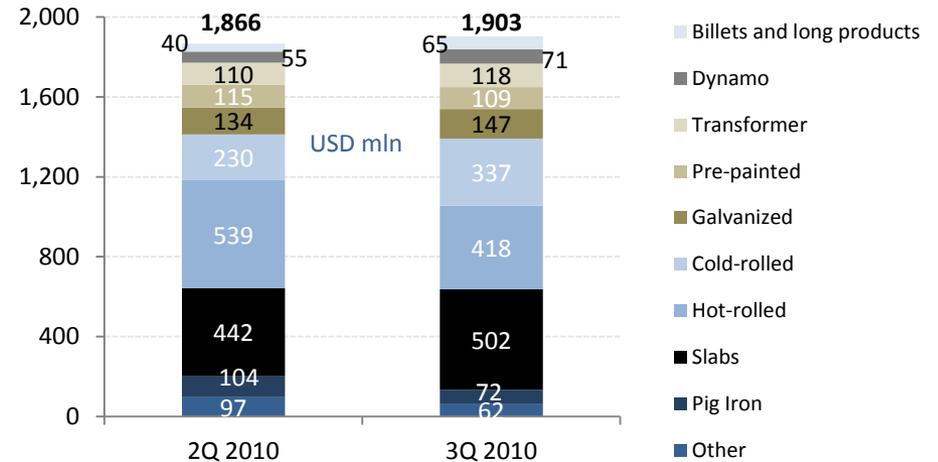
STEEL SEGMENT

+1% STEEL PRODUCTION GROWTH

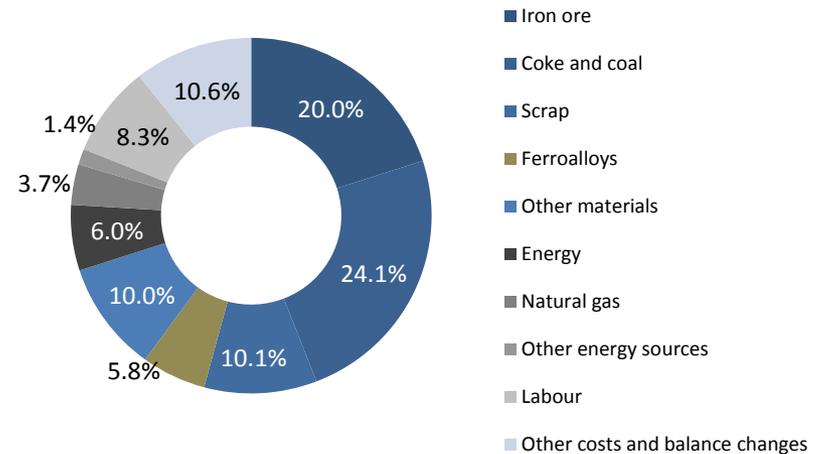
STABLE STEEL SALES VOLUMES

INSIGNIFICANT REDUCTION IN OPERATING PROFIT MARGINS

SALES REVENUE FROM 3rd PARTIES BY PRODUCT



STEEL SEGMENT PRODUCTION COST OF SALES, Q3 '10



(tonnes`000)	Q3 2010	Q2 2010	Change	9M 2010	9M 2009	Change
Steel production	2 461	2 426	1%	7349	6427	14%
Steel sales ¹	2 648	2 627	1%	7 776	6 956	12%
(USD mln.)						
Revenue	1 934	1 899	2%	5 325	3 783	41%
<i>incl. external customers</i>	1 903	1 866	2%	5 241	3 708	41%
Cost of sales	(1 399)	(1 342)	4%	(3 825)	(2 773)	38%
Operating profit	310	365	(15%)	884	428	107%
- margin	16%	19%		17%	11%	

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

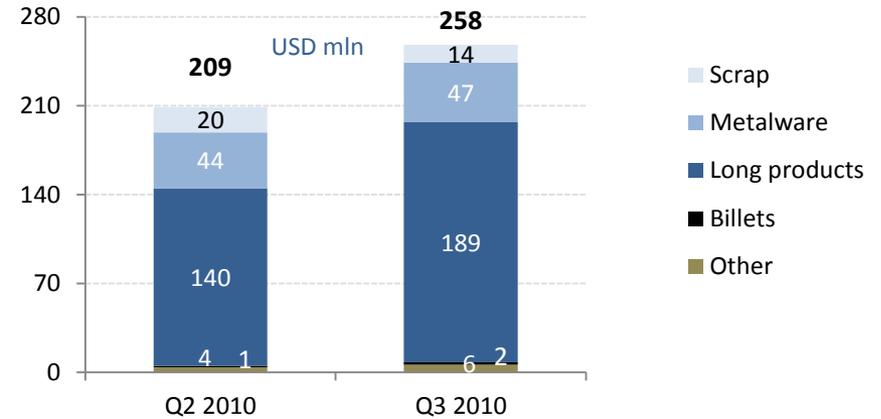
LONG PRODUCTS SEGMENT

+10% GROWTH OF STEEL PRODUCTION

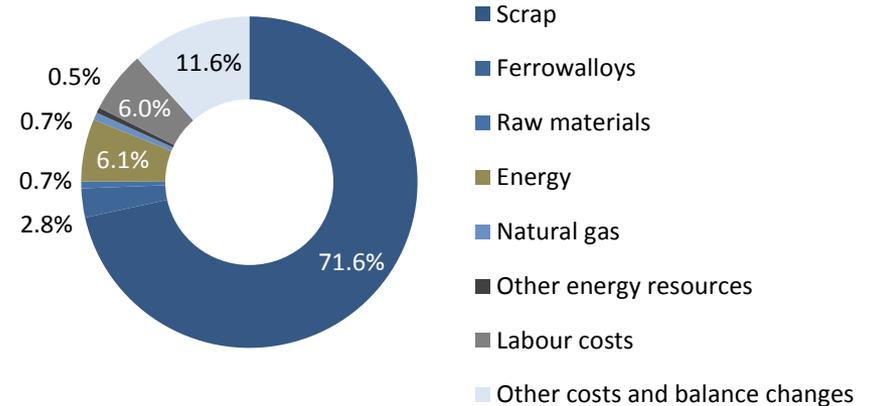
+54% INCREASE OF STEEL SALES

SALES PROFITABILITY GROWTH (+5 p.p.)

SALES REVENUE FROM 3rd PARTIES BY PRODUCT



LONG PRODUCTS PRODUCTION COST OF SALES, Q3 '10



(tonnes '000)	Q3 2010	Q2 2010	Change	9M 2010	9M 2009	Change
Steel production	501	454	10%	1 209	1 301	(7%)
Steel sales	517	335	54%	1 166	1 210	(4%)
<i>in NLMK Group¹</i>	145	50	191%	233	354	(34%)
(USD mln)						
Revenue	447	330	35%	1 001	639	57%
<i>incl. external customers</i>	258	209	(10%)	629	414	52%
Cost of sales	(361)	(275)	32%	(847)	(598)	42%
Operating profit	42	13	231%	31	(61)	
- margin	9%	4%		3%	-10%	

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

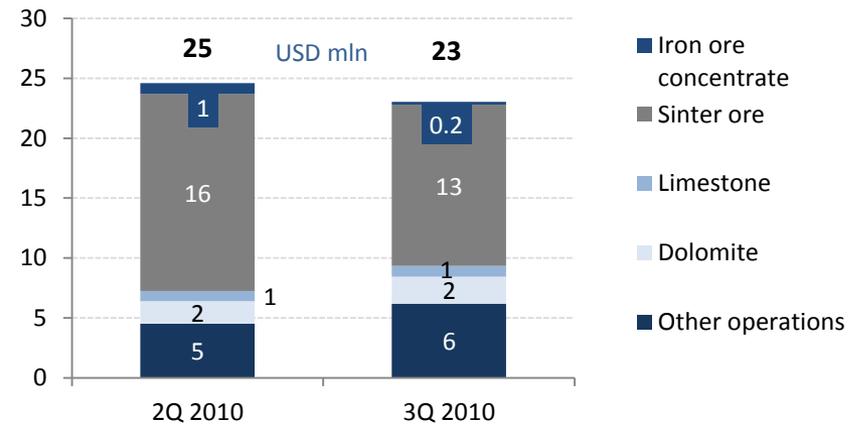
MINING SEGMENT

+32% GROWTH OF SINTER ORE PRODUCTION

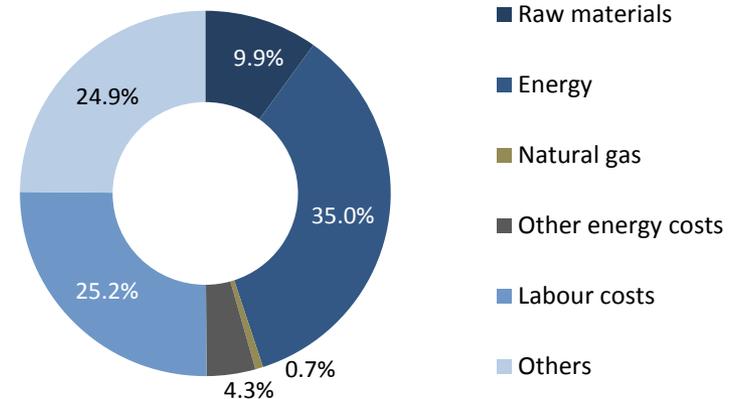
A SLIGHT REDUCTION IN REVENUE ON THE BACK OF LOWER PRICES

OPERATING PROFIT IS ON THE PREVIOUS QUARTER LEVEL

SALES REVENUE FROM 3rd PARTIES BY PRODUCT



MINING SEGMENT PRODUCTION COSTS, Q3 '10



(tonnes `000)	Q3 2010	Q2 2010	Change	9M 2010	9M 2009	Change
Production						
iron-ore concentrate	3 043	3 038	0%	8 980	7 986	12%
sinter ore	490	372	32%	1 298	1 259	3%
Sales						
iron-ore concentrate	3 051	2 991	2%	8 977	8 934	0%
in NLMK Group ¹	3 048	2 981	2%	8 964	7 878	14%
sinter ore	508	455	11%	1 346	1 485	(9%)
(USD mln)						
Revenue	251	262	(4%)	665	379	76%
incl. external customers	23	25	(6%)	61	73	(17%)
Cost of sales	(72)	(84)	(14%)	(233)	(218)	7%
Operating profit	163	164	(0%)	389	121	221%
- margin	65%	62%		58%	32%	

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

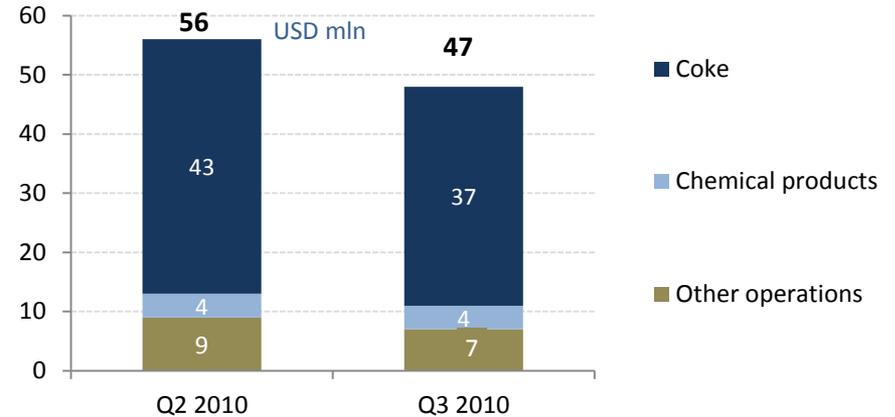
COKE-CHEMICAL SEGMENT

GROWTH OF COKE PRODUCTION AND SALES VOLUMES Y-O-Y

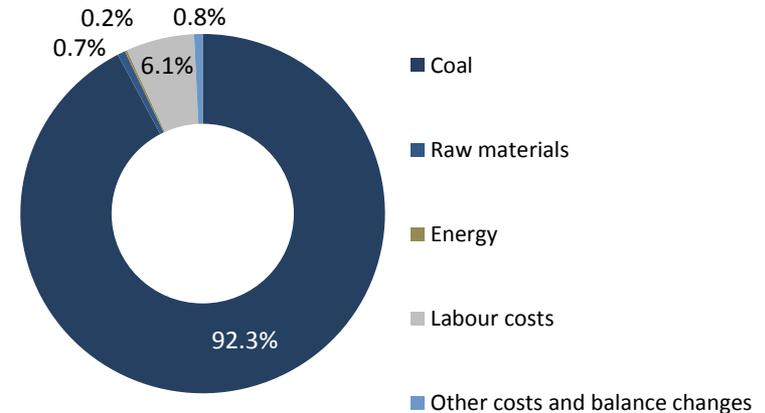
A SLIGHT REDUCTION IN REVENUE ON THE BACK OF LOWER PRICES

PROFITABILITY MARGIN OVER 20%

SALES REVENUE FROM 3rd PARTIES BY PRODUCT



COKE-CHEMICAL PRODUCTION COSTS, Q3 '10



(tonnes '000)	Q3 2010	Q2 2010	Change	9M 2010	9M 2009	Change
Production						
coke 6% moisture	862	888	(3%)	2 625	2 325	13%
Sales						
dry coke	810	845	(4%)	2 497	2 258	11%
in NLMK Group ¹	685	709	(3%)	2 064	1 678	23%
(USD mln)						
Revenue	248	283	(12%)	724	331	119%
incl. external customers	47	56	(15%)	153	126	22%
Cost of sales	(188)	(179)	5%	(523)	(267)	96%
Operating profit	53	96	(45%)	175	31	464%
- margin	21%	34%		24%	9%	

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

SEGMENTAL INFORMATION

Q3 2010								
(million USD)	Steel	Long products	Mining	Coke-chemical	All other	Totals	Intersegmental operations and balances	Consolidated
Revenue from external customers	1 903	258	23	47	0	2 232		2 232
Intersegment revenue	31	188	228	201	0	648	(648)	
Gross profit	535	85	179	60	(0)	859	1	860
Operating income/(loss)	310	42	163	53	(0,3)	568	1	569
<i>as % of net sales</i>	16%	9%	65%	21%		20%		26%
Income / (loss) from continuing operations before minority interest	433	2	129	45	0,4	609	(75)	535
<i>as % of net sales</i>	22%	1%	51%	18%		21%		24%
Segment assets including goodwill ¹	12 354	2 258	1 206	799	45	16 662	(2 782)	13 880

Q2 2010								
(million USD)	Steel	Long products	Mining	Coke-chemical	All other	Totals	Intersegmental operations and balances	Consolidated
Revenue from external customers	1 866	209	25	56	0	2 156		2 156
Intersegment revenue	32	122	237	227	(0)	618	(618)	
Gross profit	557	56	178	103	0	894	(7)	887
Operating income/(loss)	365	13	164	96	(0)	637	(11)	627
<i>as % of net sales</i>	19%	4%	62%	34%		23%		29%
Income / (loss) from continuing operations before minority interest	453	(50)	130	75	1	609	(178)	431
<i>as % of net sales</i>	24%	(15%)	50%	27%		22%		20%
Segment assets including goodwill ²	11 400	2 110	1 147	750	44	15 451	(2 588)	12 863

¹ as at 30.09.2010

² as at 30.06.2010

CONSOLIDATED STATEMENT OF INCOME

<i>(mln USD)</i>	Q3 2010	Q2 2010	Q3 2010/Q2 2010		9M 2010	9M 2009	9M 2010/9M 2009	
			+ / -	%			+ / -	%
Sales revenue	2 232	2 156	76	4%	6 085	4 325	1 759	41%
Production cost	(1 260)	(1 146)	(114)	10%	(3 457)	(2 673)	(784)	29%
Depreciation and amortization	(111)	(123)	12	(9%)	(357)	(349)	(8)	2%
Gross profit	860	887	(27)	(3%)	2 270	1 304	966	74%
General and administrative expenses	(74)	(62)	(12)	20%	(203)	(233)	31	(13%)
Selling expenses	(187)	(169)	(18)	10%	(517)	(450)	(67)	15%
Taxes other than income tax	(29)	(29)	(1)	2%	(90)	(76)	(14)	19%
Operating income	569	627	(57)	(9%)	1 460	545	916	168%
Gain / (loss) on disposals of property, plant and equipment	(4)	(12)	7	(63%)	(18)	(13)	(5)	36%
Gains / (losses) on investments	(2)	(7)	4	(62%)	(10)	(2)	(9)	458%
Interest income	13	10	3	34%	34	53	(19)	(35%)
Interest expense	(15)	(1)	(13)		(24)	(132)	108	(82%)
Foreign currency exchange loss, net	80	(81)	161		(54)	(78)	24	(31%)
Other expense, net	19	19	1	3%	13	(73)	86	0%
Income from continuing operations before income tax	660	555	106	19%	1 402	300	1 102	367%
Income tax	(126)	(123)	(2)	2%	(302)	(132)	(170)	129%
Equity in net earnings/(losses) of associate	(13)	21	(34)		(19)	(344)	325	(95%)
Net income	521	453	69	15%	1 082	(175)	1 257	
Less: Net loss / (income) attributable to the non-controlling interest	(5)	6	(11)		25	96	(71)	(74%)
Net (loss) / income attributable to OJSC Novolipetsk Steel stockholders	516	459	58	13%	1 106	(79)	1 186	
EBITDA	695	774	(79)	(10%)	1 856	917	939	102%

CONSOLIDATED BALANCE SHEET

	as at 30.09.2010	as at 30.06.2010	as at 31.03.2010	as at 31.12.2009	as at 30.09.2009	as at 30.06.2009	as at 31.03.2009	as at 31.12.2008
(mln. USD)								
ASSETS								
Current assets	4 372	4 150	4 091	3 877	3 854	4 161	4 271	5 346
Cash and cash equivalents	780	953	1 157	1 247	1 642	1 591	1 546	2 160
Short-term investments	726	465	424	452	126	467	338	8
Accounts receivable, net	1 189	1 213	1 065	913	908	882	1 187	1 488
Inventories, net	1 564	1 401	1 324	1 134	1 052	1 031	1 050	1 556
Deferred income tax assets	52	58	59	72	33	95	45	
Other current assets, net	62	59	62	58	93	94	90	100
Current assets, held for sale								34
Non-current assets	9 508	8 713	8 938	8 625	8 596	8 178	7 526	8 718
Long-term investments, net	729	387	402	468	720	748	719	816
Property, plant and equipment, net	7 987	7 532	7 688	7 316	7 026	6 612	6 032	6 826
Intangible assets	187	190	201	203	211	213	211	235
Goodwill	554	541	572	557	603	577	530	614
Other non-current assets, net	20	41	49	68	36	28	34	34
Deferred income tax assets	31	23	26	12				
Non-current assets, held for sale								194
Total assets	13 880	12 863	13 029	12 502	12 450	12 339	11 797	14 065
LIABILITIES AND STOCKHOLDERS' EQUITY								
Current liabilities	1 802	1 640	1 533	1 417	1 998	2 264	2 279	2 980
Accounts payable and other liabilities	1 171	1 058	963	841	997	1 109	1 162	1 879
Short-term borrowings	595	539	544	557	957	1 126	1 090	1 080
Current income tax liability	36	43	26	19	44	29	27	10
Current liabilities, held for sale								11
Non-current liabilities	2 636	2 427	2 581	2 475	2 059	2 149	2 111	2 361
Long-term borrowings	2 059	1 828	1 992	1 939	1 571	1 668	1 709	1 930
Deferred income tax liability	384	392	409	396	371	358	288	297
Other long-term liabilities	194	207	180	140	116	123	113	129
Non-current liabilities, held for sale								5
Total liabilities	4 438	4 067	4 114	3 892	4 057	4 414	4 390	5 341
Minority interest								
Stockholders' equity								
Common stock	221	221	221	221	221	221	221	221
Statutory reserve	10	10	10	10	10	10	10	10
Additional paid-in capital	99	99	112	112	112	118	138	52
Other comprehensive income	(886)	(1 134)	(596)	(797)	(738)	(1 066)	(1 659)	(550)
Retained earnings	10 113	9 718	9 303	9 171	8 877	8 713	8 762	8 956
NLMK stockholders' equity	9 556	8 915	9 050	8 718	8 483	7 997	7 472	8 690
Non-controlling interest	(115)	(118)	(136)	(108)	(89)	(71)	(64)	33
Total stockholders' equity	9 442	8 796	8 915	8 610	8 393	7 926	7 408	8 723
Total liabilities and stockholders' equity	13 880	12 863	13 029	12 502	12 450	12 339	11 797	14 065

CONSOLIDATED CASH FLOW STATEMENT

(mln. USD)	Q3 2010	Q2 2010	Q3 2010/Q2 2010		9M 2010	9M 2009	9M 2010/ 9M 2009	
			+ / -	%			+ / -	%
Cash flow from operating activities								
Net income	521	453	69	15%	1 082	(175)	1 257	-718%
Adjustments to reconcile net income to net cash provided by operating activities								
Depreciation and amortization	111	123	(12)	-9%	357	349	8	2%
Loss on disposals of property, plant and equipment	4	12	(7)	-63%	18	13	5	36%
(Gain)/loss on investments	2	7	(4)	-62%	10	2	9	458%
Equity in net earnings of associate	13	(21)	34		19	344	(325)	-95%
Defferd income tax (benefit)/expense	9	10	(1)	-9%	28	37	(9)	-25%
Loss / (income) on forward contracts	(2)	4	(6)	-166%	(3)	(315)	312	-99%
Other movements	(25)	21	(46)	-218%	10	20	(9)	-48%
Changes in operating assets and liabilities								
Increase in accounts receivables	56	(218)	274		(284)	504	(788)	
Increase in inventories	(125)	(160)	34	-22%	(438)	421	(859)	
Decrease/(increase) in other current assets	(1)	(1)	(0)	11%	(4)	5	(9)	
Increase in accounts payable and oher liabilities	2	98	(96)	-98%	195	17	178	
Increase/(decrease) in current income tax payable	(8)	19	(27)		17	31	(13)	-43%
Net cash provided from operating activities	558	346	212	61%	1 007	1 251	(244)	-20%
Cash flow from investing activities								
Proceeds from sale of property, plant and equipment	9	3	6	235%	15	10	4	41%
Purchases and construction of property, plant and equipment	(371)	(378)	7	-2%	(983)	(708)	(276)	39%
Settlement of abandoned acquisition						(234)	234	
Proceeds from sale of investments	100	35	65	182%	148	502	(354)	-71%
Placement of bank deposits and purchases of other investments	(613)	(110)	(503)		(731)	(511)	(220)	43%
Loan issued						(334)	334	
Net cash used in investing activities	(875)	(450)	(425)	94%	(1 552)	(1 274)	(278)	22%
Cash flow from financing activities								
Proceeds from borrowings and notes payable	281	57	224	397%	820	571	249	44%
Repayments of borrowings and notes payable	(64)	(150)	86	-58%	(674)	(1 011)	337	(33%)
Capital lease payments	(10)	(10)	(1)	9%	(37)	(39)	2	(5%)
Dividends paid to minority shareholder of existing subsidiaries						(0)	0	
Dividends to shareholders	(43)	(0)	(42)		(43)	(1)	(42)	
Net cash used in financing activities	164	(103)	267		66	(480)	546	0%
Net increase / (decrease) in cash and cash equivalents	(152)	(207)	55	-26%	(479)	(503)	24	(5%)
<i>Effect of exchange rate changes on cash and cash equivalents</i>	(21)	3	(24)	0%	12	(15)	27	
<i>Cash and cash equivalents at the beginning of the period</i>	953	1 247	(294)	-24%	1 247	2 160	(913)	(42%)
Cash and cash equivalents at the end of the period	780	953	(173)	-18%	780	1 642	(862)	(52%)

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