MORGAN STANLEY
METALS AND MINING CONFERENCE
MOSCOW

September 11, 2006
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Evraz Highlights

- Vertically integrated steel and mining business, among the 15 largest steel producers in the world
- 2005 Production of 13.9 million tonnes of crude steel and 12.1 million tonnes of rolled products
- 2005 EBITDA Margin of 28.6% is in the Top 10 globally
- Leader in Russian long products market with 30-100% market share
- High level of vertical integration and self-sufficiency in iron ore and coal
- One of the lowest cost producers of steel in Russia and CIS with mines located close to steel production sites
- Strong commitment to high standards of corporate governance
Top Russian Steel Producer

Evraz Group’s main locations

Top Russian steel producers

<table>
<thead>
<tr>
<th>Russian ranking</th>
<th>Company</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>Main products</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Evraz Group</td>
<td>13.9</td>
<td>13.7</td>
<td>13.8</td>
<td>Long</td>
</tr>
<tr>
<td>2</td>
<td>MMK</td>
<td>11.5</td>
<td>11.3</td>
<td>11.3</td>
<td>Flat/long</td>
</tr>
<tr>
<td>3</td>
<td>Severstal</td>
<td>9.9</td>
<td>10.4</td>
<td>10.8</td>
<td>Flat/long</td>
</tr>
<tr>
<td>4</td>
<td>NLMK</td>
<td>8.9</td>
<td>9.1</td>
<td>8.4</td>
<td>Flat</td>
</tr>
<tr>
<td>5</td>
<td>Mechel</td>
<td>4.6</td>
<td>5.5</td>
<td>4.6</td>
<td>Long/flat</td>
</tr>
</tbody>
</table>

Source: Chermet, Evraz
Note: Crude steel output

Steel mills
- Iron ore mining
- Coal mining
- Sea ports
- Service Centres
- Vanadium

Output of Russian assets (mt) Russian ranking

Highveld
Evraz Group’s Vision is to be a world class steel and mining Company and one of the Top 5 most profitable steelmakers globally by ROCE and EBITDA margin

- Leader in the construction and railway steel product markets in Russia and CIS
- Global player with strong position in attractive flat product markets complementing its world-class semis export business
- Lowest cost producer of crude steel in Russia and CIS through superior efficiency and vertically integrated mining platform
- Global leader in Vanadium with market share over 30%
Evraz Group’s Vision is to be a world class steel and mining Company and one of the Top 5 most profitable steelmakers globally by ROCE and EBITDA margin

Leader in the construction and railway steel product markets in Russia and CIS

Global player with strong position in attractive flat product markets complementing its world-class semis export business

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Global leader in Vanadium with market share over 30%
Well-positioned in High Growth Domestic Market

- Exposed to high growth markets
- Russian and CIS steel consumption remains below global benchmarks
- Key sectors have shown very robust demand growth in 2005
- Russian sales remain high at more than 60% in revenue
- Stable favorable domestic pricing environment supports sustainability of earnings
- Evraz’s market share remains stable or growing

Forecast of GDP growth and steel consumption, 2005-2010

Prices for Major Products Y2005

Sources: The RF Ministry of Economic development and Trade, Bank of Russia, Chermetinfo, Metal-Expert, Metal Bulletin
Capitalising on the Growing Construction Market

- Reinforcing long product leadership in Russia and CIS
- Construction growth in Russia and CIS continues to outperform GDP

![Graph showing construction output forecast exceeding GDP growth](image)

- '06-'10F Construction Output CAGR: 6.7%
- '06-'10F GDP CAGR: 5.6%
- '06-'10F Rebar Consumption CAGR: 9.5%

Source: Evraz, EIU, Chermet, Metall Expert
Strengthening Dominant Position in Railway Products

- Strengthening strategic partnership with Russian Railways
  - Rail product growth driven by US$21 billion investment in railway infrastructure and rolling stock

- Increasing market share in commercial segment of Russia and CIS

- Penetrating export markets

Russian market share by volume, 2005

Steel Consumption Growth Structure

<table>
<thead>
<tr>
<th>Year</th>
<th>Pipes</th>
<th>Long Products</th>
<th>Flat Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>30.5</td>
<td>38%</td>
<td>18%</td>
</tr>
<tr>
<td>2006</td>
<td>31.6</td>
<td>42%</td>
<td>21%</td>
</tr>
<tr>
<td>2007</td>
<td>33.4</td>
<td>43%</td>
<td>42%</td>
</tr>
<tr>
<td>2008</td>
<td>35.1</td>
<td>43%</td>
<td>43%</td>
</tr>
<tr>
<td>2009</td>
<td>37.3</td>
<td>38%</td>
<td>39%</td>
</tr>
<tr>
<td>2010</td>
<td>39.9</td>
<td>39%</td>
<td>39%</td>
</tr>
</tbody>
</table>

EVRAZ share in railway products
Evraz Group’s Vision is to be a world class steel and mining Company and one of the Top 5 most profitable steelmakers globally by ROCE and EBITDA margin.

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- Global leader in Vanadium with global market share over 30%
Export Markets

Non-Russian Sales Product Mix 2005

\[ '000 \text{ tonnes} \]

<table>
<thead>
<tr>
<th>Semi-finished steel</th>
<th>Railway sector</th>
<th>Construction sector</th>
<th>Plates</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,680</td>
<td>1,252</td>
<td>109</td>
<td>50</td>
<td>431</td>
</tr>
</tbody>
</table>

2005 Non-Russian Revenue Mix

- USA: 15%
- Taiwan: 20%
- W Europe: 7%
- Korea: 6%
- China: 7%
- Philippines: 8%
- Iran: 8%
- Vietnam: 8%
- Others: 15%
- Thailand: 18%
- Others: 15%

Semi-finished steel
Railway sector
Construction sector
Plates
Other

Source: Metal Bulletin, Metal Courier, Evraz

Slab/Billet Portfolio Flexibility

- Min slab: 3, 2.7
- Max slab: 4.5, 1.5 m tonnes

Portfolio Management Opportunity

US$ per tonne

Source: Metal Bulletin, Metal Courier, Evraz
### Establishing Presence in Flat Markets

- **Expand presence in the attractive flat product markets through selective M&A**
- **Build a flexible world-class semis export business reaching 100% penetration in key clients segments and 50% long-term contracts share of slab sales**

<table>
<thead>
<tr>
<th>Palini e Bertoli</th>
<th>Vitkovice Steel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evraz acquired 75% in Aug 2005</td>
<td>Evraz acquired 98.96% and remaining 1.04% of Vitkovice Steel in Nov, 2005 and Aug, 2006 correspondingly</td>
</tr>
<tr>
<td>Target markets – Middle East, Western Europe and North Africa</td>
<td>Target markets – the Czech Republic and Central Europe</td>
</tr>
<tr>
<td>Total sales – ca 350,000 tonnes of rolled products in 2005</td>
<td>Total sales in 2005 &gt; 853,000 tonnes of rolled products</td>
</tr>
<tr>
<td>Secure customer base for low-cost slab produced in Russia, internal slab supply can cover 100% slab requirement</td>
<td>Access to premium plate market</td>
</tr>
<tr>
<td>Access to premium and standard plate market</td>
<td></td>
</tr>
</tbody>
</table>
Global Player With Growing Focus on Flat Markets

- Semis export markets remain volatile
- Flat product market presence provides exposure to the benefits and a possible platform for regional consolidation process
- Strong position in growing Central and South European plate markets

**Slab pricing vs. plate pricing**

**Evraz position in European plate production**

Source: Evraz Group analytical and controlling departments, SBB
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Global leader in Vanadium with market share over 30%
Integrated Business Model

- One of the lowest cost producers of steel in Russia and CIS
- High level of vertical integration and self-sufficiency in iron ore and coal
- Vertically integrated business model of Evraz ensured that Evraz’s feedstock costs rose only by 13% against 33% rise in steel sector in Y2005

**Feedstock Coverage**

<table>
<thead>
<tr>
<th></th>
<th>Iron ore</th>
<th>Coal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Externally</td>
<td>86%</td>
<td>149%</td>
</tr>
<tr>
<td>Internally</td>
<td>14%</td>
<td></td>
</tr>
</tbody>
</table>

**Benefit of Vertical Integration**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit from vanadium slag sales 3)</td>
<td>195 $/t</td>
<td>220 $/t</td>
</tr>
<tr>
<td>Benefit from integration into mining 4)</td>
<td>12 $/t</td>
<td>29 $/t</td>
</tr>
<tr>
<td>Pro forma benefit from YuKU consolidation 5)</td>
<td>1 $/t</td>
<td>9 $/t</td>
</tr>
<tr>
<td>Consolidated steel products cost per tonne 2)</td>
<td>208 $/t</td>
<td>277 $/t</td>
</tr>
</tbody>
</table>

1) Steel segment cost per tonne estimated as (Revenue from steel products only – (Steel segment EBITDA - Vanadium slag sales) - Transport expense in Steel segment COS (export) - Steel segment Selling and Distribution costs) / Total steel products shipments
2) Consolidated steel products cost per tonne estimated as steel segment cost per tonne less benefits from vanadium slag sales, integration into mining and YuKU consolidation
3) Estimated as vanadium slag sales over total steel products shipments
4) Estimated as (Mining segment EBITDA + Profit from associates (coal assets)) / Total steel products shipments
5) Assumed additional profit from associates due to pro forma consolidation of YuKU from January 1, 2005, actual consolidation effective December 30, 2005

* Calculated as of December 31, 2005. Data do not include recent acquisitions

Source: Evraz
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Growing Vanadium Business

- **Best strength to weight ratio of common engineering materials**
  - With 0.1% addition of vanadium in structured steel, strength can be increased by 10 to 20%; structures’ weight can be reduced by 15 to 25%

- **Steel industry (90%)**
  - High strength low alloy (HSLA) Steels
  - Full Alloy Steels
  - Tool Steels / Stainless Steel
  - Carbon Steels

- **Airspace industry (7%)**
  - Titanium alloys for jet engine parts, airframes, rockets, nuclear
  - New alloys for modern aircrafts and jets totals 20% of the weight (A380 and B787)

- **Chemicals and Batteries (3%)**
  - Catalyst for sulphuric acid and plastics
  - Dietary, glasses, pigments

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![World Vanadium Market Diagram]
**Recent acquisitions**

- In June Evraz acquired 24.9% in Highveld
- In August Evraz acquired 72.84% in Strategic Minerals Corporation (Stratcor)
- Acquisitions give access to finished vanadium market, bring significant technical know-how, and allow Evraz to capitalise on strong trends in vanadium market

<table>
<thead>
<tr>
<th>Stratcor</th>
<th>Highveld</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic Minerals Corporation</strong>, is one of the world’s leading producers of vanadium alloys and chemicals for the steel, chemical, and titanium industries</td>
<td><strong>Highveld Steel and Vanadium</strong> is a leading vanadium producer and also produces steel, ferroalloys, and carbonaceous products</td>
</tr>
<tr>
<td>2005: Revenues – $258m, EBITDA - $108m</td>
<td>Evraz acquired 24.9% in Highveld from Anglo American</td>
</tr>
<tr>
<td>Plant in Arkansas, USA with total capacity of 12 mln pounds of V2O5 equivalent per year. Main products are Vanadium Chemicals and FeV</td>
<td>2005: Revenues – $1,124m, EBITDA - $510m</td>
</tr>
<tr>
<td>Plant in South Africa with total capacity of 14 mln pounds of V2O5 equivalent per year. Main product is Nitrovan</td>
<td>In 2005 Highveld sold 735 thousand tonnes of steel products, 4,407 tonnes (in V) of Vanadium Pentoxide 1,750 tonnes (in V) of FeV and FeV Nitride, 1,117 tonnes (in V2O5) of Vanadium Chemicals and 263 thousand tonnes of alloys</td>
</tr>
</tbody>
</table>
Vision and Strategic Goals

Evraz Group’s Vision is to be a world-class steel and mining company and one of the Top 5 most profitable steelmakers globally by ROCE and EBITDA margin.

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Global leader in Vanadium with market share over 30%
Proven Ability to Generate Strong Free Cash Flows
Internally-generated cash flows and liquidity steadily improving

Growing profitable business

Cash Flow Generation

* EBITDA represents profit from operations plus depreciation and amortisation, impairment of assets and loss (gain) on disposal of PP&E
** Net Income includes minority interests
*** ROCE represents profit from operations plus profit from equity investments less income tax over total equity plus interest bearing loans and lease average for the period
Projected Capex Programme

- Capex to increase the share of higher margin products
- Capex programme to reduce costs, improve process flows and expand the product range

Focused on steel segment efficiencies

High degree of scalability and comfortably self-funded

Chart showing projected Capex Programme from 2006B to 2011, with separate bars for Steel Segment, Mining Segment, Development, and Maintenance costs.
Stronger Financial Position

- Low-levered company with Net Debt/EBITDA below 1.0x
- Share of Unsecured Debt increased to 60% in 2005 vs. 48% in 2004
- Multiple upgrades:
  - Ba3 by Moody’s
  - BB- by Fitch
  - BB-/Stable Outlook by S&P

**Total Debt and Net Debt/EBITDA**

**Significantly Improved Debt Maturity Profile**

* total debt represents long-term loans, net of current portion, plus short-term loans and current portion of long-term loans
** net debt represents long-term loans, net of current portion, plus short-term loans and current portion of long-term loans less cash
*** net debt/EBITDA calculated as net debt at the end of period over EBITDA
## Q2 Y2006 Trading update

<table>
<thead>
<tr>
<th>Product</th>
<th>Q2 2006, thousand tonnes</th>
<th>Q2 2005, thousand tonnes</th>
<th>Q2 2006 / Q2 2005 change, %</th>
<th>Q2 2006 / Q1 2006 change, %</th>
<th>H1 2006</th>
<th>H1 2005</th>
<th>H1 2006 / H1 2005 change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steel division</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pig Iron</td>
<td>3,310</td>
<td>2,920</td>
<td>+13.4%</td>
<td>+7.8%</td>
<td>6,381</td>
<td>5,951</td>
<td>+7%</td>
</tr>
<tr>
<td>Steel</td>
<td>4,159</td>
<td>3,467</td>
<td>+20.0%</td>
<td>+8.3%</td>
<td>7,999</td>
<td>7,008</td>
<td>+14%</td>
</tr>
<tr>
<td>Incl. VS</td>
<td>244</td>
<td>n/a</td>
<td>n/a</td>
<td>+24.5%</td>
<td>440</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Rolled products¹</td>
<td>3,721</td>
<td>2,953</td>
<td>+26.0%</td>
<td>+9.3%</td>
<td>7,126</td>
<td>6,003</td>
<td>+19%</td>
</tr>
<tr>
<td>Incl. PeB</td>
<td>111</td>
<td>n/a</td>
<td>n/a</td>
<td>+4.7%</td>
<td>217</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Incl. VS</td>
<td>246</td>
<td>n/a</td>
<td>n/a</td>
<td>+22.4%</td>
<td>447</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Mining division²</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iron ore (saleable products)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concentrate</td>
<td>585</td>
<td>666</td>
<td>(12.2)%</td>
<td>+17.2%</td>
<td>1,084</td>
<td>1,290</td>
<td>(16)%</td>
</tr>
<tr>
<td>Sinter</td>
<td>2,249</td>
<td>2,322</td>
<td>(3.2)%</td>
<td>+9.9%</td>
<td>4,295</td>
<td>4,632</td>
<td>(7)%</td>
</tr>
<tr>
<td>Pellets</td>
<td>1,484</td>
<td>1,281</td>
<td>+15.9%</td>
<td>+0.7%</td>
<td>2,957</td>
<td>2,757</td>
<td>+7%</td>
</tr>
<tr>
<td><strong>Coal (mined)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coking coal</td>
<td>194</td>
<td>156</td>
<td>+24.5%</td>
<td>(5.6)%</td>
<td>400</td>
<td>156</td>
<td>n/a</td>
</tr>
<tr>
<td>Steam coal</td>
<td>15</td>
<td>24</td>
<td>(36.5)%</td>
<td>+26.9%</td>
<td>27</td>
<td>24</td>
<td>+14%</td>
</tr>
<tr>
<td><strong>Equity investments³</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coking coal (Raspadskaya)</td>
<td>1,851</td>
<td>1,327</td>
<td>+39.5%</td>
<td>+16.1%</td>
<td>3,446</td>
<td>3,314</td>
<td>+4%</td>
</tr>
<tr>
<td>Coking and steam coal</td>
<td>4,173</td>
<td>n/a</td>
<td>n/a</td>
<td>+18.8%</td>
<td>7,687</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

¹ Operational results of Palini e Bertoli are consolidated into the Group since September 2005 and of Vitkovice Steel since December 2005.
² Operational results of Yuzhkuzbassugol are consolidated into the Group since December 31, 2005.
³ Evraz Group holds 45.75% interest in Raspadskaya Mine and 50% interest in Yuzhkuzbassugol.
**Strong Commitment to High Standards in Corporate Governance**

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Evraz initiatives</th>
</tr>
</thead>
</table>
| **n** Transparency          | - International audits by E&Y  
                              | - Commitment to higher levels of disclosure  
                              | - Increased corporate transparency with easy information access                   |
| **n** Integrity of P&L      | - Evraz Group S.A. operating as a profit centre  
                              | - Independent Auditor + 3 Committees                                               |
| **n** Shareholder rights protection and compliance | - LSE listing  
                              | - Independent directors (3 out of 9 members)  
                              | - Corporate Governance Policies and Procedures, compliance procedures in place     |
| **n** Efficient capital allocation | - Focus on downstream business and corporate reorganization  
                              | - Dividend policy to balance investment opportunities with returning cash to shareholders |
| **n** Minimization of infrastructure risks | - Depository receipt programme: The Bank of New York |
Environmental Initiatives

- Introduction of new technologies to reduce energy consumption and to meet environmental protection programme
- Equipment upgrade in order to reduce emissions
- Within the 6 year period 2004 – 2010, Evraz is intending to spend approximately $134 million on replacing outdated machinery and equipment
- Major mills comply with international standard ISO14001:2004

### Total Air Emissions

<table>
<thead>
<tr>
<th>Year</th>
<th>Emissions ('000 tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>530.576</td>
</tr>
<tr>
<td>2004</td>
<td>525.468</td>
</tr>
<tr>
<td>2005</td>
<td>502.202</td>
</tr>
<tr>
<td>2010 (est)</td>
<td>359.7417</td>
</tr>
</tbody>
</table>

### Air Emissions per tonne of production

<table>
<thead>
<tr>
<th>Year</th>
<th>Emissions (Kg/tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>25.478</td>
</tr>
<tr>
<td>2004</td>
<td>23.858</td>
</tr>
<tr>
<td>2005</td>
<td>22.654</td>
</tr>
</tbody>
</table>
Evraz goes well beyond regular working practices in CSR
- Every site of the Group has developed a health programme for employees, including additional health services provided by both local and the Group’s medical centres
- The Company established an pension fund for the employees

Evraz supports communities’ initiatives and programs for children as well as provides equipment for teaching computer literacy and supports local schools and colleges

Evraz actively participates in community initiatives for safer environment
Evraz owns 46.3% beneficial interest in OAO Raspadskaya, the second-largest coking coal company in Russia.

In June 2006, OAO Raspadskaya completed acquisition of two mining assets: Mezhdurechenskaya Coal Company-96 and Razrez Raspadsky with fair value of $769 mln.

Evraz provided $225 mln in cash plus $300 mln. in short-term financial guarantees for OAO Raspadskaya.

**Proved and Probable Reserves, mln tonnes**

- **Old Raspadskaya 478**
- **MUK-96 and Razrez 304**

**Target Output, mln tonnes**

- **2005**
  - Raspadskaya: 6.4
  - MUK-96 & Razrez: 3.3

- **2010**
  - Raspadskaya: 11.0
  - MUK-96 & Razrez: 6.0

CAGR = 12%

Source: IMC Reserve Audit Report 2006

Source: OAO Raspadskaya