EVRAZ GROUP

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Evraz at a Glance

- World class steel and mining company with the strategy to be one of the top five 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 flat product markets of Europe and the US
- One of the lowest cost producers of crude steel in Russia and CIS
- Vertically integrated business with 87% self-coverage of iron-ore and 100% self-coverage in coking coal in 2007
- Leading global vanadium producer
- Production of 16.4 million tonnes of crude steel in 2007
- Consolidated revenues of US$12.8 billion in 2007 and US$8.3 billion in 2006
- EBITDA* of US$4.3 billion in 2007 and US$2.6 billion in 2006
- Multiple upgrades from S&P, Fitch and Moody’s

* Adjusted EBITDA represents profit from operations plus depreciation and amortisation, impairment of assets and loss (gain) on disposal of PP&E
Evraz Strategy

Our 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

- Advance long product leadership in Russia and CIS
- Enhance cost leadership position
- Expand presence in international plate markets
- Complete vertical integration and competitive mining platform
- Achieve world leadership in vanadium business

2007 EBITDA per Tonne of Steel Sales

Sources: IISI, Renaissance Capital estimates
Leveraging Presence in Attractive Markets

- Russia remains key market with 46% share in revenue
- European sales advanced by 43% driven by higher prices, a 9% steel volume increase and vanadium sales
- Strong growth in sales in North America to US$2,140 mln or 17% of total revenues due to Evraz OSM acquisition
- Asian sales almost flat y-o-y at US$1,882 mln

Revenues by Region

Steel Product Sales Volumes
Steel: Yielding on Russian Demand Growth

- Russian steel revenue grew by 41% fuelled by a domestic construction boom and strong pricing.
- Steel sales volumes increased by 7.7% to 7.6 mln tonnes and selling price averaged US$664/tonne.
- Russian construction sales: revenues expanded by 71% on the back of 23% increase in sales volumes.
- Railway products: revenues grew by 37% with sales volumes increasing by 13%.
2007 Construction Steel Market in Russia

- Russian and CIS steel consumption per capita remains below global benchmarks
- Rebar market increased by 30% in 2006 and by 23% in 2007
- Sections market grew by 32% in 2007 due to increased investments in industrial and infrastructure constructions with strong demand for H-beams and channels, Evraz leadership products
- Steel usage in construction is expected to increase from 75 kg per m² to 93 kg per m² due to higher volumes of monolithic buildings

Rebar Market in Russia

Sections Market in Russia

Source: Evraz market estimates
Strong Pricing Environment to Continue

Average Prices in Moscow Region

Source: Evraz market estimates
Investments in Rolled Capacity Expansion

Implementation of US$1.8 billion investment programme in 2008-2012 announced in May 2008 is to result in additional 3 million tonnes of rolled products (+40% to 2007 volumes) supplied to the Russian market

Production of railway products:
- Wheel-rolling mill reconstruction at NTMK: US$215 million; 580,000 wheels p.a.
- Rail production reconstruction at NTMK: €375 million, up to 950,000 t of rails p.a.
- Rail production reconstruction at NKMK: €125 million, up to 750,000 t of rails p.a.

Production of long products:
- Construction of small section rolling mill 320 at the existing production facilities of NKMK: US$80 million, capacity: 400,000 tonnes of rebars and wire rod p.a.
- Construction of small section mill 350 at the site of the Kostanaisk diesel engine plant in Kazakhstan (approx 200 km from Chelyabinsk): US$160 million, 600,000 tonnes p.a.(rebars, channels, angles)

Production of flat-rolled products:
- Construction of a heavy plate mill Quarto 3600 at Zapsib: US$500 million, 1st stage – 800,000-850,000 tonnes p.a.; 2nd stage - 1.1-1.2 million tonnes p.a.
Ukraine: Diversifying into One of the Lowest Cost Producing Regions

- Integrated steel mill, located in the proximity to iron ore resources and key markets
  - 3 blast furnaces with annual capacity of 1.8 mln tonnes of hot iron
  - 3 converters with 2007 crude steel production of 1.3 mln tonnes
  - Total sales in 2007 amounted to 1.4 mln tonnes of products

- Sukha Balka iron ore mining and processing complex
  - 2 underground iron ore mines with 30 years of estimated reserve life
  - 2007 sales of 2.85 mln tonnes of lumpy ore (57.7% of Fe)
  - FY08 expected cash cost is US$32 per tonne of lumpy ore

- 3 coking plants (Bagley Coke, Dnepro Coke, Dneprodzerzhinsk Coke)
  - Total annual capacity of 3.52mln tonnes of metallurgical coke
  - Built and reconstructed in 1985-1992
  - 2007 production of 2.0 mln tonnes of coke

Dnepropetrovsk Metal Works Sales Mix

Sukha Balka Iron Ore Sales
North American Operations: Exposure to Infrastructure and Energy Markets

- In January 2008, Evraz acquired shares in Claymont Steel for cash consideration of US$422 mln
- Leading integrated producer of custom steel plate on the East Coast of the USA with 450,000 tonnes capacity
- In June 2008, Evraz acquired IPSCO’s Canadian plate and pipe business for an anticipated net amount of US$2.4 bln
- 1 mln tonnes of crude steel capacity; own scrap collecting facilities
- 3 tubular mills with annual capacity of 1.2 mln tonnes of OCTG and LD pipes
- Strong synergies expected from business combination with existing facilities in North America

IPSCO Canada 2007 Product Mix

- ERW pipe, 303,000 tonnes
- LD pipe, 351,000 tonnes
- Plate/Coil, 379,000 tonnes

Announced North American Pipeline Expansions

- Source: Canadian Energy Pipeline Association, Interstate Natural Gas Association of America and IPSCO Tubulars management estimates

Source: IPSCO Tubulars, Claymont/ market data
In February 2008, Evraz signed an agreement to acquire up to 51% of Delong Holdings

- 3.0 mln tonnes integrated modern HRC mill located in Hebei province in 400 km from Beijing and from the sea ports
- 850 mm and 1,250 mm wide strip coils used mostly in pipemaking
- Second lowest cost HRC producer in China in 2006
- 2007 revenue and EBITDA amounted to US$1,021 mln and US$135 mln respectively
- The deal is subject to further regulatory approvals
Evraz’s Global Business