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EVRAZ Q2 2018 TRADING UPDATE

26 July 2018 — EVRAZ plc (LSE: EVR; “EVRAZ” or the “Group”) today released its trading update for the second quarter of 2018.

Please note that Q1 2018 production and sales volumes data have been updated due to adjustments in intragroup sales and coal classification. See the respective notes below the tables on pages 2, 4 and 7 for details.

Q2 2018 vs Q1 2018 HIGHLIGHTS:

- In Q2 2018, EVRAZ’ consolidated crude steel output grew by 3.9% QoQ to 3.5 million tonnes, primarily due to higher pig iron production.
- Sales of finished products rose by 10.3%, primarily attributable to stronger domestic demand for construction and railway products, as well as improved market demand in North America. This was partly offset by a 7.8% decrease in sales of semi-finished products, reflecting a change in the sales mix.
- Production of raw coking coal fell by 9.2% QoQ to 5.4 million tonnes mainly following scheduled transition of production at Rospadskaya mine from three to two longwalls.
- Coking coal product sales climbed by 6.3% QoQ, mainly due to the completion of a longwall repositioning at the Uskovskaya mine and improved weather, which positively affected raw coal shipments.
- External sales of iron ore products dropped by 13.2% QoQ amid higher consumption of pellets by EVRAZ NTMK after the launch of blast furnace no. 7.
- Sales of vanadium products rose by 7.7% QoQ, mainly due to sales brought forward from H2 2017 to Q2 2018 to take advantage of strong market conditions.

| Product, '000 tonnes | Q2 2018 | Q1 2018 | Q2 2018/ Q1 2018, change | H1 2018 | H1 2017 | H1 2018/ H1 2017, change |
|--|--------------|--------------|--------------------------------|---------------|---------------|--------------------------------|
| Total crude steel production | 3,481 | 3,351 | 3.9% | 6,832 | 6,990 | -2.3% |
| Russia | 2,996 | 2,730 | 9.7% | 5,726 | 5,742 | -0.3% |
| Ukraine | - | 154 | -100.0% | 154 | 388 | -60.3% |
| North America* | 485 | 467 | 3.9% | 952 | 860 | 10.7% |
| Total raw coking coal mined | 5,422 | 5,969 | -9.2% | 11,391 | 11,651 | -2.2% |
| Total coking coal concentrate production | 3,907 | 4,154 | -5.9% | 8,061 | 7,217 | 11.7% |
| Iron ore products production | 3,424 | 3,431 | -0.2% | 6,855 | 6,894 | -0.6% |
| Total sales of steel products** | 3,148 | 3,068 | 2.6% | 6,216 | 6,550 | -5.1% |
| Semi-finished products** | 1,202 | 1,303 | -7.8% | 2,505 | 2,932 | -14.6% |
| Finished products | 1,946 | 1,765 | 10.3% | 3,711 | 3,618 | 2.6% |
| Total sales of third-party steel products | 247 | 170 | 45.3% | 417 | 370 | 12.7% |
| Sales of coking coal products** | 2,885 | 2,713 | 6.3% | 5,599 | 4,686 | 19.5% |
| Sales of iron ore products | 508 | 585 | -13.2% | 1,093 | 1,416 | -22.8% |
| Sales of vanadium final products*** | 3,348 | 3,108 | 7.7% | 6,456 | 8,123 | -20.5% |

Note. Numbers in this table and the tables below may not add up to totals due to rounding.

* The Q2 2018 production and sales volumes of Evraz North America are preliminary.

** The Q1 2018 data have been updated due to adjustments in intragroup sales. In addition, the data for the following reporting periods have been restated: for Q1 2017, Total sales of steel products = 3,189, Semi-finished products = 1,497; for Q4 2017, Total sales of steel products = 3,346, Semi-finished products = 1,674.

*** in tonnes of pure vanadium

STEEL SEGMENT

Total production volumes (RUSSIA and UKRAINE)

| Product, '000 tonnes | Q2 2018 | Q1 2018 | Q2 2018 / Q1 2018, change | H1 2018 | H1 2017 | H1 2018 / H1 2017, change |
|--|--------------|--------------|---------------------------|--------------|--------------|---------------------------|
| Pig iron production | 2,681 | 2,571 | 4,3% | 5,252 | 5,689 | -7,7% |
| EVRAZ ZSMK | 1,515 | 1,397 | 8,4% | 2,912 | 2,777 | 4,9% |
| EVRAZ NTMK | 1,166 | 1,020 | 14,3% | 2,186 | 2,423 | -9,8% |
| EVRAZ DMZ | 0 | 153 | -100,0% | 153 | 489 | -68,7% |
| Crude steel production | 2,996 | 2,884 | 3,9% | 5,880 | 6,130 | -4,1% |
| EVRAZ ZSMK | 1,962 | 1,790 | 9,6% | 3,752 | 3,597 | 4,3% |
| EVRAZ NTMK | 1,034 | 940 | 10,0% | 1,974 | 2,145 | -8,0% |
| EVRAZ DMZ | 0 | 154 | -100,0% | 154 | 388 | -60,3% |
| Iron ore products production | 3,424 | 3,431 | -0,2% | 6,855 | 6,894 | -0,6% |
| Pellets (EVRAZ KGOK) | 1,626 | 1,651 | -1,5% | 3,277 | 3,182 | 3,0% |
| Sinter (EVRAZ KGOK) | 904 | 831 | 8,8% | 1,735 | 1,766 | -1,8% |
| Concentrate saleable (Evrizruda, EVRAZ KGOK) | 894 | 949 | -5,8% | 1,843 | 1,946 | -5,3% |
| Coking coal concentrate production | 518 | 522 | -0,8% | 1,041 | 986 | 5,6% |
| From own raw coal* | 319 | 282 | 13,1% | 601 | 425 | 41,4% |
| From third-party raw coal | 199 | 240 | -17,1% | 440 | 561 | -21,6% |
| Gross vanadium slag production** | 4,394 | 4,020 | 9,3% | 8,414 | 9,348 | -10,0% |

Note. Numbers in this table and the tables below may not add up to totals due to rounding.

* from Coal segment

** in tonnes of pure vanadium

In Q2 2018, EVRAZ' pig iron output at its Russian mills grew by 4.3% QoQ to 2.7 million tonnes. This was primarily driven by a low-base effect caused mostly by reduced productivity in Q1 2018 following the shutdown of EVRAZ NTMK's blast furnace no. 6 and the launch of blast furnace no. 7.

In Ukraine, pig iron production decreased due to the disposal of EVRAZ DMZ in March 2018.

Crude steel output grew by 3.9% QoQ to 3 million tonnes following an increase in overall pig iron output.

Consolidated output of vanadium slag grew by 9.3% QoQ, which was in line with higher pig iron production.

Total sales volumes (RUSSIA, UKRAINE, KAZAKHSTAN and EUROPE)

| Product, '000 tonnes | Q2 2018 | Q1 2018 | Q2 2018 / Q1 2018, change | H1 2018 | H1 2017 | H1 2018 / H1 2017, change |
|--|--------------|--------------|---------------------------|--------------|--------------|---------------------------|
| Coke* | 73 | 110 | -33.6% | 184 | 303 | -39.3% |
| Steel products, external sales* | 2,598 | 2,586 | 0.5% | 5,185 | 5,607 | -7.5% |
| Semi-finished products* | 1,202 | 1,303 | -7.8% | 2,505 | 2,932 | -14.6% |
| Slabs* | 540 | 422 | 28.0% | 962 | 1,118 | -14.0% |
| Billets* | 538 | 763 | -29.5% | 1,301 | 1,418 | -8.3% |
| Other steel products* | 123 | 119 | 3.4% | 242 | 396 | -38.9% |
| Finished products | 1,397 | 1,283 | 9.0% | 2,680 | 2,675 | 0.2% |
| Construction products | 806 | 735 | 9.7% | 1,541 | 1,640 | -6.0% |
| Railway products | 361 | 308 | 17.2% | 669 | 666 | 0.5% |
| Flat products | 94 | 94 | 0.0% | 188 | 110 | 70.9% |
| Other steel products | 136 | 146 | -6.8% | 282 | 259 | 8.9% |
| Steel products, inter-segment sales | 174 | 129 | 34.9% | 303 | 303 | 0.0% |
| Sales of third-party steel products, external sales | 247 | 170 | 45.3% | 417 | 370 | 12.7% |
| Sales of iron ore products, external sales | 508 | 585 | -13.2% | 1,093 | 1,416 | -22.8% |
| Pellets | 504 | 585 | -13.8% | 1,089 | 637 | 71.0% |
| Other | 4 | 0 | 100.0% | 4 | 779 | -99.5% |
| Sales of vanadium final products*** | 3,348 | 3,108 | 7.7% | 6,456 | 8,123 | -20.5% |

Note. Numbers in this table and the tables below may not add to totals due to rounding.

* The Q1 2018 data have been updated due to adjustments in intragroup sales. In addition, the data for the following reporting periods have been restated: for Q1 2017, Coke = 113, Steel products, external sales = 2,720, Semi-finished products = 1,497, Slabs = 613, Billets = 757, Other steel products = 127; for Q4 2017, Coke = 273, Steel products, external sales = 2,878, Semi-finished products = 1,674, Slabs = 521, Billets = 960, Other steel products = 192. Other steel products include tonnes of pig iron.

*** in tonnes of pure vanadium

In Q2 2018, external sales of steel products were flat QoQ. Sales of semi-finished products fell by 7.8% QoQ, mainly due to lower sales of billets, reflecting a change in the sales mix in favour of slabs, which offered higher margins on export markets, and finished products.

Sales of finished products rose by 9.0% QoQ, driven by higher sales of construction products due to stronger domestic demand for rebars and sections.

Sales of railway products grew by 17.2% QoQ amid changes in the product mix at EVRAZ ZSMK's rail mill and higher demand from Russian Railways.

Sales of iron ore products decreased by 13.2% QoQ due to higher consumption by EVRAZ NTMK after the launch of blast furnace no. 7.

Sales of vanadium products grew by 7.7% QoQ, mainly due to sales brought forward from H2 2018 to Q2 2018 to take advantage of strong market conditions.

| Cash cost, US\$/tonne | Q2 2018 | Q1 2018 | Q2 2018 / Q1 2018, change | H1 2018 | H1 2017 | H1 2018 / H1 2017, change |
|--|------------|------------|---------------------------------|------------|------------|---------------------------------|
| Slab cash cost (vertically integrated) | 240 | 256 | -6.3 % | 248 | 254 | -2.4 % |
| Iron ore products (Fe 62%) | 35 | 38 | -7.9 % | 37 | 35 | 5.7 % |
| Average selling prices | | | | | | |
| US\$/tonne (ex works) | Q2 2018 | Q1 2018 | H1 2018 | H1 2017 | | |
| Coke | 244 | 264 | 255 | 215 | | |
| Steel products | 558 | 544 | 551 | 439 | | |
| Semi-finished products* | 482 | 439 | 462 | 344 | | |
| Construction products | 608 | 618 | 613 | 514 | | |
| Railway products | 687 | 720 | 702 | 632 | | |
| Other steel products | 643 | 628 | 635 | 524 | | |
| Pellets | 65 | 61 | 63 | 74 | | |
| Metal Bulletin Ferro-Vanadium basis 78% min, free DDP, consumer plant, 1st grade Western Europe** | 69.15 | 61.90 | 65.53 | 26.16 | | |
| Ryan's Notes N.A. FeV 80% min, US ex-warehouse, duty paid** | 75.69 | 63.32 | 69.51 | 27.17 | | |

* includes prices for pig iron

** US\$/kgV

In Q3 2018, the Group expects its pig iron production to decrease by roughly 8% due to scheduled capital repairs of EVRAZ ZSMK's blast furnace no.3 in August-November. In Q3 2018, pellet production at EVRAZ KGOK is expected to decrease by around 3.5% due to the scheduled repairs of indurating machine no. 1 in September-October.

STEEL, NORTH AMERICA SEGMENT

Production and sales volumes

| Product, '000 tonnes | Q2 2018 | Q1 2018 | Q2 2018 / Q1 2018, change | H1 2018 | H1 2017 | H1 2018 / H1 2017, change |
|--------------------------------|------------|------------|---------------------------------|--------------|------------|---------------------------------|
| Crude steel | 484 | 467 | 3.6% | 951 | 860 | 10.6% |
| EVRAZ Pueblo | 228 | 228 | 0.0% | 456 | 412 | 10.7% |
| EVRAZ Regina | 256 | 239 | 7.1% | 495 | 448 | 10.5% |
| Sales of steel products | 549 | 482 | 13.9% | 1 031 | 943 | 9.3% |
| Construction products | 72 | 69 | 4.3% | 141 | 126 | 11.9% |
| Railway products | 111 | 96 | 15.6% | 207 | 206 | 0.5% |
| Flat-rolled products | 162 | 142 | 14.1% | 304 | 271 | 12.2% |
| Tubular products | 204 | 175 | 16.6% | 379 | 340 | 11.5% |

* The Q2 2018 production and sales volumes data are preliminary.

In Q2 2018, crude steel production grew by 3.6% QoQ, primarily driven by improved utilisation at EVRAZ Regina due to unplanned downtime in the electric-arc furnace and caster in Q1 2018 not repeating.

Sales of construction products climbed by 4.3% QoQ and sales of railway products were up 15.6% QoQ, as a result of improved demand.

Sales of flat-rolled products surged by 14.1% QoQ due to stronger demand, partly driven by the impact of Section 232 import tariffs.

Sales of tubular products increased by 16.6% QoQ amid improved demand and favourable sales terms in small-diameter line pipe.

Prices for construction and flat-rolled products rose during the reporting period, reflecting higher prevailing prices for scrap and other inputs, reduced pressure from imports and improving demand fundamentals. Prices for tubular products decreased due to changes in the customer mix.

Average selling prices

| US\$/tonne (ex works) | Q2 2018 | Q1 2018 | H1 2018 | H1 2017 |
|-----------------------|------------|------------|------------|------------|
| Construction products | 808 | 705 | 757 | 609 |
| Flat-rolled products | 978 | 781 | 886 | 784 |
| Tubular products | 1,200 | 1,243 | 1,220 | 999 |

In Q3 2018, crude steel output is expected to be slightly higher than in the prior quarter, while tubular product volumes should experience a 10-15% increase in volume, flat-rolled products should climb by 5-10% and construction products should remain strong. Meanwhile, rail output is expected to fall by 5-10% due to annual planned maintenance activities in Q2 2018.

COAL SEGMENT

Production volumes

| Product, '000 tonnes | Q2 2018 | Q1 2018 | Q2 2018 / Q1 2018, change | H1 2018 | H1 2017 | H1 2018 / H1 2017, change |
|--|--------------|--------------|---------------------------------|---------------|---------------|---------------------------------|
| Raw coking coal (mined) | 5,422 | 5,969 | -9.2% | 11,391 | 11,651 | -2.2% |
| <i>Yuzhkuzbassugol</i> | 2,755 | 2,720 | 1.3% | 5,475 | 5,263 | 4.0% |
| <i>Raspadskaya</i> | 2,430 | 3,008 | -19.2% | 5,438 | 5,957 | -8.7% |
| <i>Mezhegeyugol</i> | 237 | 241 | -1.7% | 478 | 431 | 10.8% |
| Coking coal concentrate (production) | 3,389 | 3,631 | -6.7% | 7,020 | 6,231 | 12.7% |
| <i>Produced at Yuzhkuzbassugol coal washing plants</i> | 1,725 | 1,770 | -2.5% | 3,495 | 2,982 | 17.2% |
| <i>Produced at Raspadskaya coal washing plant</i> | 1,664 | 1,861 | -10.6% | 3,525 | 3,249 | 8.5% |

In Q2 2018, production of raw coking coal fell by 9.2% QoQ, primarily due scheduled transition of production at Raspadskaya mine from three to two longwalls. Additional effect was from the temporary

longwall shutdown at the Rospadskaya mine in May 2018 to improve production safety at the developed longwall space.

Coking coal concentrate output fell by 6.7% QoQ, which was in line with lower production volumes of mined raw coking coal.

Sales volumes

| Product, '000 tonnes | Q2 2018 | Q1 2018 | Q2 2018 / Q1 2018, change | H1 2018 | H1 2017 | H1 2018 / Q1 2017, change |
|---------------------------|--------------|--------------|---------------------------|--------------|--------------|---------------------------|
| External sales* | 2,885 | 2,713 | 6.3% | 5,599 | 4,686 | 19.5% |
| Raw coking coal * | 484 | 323 | 49.8% | 807 | 933 | -13.5% |
| Coking coal concentrate * | 2,401 | 2,391 | 0.4% | 4,792 | 3,753 | 27.7% |
| Intersegment sales | 1,489 | 1,443 | 3.2% | 2,932 | 2,884 | 1.6% |
| Raw coking coal | 514 | 396 | 29.8% | 910 | 606 | 50.0% |
| Coking coal concentrate | 975 | 1,047 | -6.9% | 2,022 | 2,278 | -11.2% |

* The Q1 2018 data have been updated due to adjustments in the coal classification.

In Q2 2018, external sales volumes of raw coking coal surged by 49.8% due to the completion of a longwall repositioning at the Uskovskaya mine as its coal is in high demand. In addition, better weather conditions positively affected the raw coal shipments, as it may be difficult to unload the rail cars during the winter.

| Cash cost, US\$/tonne | Q2 2018 | Q1 2018 | Q2 2018 / Q1 2018, change | H1 2018 | H1 2017 | Q1 2018 / Q1 2017, change |
|-------------------------|---------|---------|---------------------------|---------|---------|---------------------------|
| Coking coal concentrate | 48 | 45 | 6.7% | 47 | 42 | 11.9% |

Average selling prices

| US\$/tonne (ex works) | Q2 2018 | Q1 2018 | H1 2018 | H1 2017 |
|-------------------------|---------|---------|---------|---------|
| Raw coking coal | 64 | 75 | 70 | 65 |
| Coking coal concentrate | 119 | 135 | 127 | 129 |

In Q2 2018, coking coal sales prices moved in line with global benchmarks.

In Q3 2018, semi-hard coking coal production is expected to increase slightly QoQ after launching a longwall at the Rospadskaya mine.

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Notes:

Semi-finished products include slabs, billets, pipe blanks and other semi-finished products.

Construction products include beams, channels, angles, rebars, wire rods, wire and other construction products.

Railway products include rails, wheels, tyres and other railway products.

Flat-rolled products include commodity plate, specialty plate and other flat products.

Tubular products include large-diameter line pipes, ERW pipes and casings, seamless pipes and other tubular products.

Other steel products include rounds, grinding balls, mine uprights, strips, etc. They also include railway products for Ukraine.

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EVRAZ is a vertically integrated steel, mining and vanadium business with operations in the Russian Federation, Kazakhstan, US, Canada, Czech Republic and Italy. EVRAZ is among the top steel producers in the world based on crude steel production of 14 million tonnes in 2017. A significant portion of the Group's internal consumption of iron ore and coking coal is covered by its mining operations. The Group's consolidated revenues for the year ended 31 December 2017 were US\$10,827 million, and consolidated EBITDA amounted to US\$2,624 million.