



Q1 2007 Financial and Production Results Presentation

US GAAP
Consolidated Financial Statements

June 2007

Group production highlights



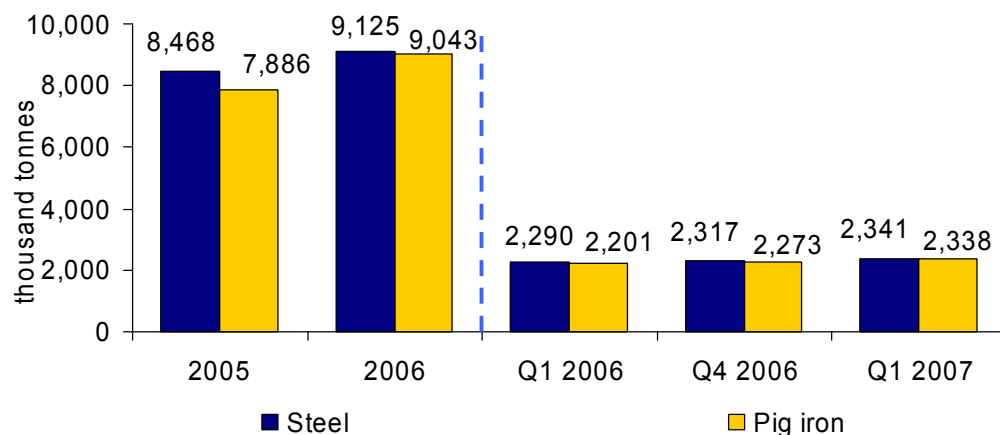
<i>thousand tonnes</i>	Parent Company				NLMK Group ¹			
	Q1 2007	Q4 2006	<i>change</i> + / - %		Q1 2007	Q4 2006	<i>change</i> + / - %	
Pig iron	2,338	2,273	65	2.9%	2,338	2,273	65	2.9%
Steel	2,341	2,317	24	1.0%	2,341	2,317	24	1.0%
Pig iron for sale	243	160	83	51.9%	243	160	83	51.9%
Slabs	1,054	1,061	-7	-0.7%	884	893	-9	-1.0%
Flats	1,172	1,093	79	7.2%	1,341	1,269	72	5.7%
Hot-rolled steel	412	357	55	15.4%	533	484	49	10.1%
Cold-rolled steel	454	408	46	11.3%	454	408	46	11.3%
Pre-painted steel	177	212	-35	-16.5%	177	212	-35	-16.5%
Electrical steel	128	116	12	10.3%	177	165	12	7.3%

¹ Includes VIZ-Stal and DanSteel A/S

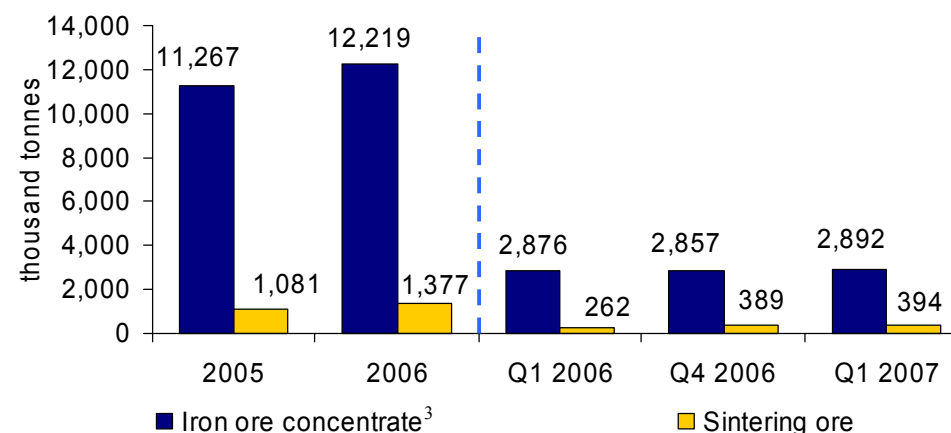
Group production highlights



Crude steel and pig iron

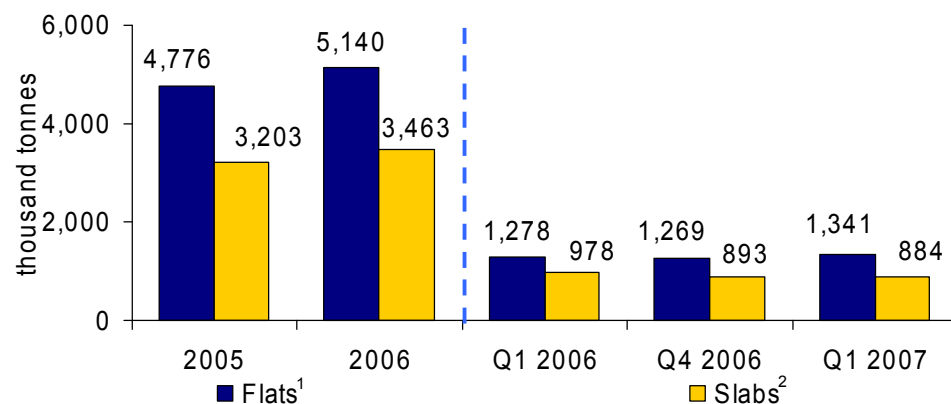


Iron ore concentrate and sintering ore



³ Includes OJSC Kombinat KMaruda production when relevant

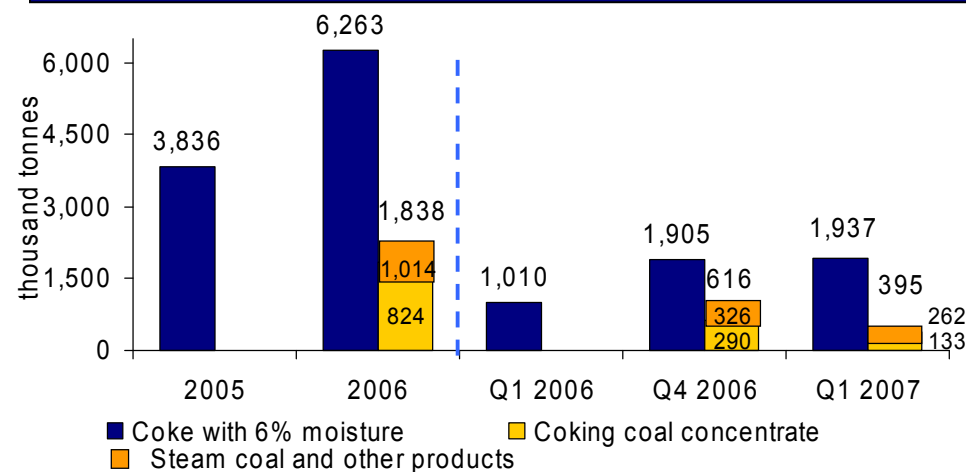
Flats and slabs



¹ Includes flat products, produced at subsidiaries.

² Excludes slabs for subsidiaries.

Coke and coal



Key financial highlights



<i>(million USD)</i>	Q1 2007	Q4 2006	Q1 2006	Q1 2007/Q4 2006		Q1 2007/Q1 2006	
				+ / -	%	+ / -	%
Net sales	1,750	1,687	1,087	63	3.7%	663	61.0%
Cost of sales	-933	-768	-649	-165	21.5%	-284	43.8%
<i>Production cost</i>	-830	-661	-575	-169	25.6%	-255	44.3%
<i>Depreciation</i>	-102	-108	-74	6	-5.6%	-28	37.8%
Gross profit	817	919	438	-102	-11.1%	379	86.5%
<i>- as % of net sales</i>	47%	54%	40%				
<i>SG&A</i>	-171	-197	-62	26	-13.1%	-109	175.8%
<i>Impairment losses and accretion expense on asset retirement obligations</i>	-6	-157	-	151	-96.2%	-	-
Operating profit	640	565	376	75	13.3%	264	70.2%
<i>- as % of net sales</i>	37%	34%	35%				
<i>Gains on investments</i>	-1	5	384	-6	-120.0%	-385	-100.3%
<i>Other income/(expenses)</i>	29	2	-36	27	1360.4%	65	-180.5%
Pre-tax profit	668	573	724²	95	16.6%	-56	-7.7%
<i>- as % of net sales</i>	38%	34%	67%				
Net income¹	457	381	546²	76	19.9%	-89	-16.4%
<i>- as % of net sales</i>	26%	23%	50%				
EBITDA	748	802	388	-54	-6.7%	360	92.8%
<i>- as % of net sales</i>	43%	48%	36%				
Earnings per share (USD)	0.0762	0.0636	0.0911	0.0126	19.9%	-0.0149	-16.4%

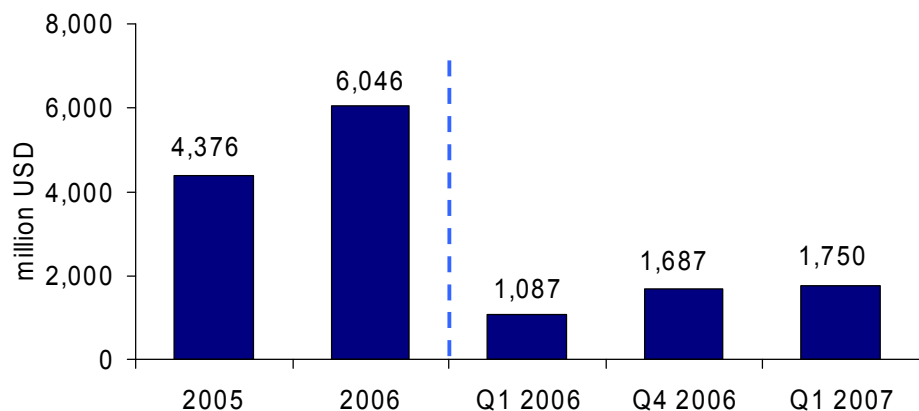
¹ Net income includes profit from discontinued operations.

² In Q1 2006 the shares of OJSC Lebedinsky GOK were sold. Excluding income from OJSC Lebedinsky GOK shares sale, Q1 2006 pre-tax profit amounted to USD 332 mln, net income – USD 248 mln.

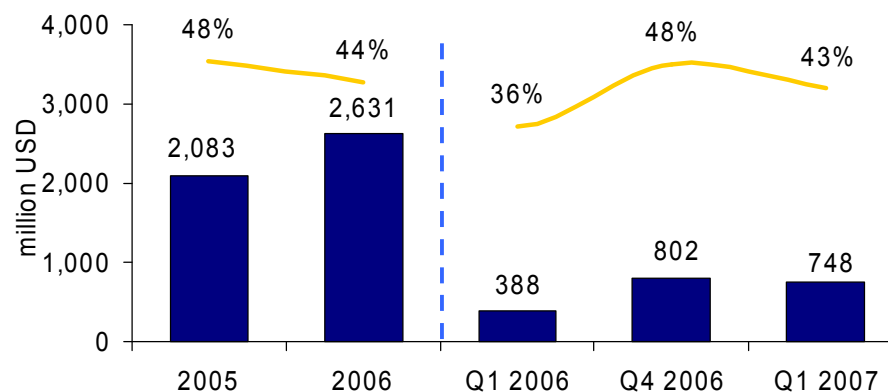
Key performance indicators



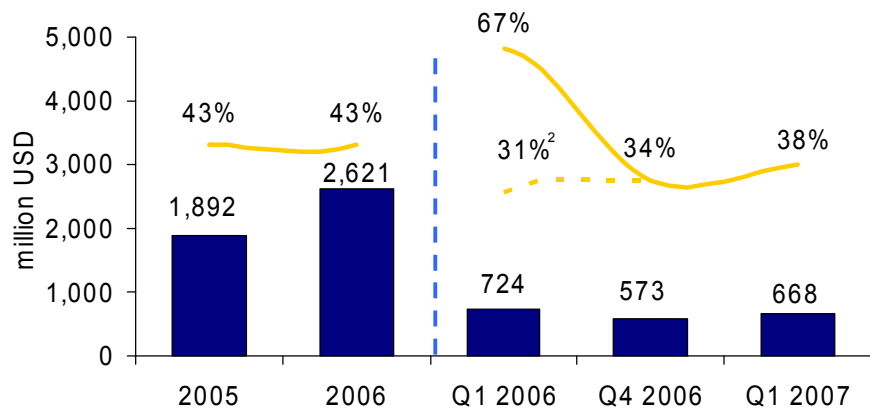
Net sales



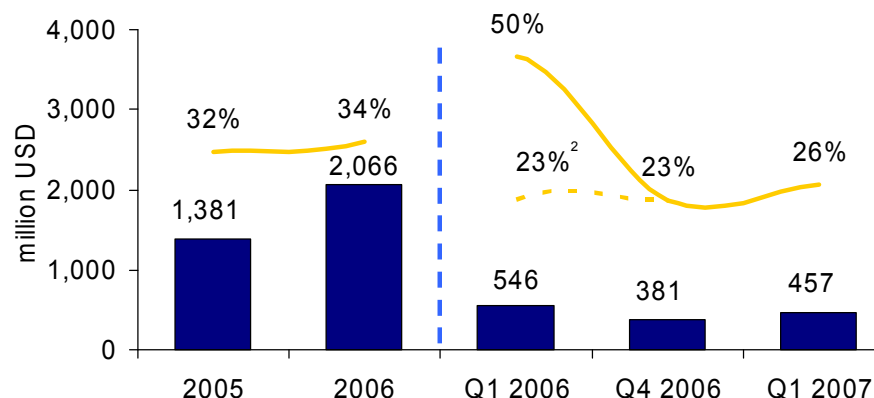
EBITDA¹, as % of net sales



Pre-tax profit, as % of net sales



Net income, as % of net sales



¹EBITDA is calculated as the sum of net profit, net interest expense, income tax, loss on disposal of fixed assets, impairment losses, accretion expense on asset retirement obligation, depreciation and amortization (without gain/ (loss) on investments, income from discontinued operations and gain on loan restructuring).

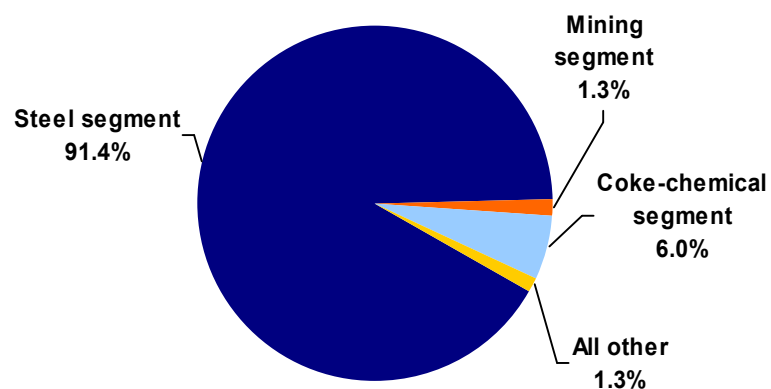
² Without income from the sale of OJSC Lebedinsky GOK shares Q1 2006 pre-tax profit amounted to USD 332 mln, net income – USD 248 mln.

Q1 2007 segmental highlights

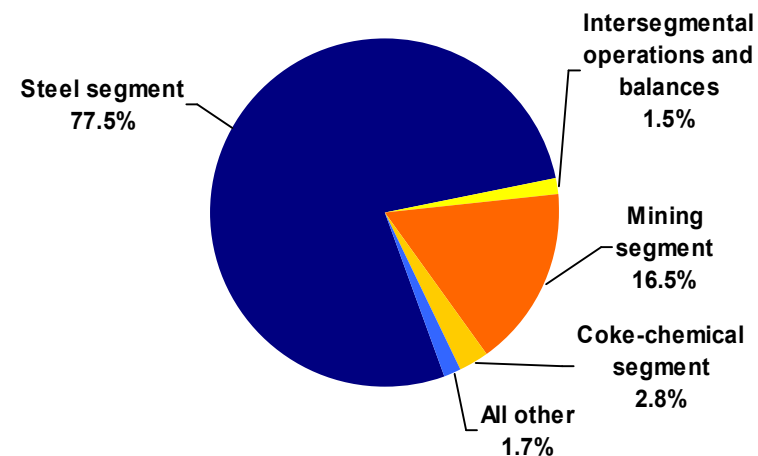


<i>(million USD)</i>	Steel	Mining	Coke-chemical	All other	Totals	Intersegmental operations and balances	Consolidated
Revenue from external customers	1,599	23	105	23	1,750	-	1,750
Intersegment revenue	6	192	27	37	262	-262	-
Gross profit	633	135	23	14	806	12	817
Operating income	520	124	3	-18	630	10	640
Segment assets including goodwill	6,145	1,537	976	995	9,653	-349	9,305

Sales structure



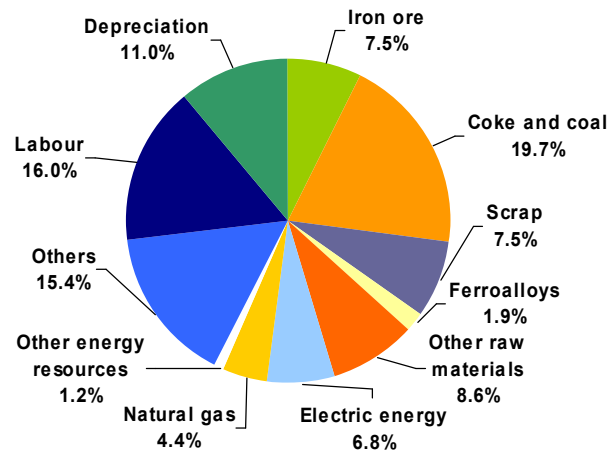
Gross profit structure



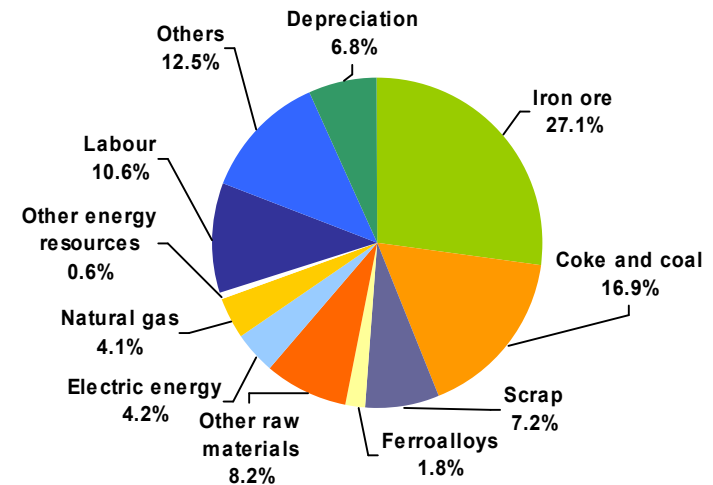
Q1 2007 production cost structure



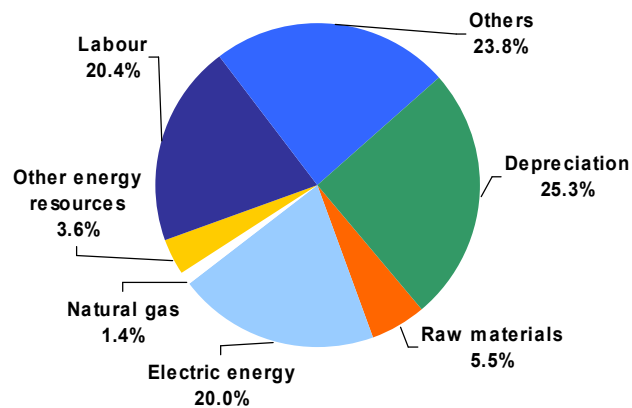
Group



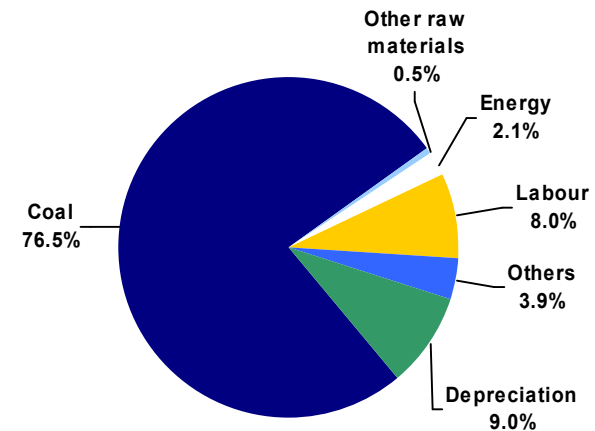
Steel segment



Mining segment



Coke-chemical segment



Consolidated Balance Sheet

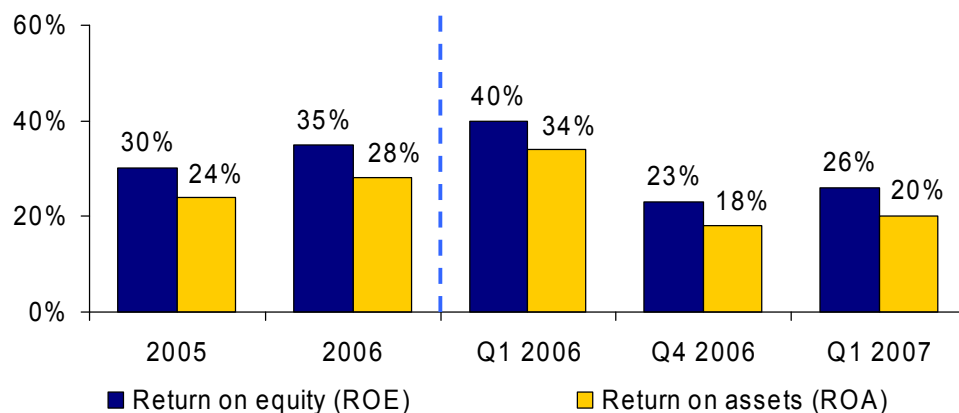


Assets <i>(million USD)</i>	As of 31 Mar. 2007	As of 31 Dec. 2006	As of 30 Sep. 2006	As of 30 Jun. 2006	As of 31 Mar. 2006	As of 31 Dec. 2005
Current assets	3,484	3,050	3,556	3,287	3,865	3,436
- share (%)	37%	35%	43%	45%	57%	55%
Non-current assets	5,821	5,667	4,734	4,087	2,960	2,775
- share (%)	63%	65%	57%	55%	43%	45%
Total assets	9,305	8,717	8,290	7,374	6,825	6,211
Liabilities and stockholders' equity <i>(million USD)</i>	As of 31 Mar. 2007	As of 31 Dec. 2006	As of 30 Sep. 2006	As of 30 Jun. 2006	As of 31 Mar. 2006	As of 31 Dec. 2005
Current liabilities	943	993	1,232	893	540	612
- share (%)	10%	11%	15%	12%	8%	10%
Non-current liabilities	819	781	605	508	423	392
- share (%)	9%	9%	7%	7%	6%	6%
Minority interest	136	133	129	126	113	93
Stockholders' equity	7,406	6,809	6,323	5,848	5,750	5,114
- share (%)	80%	78%	76%	79%	84%	82%
Total liabilities and stockholders' equity	9,305	8,717	8,290	7,374	6,825	6,211

Financial highlights

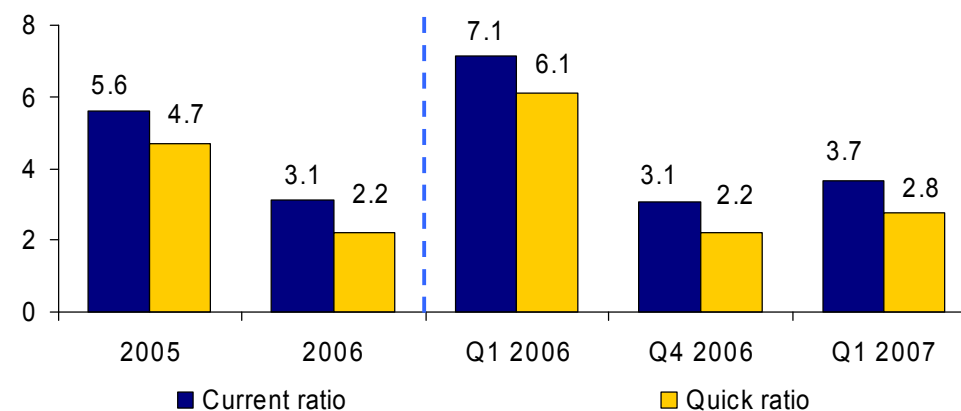


Return on equity and return on assets²

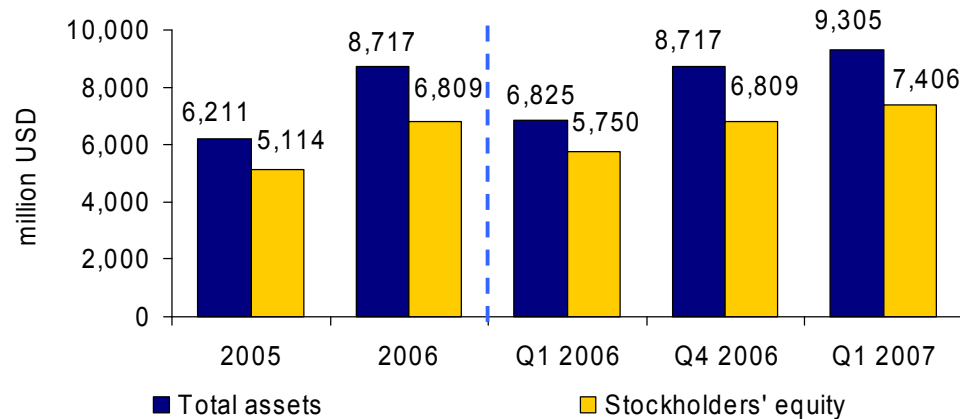


²The calculation of ROA & ROE is based on net income. Quarterly indicators are normalized to annual level.

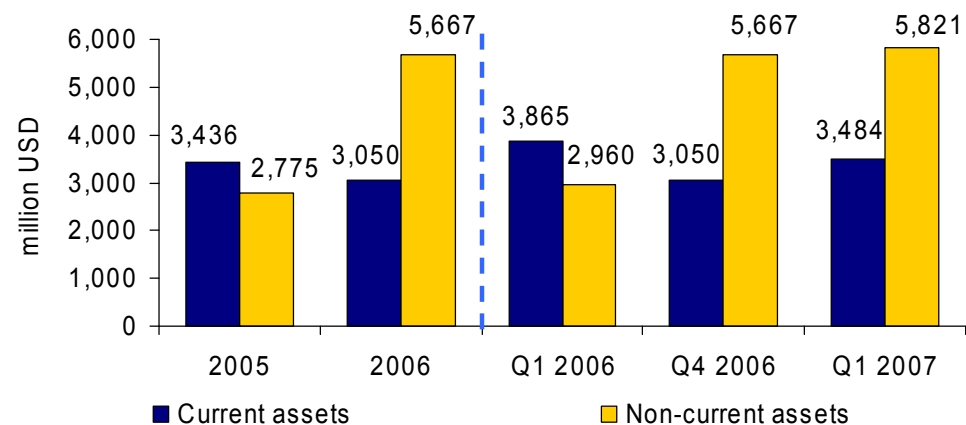
Liquidity measures¹



Assets and stockholders' equity



Current and non-current assets

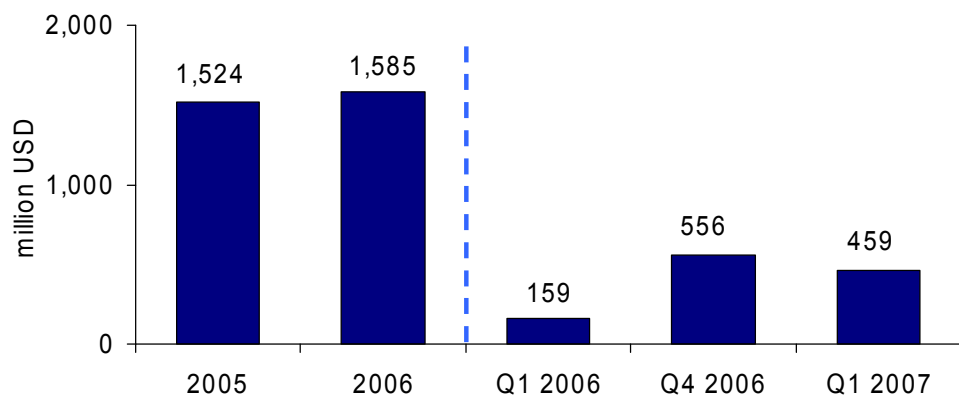


¹ Current liquidity ratio is calculated as current assets as at the year-end, excluding restricted cash, divided by current liabilities as at the year-end
Quick liquidity ratio is calculated as current assets as at the year-end, excluding restricted cash and inventory, divided by current liabilities as at the year-end

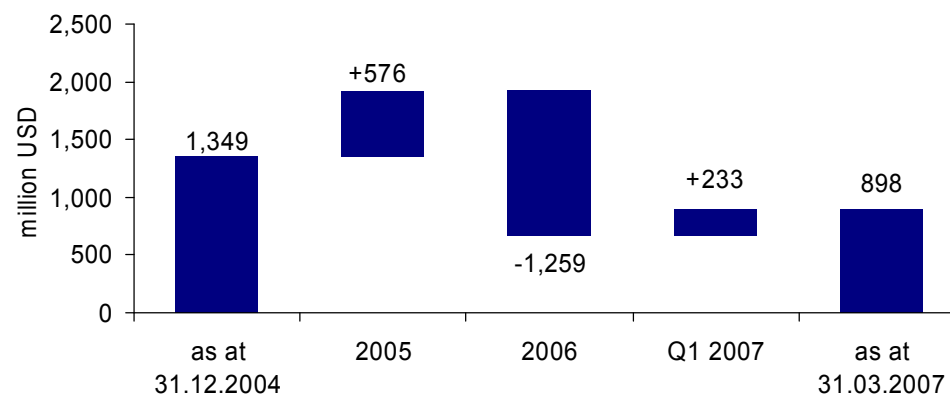
Financial highlights



Net cash inflow from operating activities

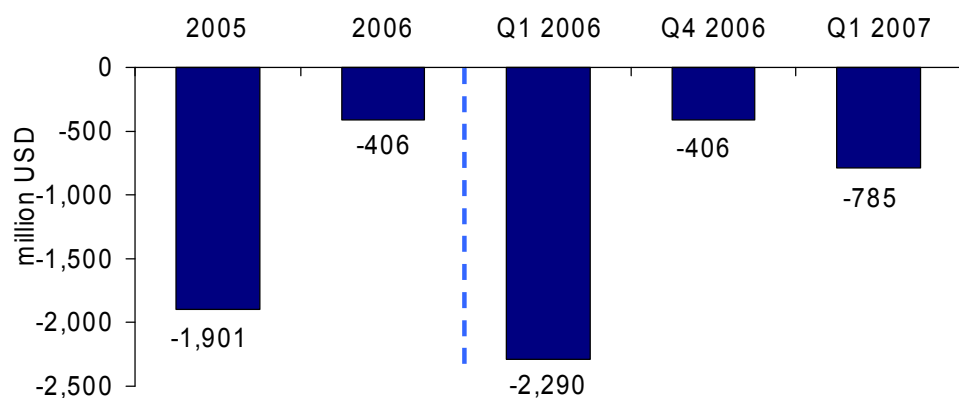


Net increase/(decrease) in cash & cash equivalents¹



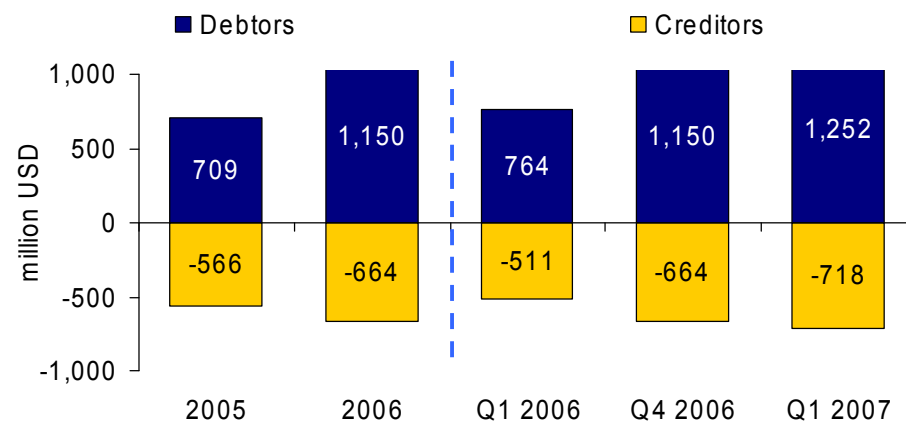
¹Including effect of exchange rate changes

Net debt²



²Net debt is calculated as short- and long-term interest-bearing debt minus cash and cash equivalents, and short-term investments

Debtors and creditors



Q1 2007 change in net cash position



EBITDA¹

Working capital change

Non-cash²

Capex

Free cash flow from operations

Proceeds from sale of investments and from disposal of assets to the company under common control

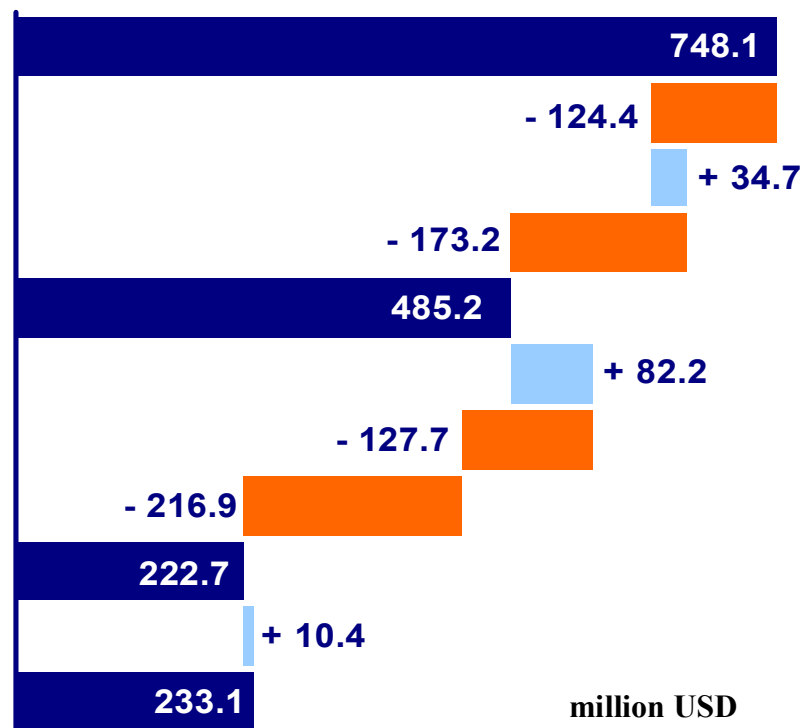
Other finance operations³

Income tax

Free cash flow

Dividends and effect of exchange rate changes

Increase in cash



¹ EBITDA is calculated as the sum of net profit, net interest expense, income tax, loss on disposal of fixed assets, impairment losses, accretion expense on asset retirement obligation, depreciation and amortization (without gain/ (loss) on investments, income from discontinued operations and gain on loan restructuring).

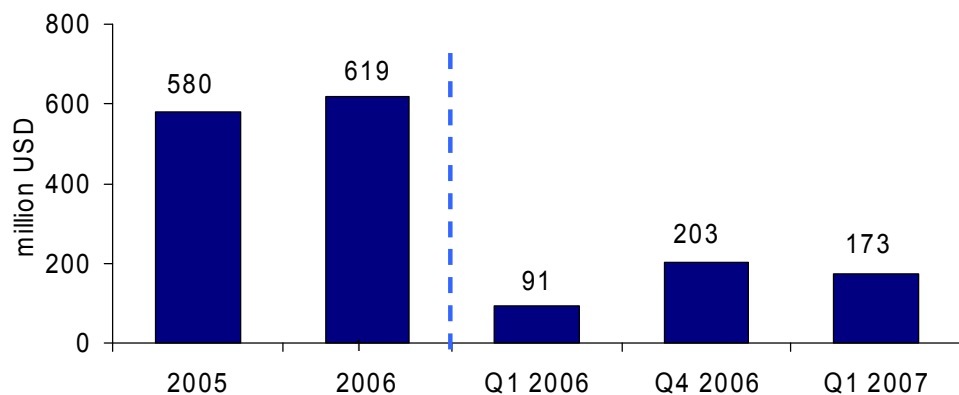
² Non-cash include adjustments to reconcile net profit and net cash from operations less amortization, loss on disposal of fixed assets, accretion expense on asset retirement obligation, gain/ loss on investments and gain on loan restructuring.

³ Other financial operations include proceeds from sale of property, plant and equipment, purchases of investments, movement of restricted cash and other financial operations.

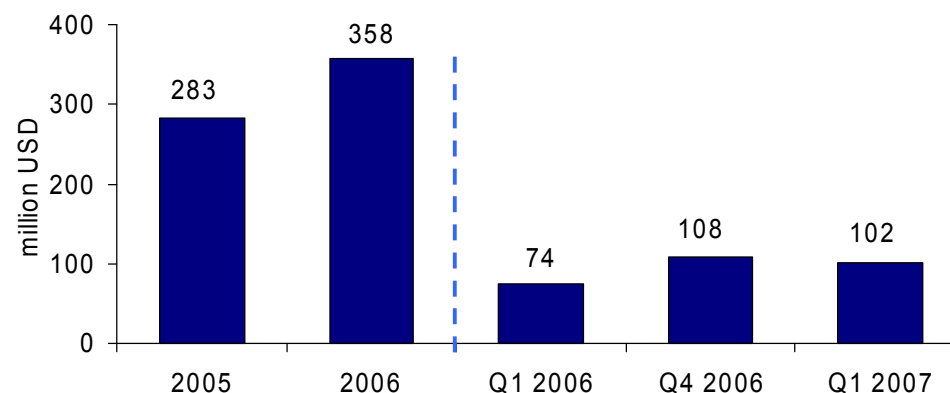
Financial highlights



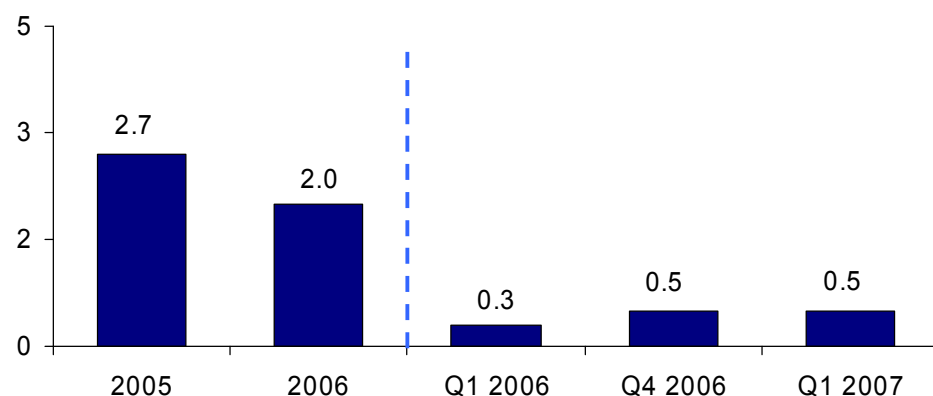
Capital expenditure



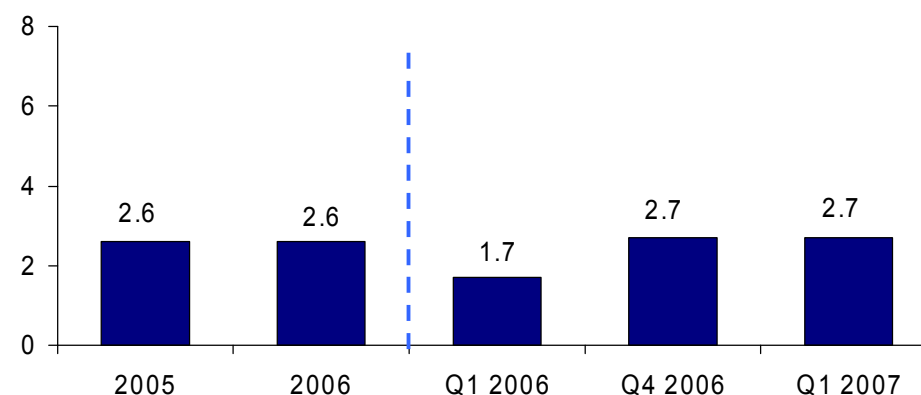
Depreciation



Operating cash flow ratio¹ (cash flow from operations / current liabilities)



Capital expenditure ratio (cash flow from operations / capital expenditure)



¹Operating cash flow ratio is calculated as cash flow from operations divided by average current liabilities