9M 2019 Preliminary Results

17 December 2019

Disclaimer

This presentation and its contents are confidential and may not be reproduced, redistributed, published or passed on to any person, directly or indirectly, in whole or in part, for any purpose. If this presentation has been received in error, it must be returned immediately to Metinvest B.V. (the "Company").

This presentation does not constitute or form part of any advertisement of securities, any offer or invitation to sell or issue or any solicitation of any offer to purchase or subscribe for, any securities of the Company or any of its subsidiaries in any jurisdiction, nor shall it or any part of it nor the fact of its presentation or distribution form the basis of, or be relied on in connection with, any contract or investment decision.

This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of, or located in, any locality, state, country or other jurisdiction where such distribution or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

This presentation is not an offer of securities for sale in the United States. The Company's securities may not be offered or sold in the United States except pursuant to an exemption from, or transaction not subject to, the registration requirements of the United States Securities Act of 1933, as amended.

This presentation is directed solely at persons outside the United Kingdom, or within the United Kingdom, to (i) persons with professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the "Order"), (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order and (iii) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities of the Company or any member of its group may otherwise lawfully be communicated or caused to be communicated (all such persons above being "relevant persons"). Any investment activity to which this presentation relates will only be available to and will only be engaged with relevant persons. Any person who is not a relevant person should not act or rely on this presentation.

No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein and no reliance should be placed on such information. None of the Company or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with the presentation.

To the extent available, any industry and market data contained in this presentation has come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. In addition, certain of the industry and market data contained in this presentation may come from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this presentation.

The presentation has been prepared using information available to the Company at the time of preparation of the presentation. External or other factors may have impacted on the business of the Company and the content of this presentation, since its preparation. In addition all relevant information about the Company may not be included in this presentation. The information in this presentation has not been independently verified.

This presentation contains forward-looking statements, which include all statements other than statements of historical facts, including, without limitation, any statements preceded by, followed by or including the words "targets", "believes", "expects", "aims", "intends", "may", "anticipates", "would", "could" or similar expressions or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the Company's actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future. These forward-looking statements speak only as at the date of this presentation. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any of such statements are based.

Individual figures (including percentages) appearing in this presentation have been rounded according to standard business practice. Figures rounded in this manner may not necessarily add up to the totals contained in a given table. However, actual values, and not the figures rounded according to standard business practice, were used in calculating the percentages indicated in the text.

Industry overview

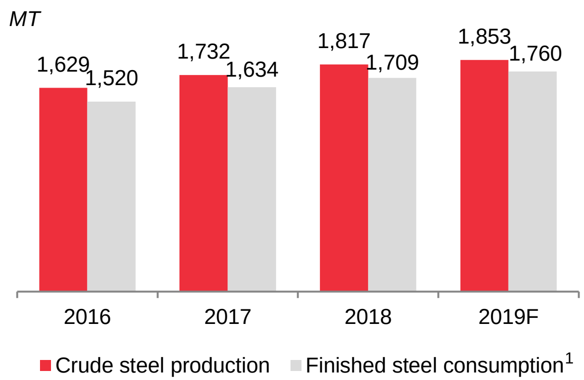
METINVEST

Global steel, iron ore and coking coal markets

- In 2019, global steel production is expected to show another year of growth (+2.0% y-o-y), mainly amid strong increases in China, Vietnam, India, the US and Iran. Consumption of finished steel is forecast to increase by 3.0% y-o-y in 2019
- In 2019, global steel prices have been decreasing amid weaker demand in most regions, including Europe, intensified trade tensions and expectations of a global recession
- Sluggish demand in Europe and high raw material prices have pushed European steel producers to reduce production. Economic stimulus measures have been announced across major economies
- In 3Q 2019, HRC FOB Black Sea decreased by 5% q-o-q and 17% y-o-y to US$466/t
- In 3Q 2019, the 62% Fe iron ore price remained high at an average of US$103/t (US$101/t in 2Q 2019) amid a supply deficit from Brazil and strong demand in Asia
- In September 2019, the Atlantic basin pellet premium contracted to US$40/t, from US$61/t in August, amid lower steel production in Europe
- In 3Q 2019, the average hard coking coal contract price decreased by 14% y-o-y to US$178/t, mainly amid improved supply conditions

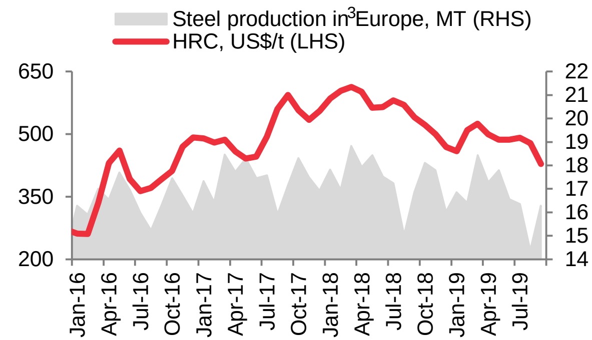
1. Apparent consumption of finished steel products
2. Europe includes EU 28, Bosnia-Herzegovina, North Macedonia, Norway, Serbia and Turkey
3. FOB Black Sea
4. 62% Fe iron ore fines, CFR China
5. FOB Australia

Global steel industry



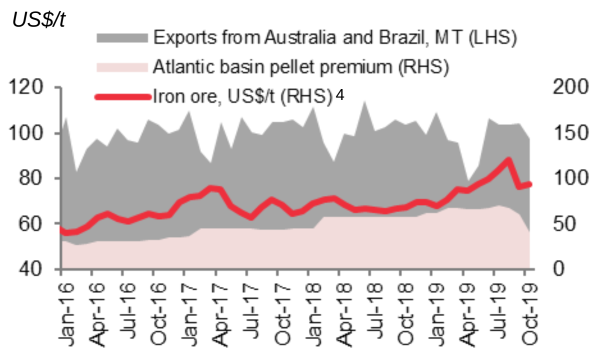
Source: World Steel Association, Metinvest estimates

Steel price and production in Europe[2]



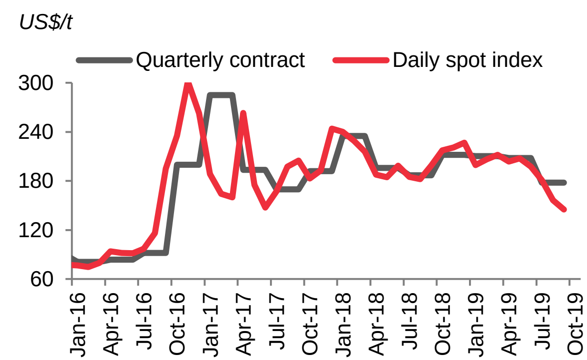
Source: World Steel Association, Metal Expert

Iron ore price



Source: Bloomberg, Platts

Hard coking coal price[5]

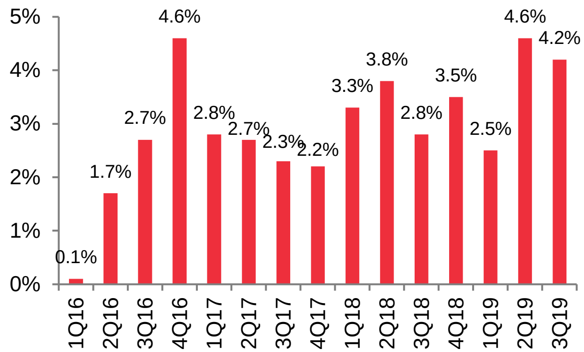


Source: Bloomberg, Platts

Macro and steel industry in Ukraine

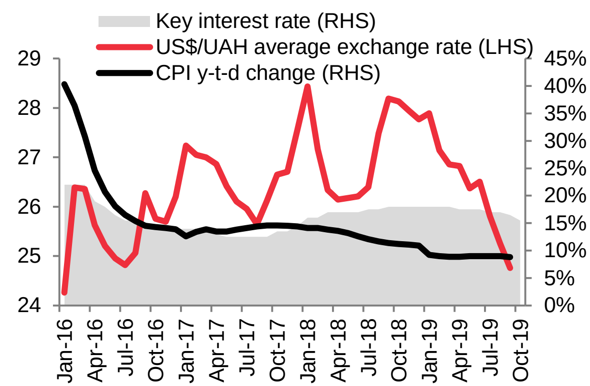
- Ukraine's economy continued to show decent growth in 2019, driven by structural economic reforms; higher consumer spending due to an increase in real wages and improved consumer confidence; and expansion in the agricultural sector
- Real GDP growth amounted to 4.2% y-o-y in 3Q 2019, compared with 4.6% y-o-y in 2Q 2019, exceeding expectations in both quarters
- The NBU follows a consistent interest rate policy of inflation targeting and keeping the local currency floating
  - CPI remained in the single digits in 9M 2019, at 8.8% y-o-y, down from 11.4% in 9M 2018
  - The hryvnia exchange rate against the US dollar strengthened to 24.8 in September 2019, from 27.8 in December 2018
  - In 2019, the NBU decreased its key interest rate four times: from 18.0% to 17.5% in April, 17.0% in July,16.5% in September, 15.5% in October and 13.5% in December
- In 9M 2019, total steel output rose by 3.9% y-o-y, while apparent steel consumption slightly decreased by 1.8% y-o-y

Real GDP dynamics (y-o-y)



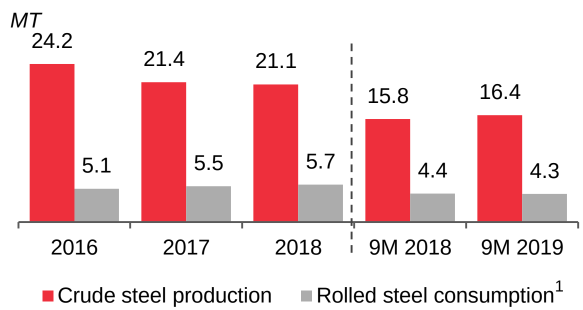
Source: State Statistics Service of Ukraine

Inflation targeting policy in place



Source: National Bank of Ukraine, State Statistics Service of Ukraine

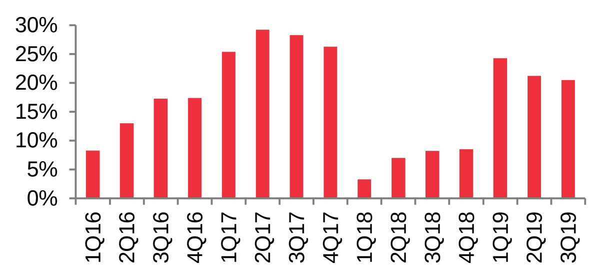
Steel industry



Source: World Steel Association, Metal Expert

1. Consumption in Ukraine includes flat, long and certain semi-finished products but excludes pipes.

Construction activity[2]



Source: State Statistics Service of Ukraine

2. Index represents the cumulative index from the beginning of the respective year, y-o-y change.

9M 2019 highlights

Summary

US$ mn	9M 2019	9M 2018	Change
Revenues	**8,490**	**9,063**	**-6%**
Adjusted EBITDA[1]	**1,234**	**2,015**	**-39%**
EBITDA margin	15%	22%	-7 pp
Operating cash flow	**751**	**919**	**-18%**
CAPEX	**770**	**620**	**24%**

US$ mn	30 Sep 2019	31 Dec 2018	Change
Total debt[2]	**2,655**	**2,743**	**-3%**
Cash and cash equivalents	**198**	**280**	**-29%**
Net debt[3]	**2,457**	**2,463**	**0%**
Net debt to LTM EBITDA	**1.4x**	**1.0x**	**0.4x**

Production (kt)	9M 2019	9M 2018	Change
Hot metal	**6,041**	**6,234**	**-3%**
Crude steel	**5,905**	**5,597**	**6%**
Coke	**3,617**	**3,910**	**-8%**
Iron ore concentrate	**21,749**	**20,540**	**6%**
Coking coal concentrate	**2,182**	**1,974**	**11%**

Credit ratings	Fitch	S&P	Moody's
Rating / outlook	**BB- / stable**	**B / stable**	**B3 / positive**

1. Adjusted EBITDA is calculated as earnings before income tax, finance income and costs, depreciation and amortisation, impairment of property, plant and equipment, foreign exchange gains and losses, the share of results of associates and other expenses that the management considers non-core plus the share of EBITDA of joint ventures. Adjusted EBITDA will be referred to as EBITDA in this presentation.
2. Total debt is calculated as the sum of bank loans, bonds, trade finance, lease liabilities and deferred consideration
3. Net debt is calculated as total debt less cash and cash equivalents

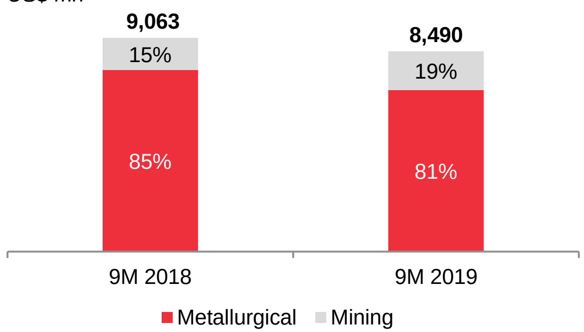
Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect absolute figures.

Financial highlights

- Total revenues decreased by 6% y-o-y
  - Metallurgical revenues fell by 11% y-o-y to US$6,855 mn
  - Mining revenues climbed by 21% y-o-y to US$1,635 mn
- Total EBITDA declined by 39% y-o-y
  - Metallurgical EBITDA dropped by 96% y-o-y to US$41 mn
  - Mining EBITDA increased by 29% y-o-y to US$1,217 mn
- The segments' shares in EBITDA[1] changed y-o-y in 9M 2019: 97% for Mining (46% in 9M 2018) and 3% for Metallurgical (54% in 9M 2018)
- The consolidated EBITDA margin was 15%, down 7 pp y-o-y
  - Metallurgical EBITDA margin declined by 14 pp y-o-y to 1%
  - Mining EBITDA margin rose by 4 pp y-o-y to 45%[2]
- Operating cash flow (OCF) fell by 18% y-o-y to US$751 mn, while EBITDA to OCF conversion reached 61% in 9M 2019 (46% in 9M 2018)
- CAPEX totalled US$770 mn, up 24% y-o-y

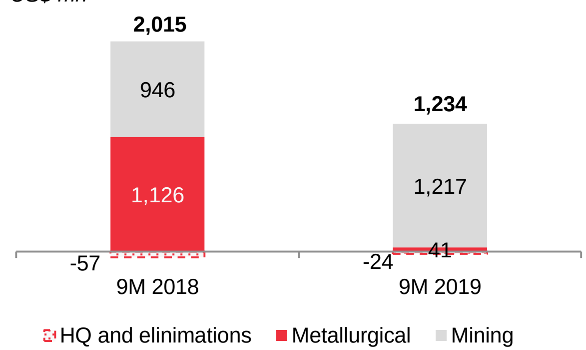
Revenues

US$ mn



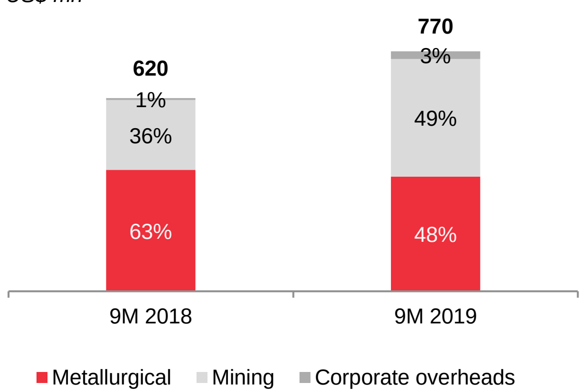
EBITDA

US$ mn



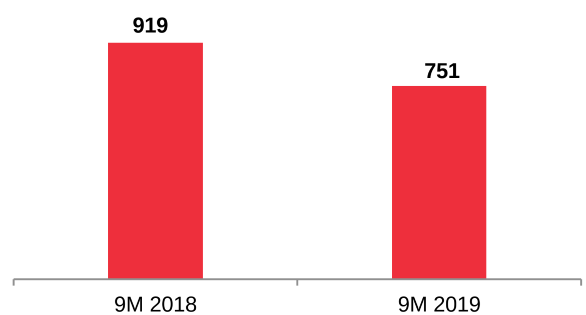
CAPEX

US$ mn



Operating cash flow

US$ mn



1. The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations
2. Management has changed the presentation of sales of coal produced by third parties, excluding them from intersegment mining sales to allow a better understanding of segment results and improve their comparability. This reduced the Mining segment's sales to other segments in 9M 2018 by US$529 mn to US$956 mn.

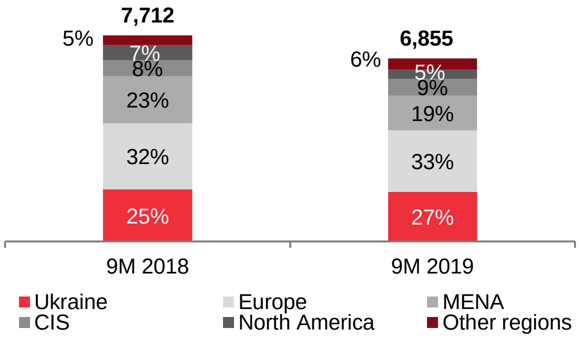
Sales portfolio

- Metallurgical sales
  - 11% y-o-y decline, mainly amid lower steel selling prices, which followed global benchmarks, and lower resales volumes
  - greater in-house steel product volumes, following a change in the product mix, mainly due to the launch of the new CCM[1] no. 4 at Ilyich Steel, which allows the plant to use greater volumes of hot metal in steelmaking and further downstream, instead of pig iron
  - product mix change and weak demand in Turkey resulted in higher shares of Europe (+1 pp) and other regions (+1 p), as well as lower shares of MENA (-4 pp) and North America (-2 pp)
  - stronger demand for steel products boosted shares of Ukraine (+2 pp) and CIS (+1 pp)
- Mining sales
  - 21% y-o-y rise, primarily due to higher iron ore volumes and increased selling prices, in line with global benchmarks
  - premium European and Ukrainian markets accounted for 40% and 38% of 9M 2019 sales, respectively
- Sales in hard currencies (US$, US$-linked, EUR, GBP) accounted for 79% in 9M 2019, flat y-o-y

1. Continuous casting machine

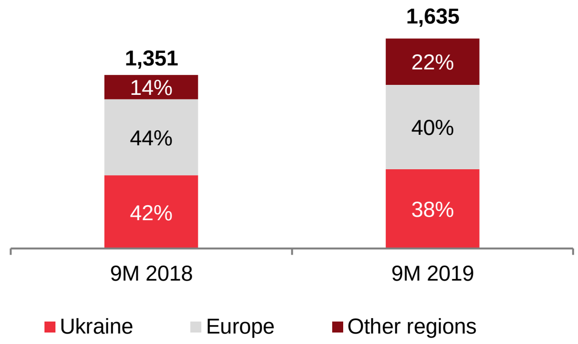
Metallurgical sales by region

US$ mn



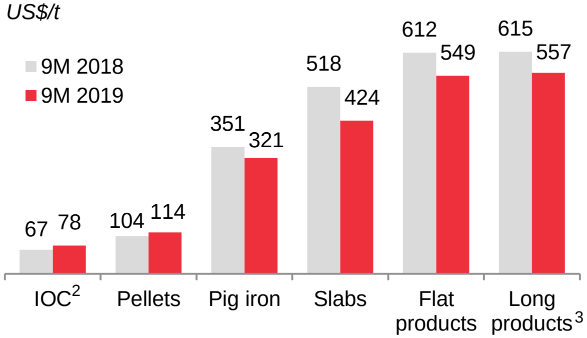
Mining sales by region

US$ mn



Price trends, FCA basis

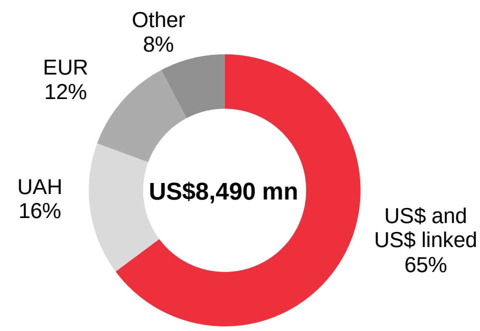
US$/t



2. Iron ore concentrate
3. Excluding railway products

Total sales by currency in 9M 2019

US$ mn

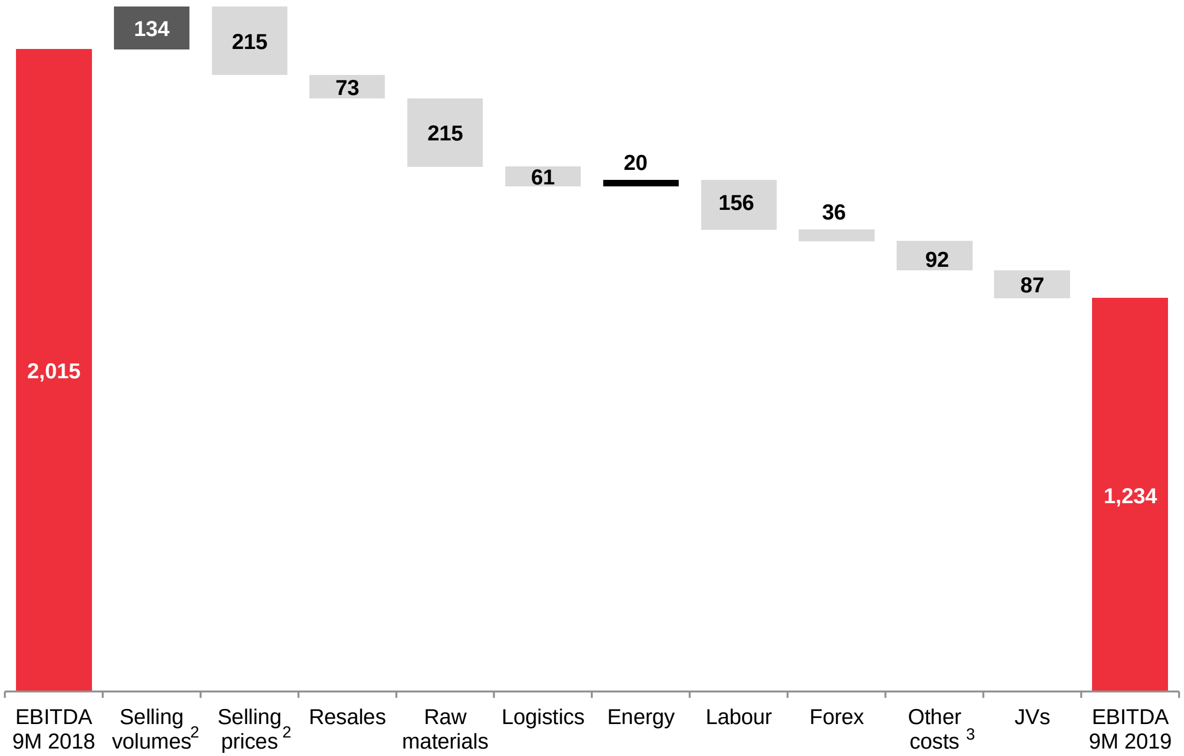


EBITDA

- Total EBITDA declined by US$781 mn y-o-y to US$1,234 mn, driven by:
  - lower average steel selling prices, which affected sales of in-house metal products, earnings from resales and the contribution from the metallurgical JV
  - greater costs due to:
    - higher spending on purchased scrap, coke, refractory and ancillary materials, mainly due to a 6% y-o-y steel output rise; inventory decrease; and greater third-party coil purchases for Unisteel, as well as Ilyich Steel's cold-rolling mill after the HSM[1] 1700 at the latter was undergoing a revamp from August 27
    - salary increases for production staff (25% in April 2018, 10% in October 2018, 15% in April 2019)
    - greater railway expenses amid higher shipments (iron ore, slabs and coal) and increased railcar tariffs and usage fees
    - hryvnia appreciation against US dollar
- Positive EBITDA drivers were:
  - higher average iron ore selling prices, which also boosted contribution from the mining JV
  - greater sales volumes of in-house steel and iron ore products
  - lower spending on energy materials, mainly due to lower prices of natural gas (-23%) and PCI coal (-11%)

EBITDA drivers

US$ mn



1. Hot strip mill
2. Net of resales
3. Other costs include fixed costs (excl. labour costs), impairment of trade and other accounts receivable, and other expenses; net of resales.

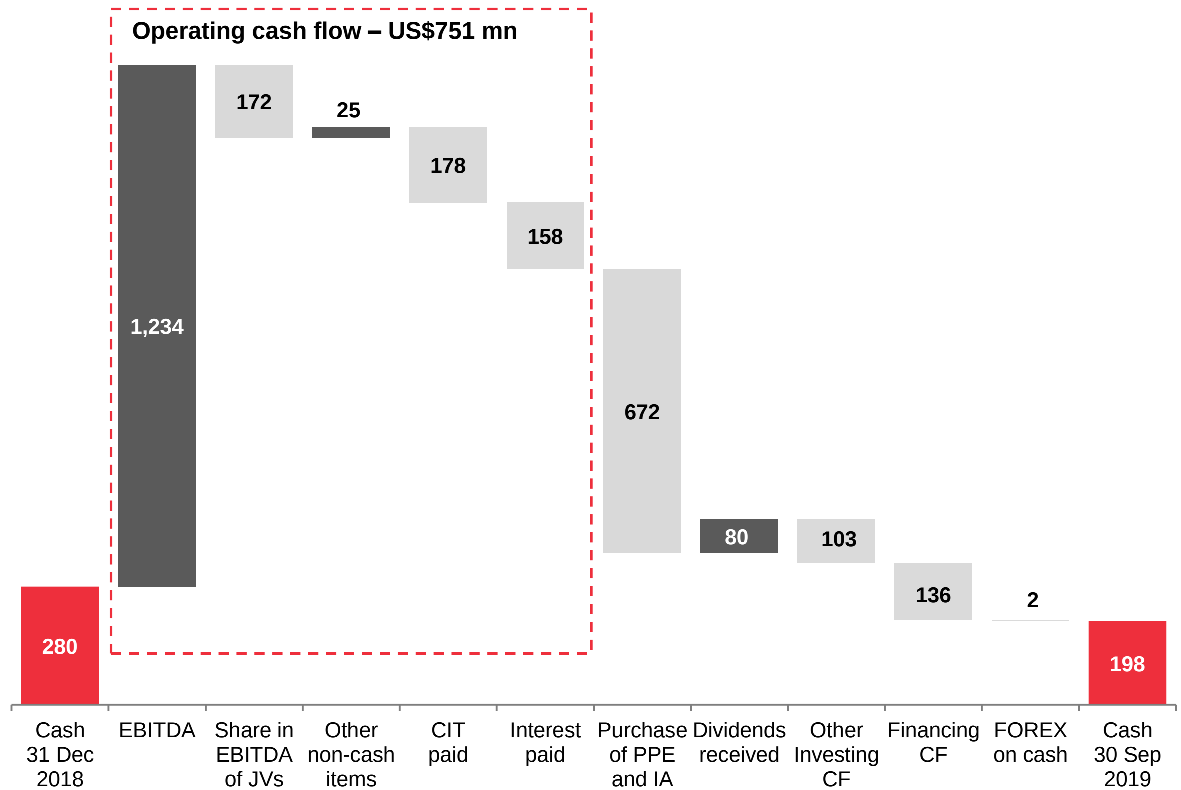
METINVEST

Cash flow

- Operating cash flow
  - totalled US$751mn, down 18% y-o-y
  - EBITDA to OCF conversion improved to 61% in 9M 2019 (46% in 9M 2018)
- Neutral working capital y-t-d
  - a decrease in inventory (US$110 mn) and an increase in trade payables (US$152 mn) were offset by a rise in trade receivables (US$262 mn)
- Purchases of PPE and IA totalled US$672 mn, up 24% y-o-y
- US$80 mn of dividends were received from Southern GOK JV
- Financing cash outflow was primarily due to:
  - net repayment of trade finance of US$46 mn
  - repayment of a deferred consideration of US$45 mn for the acquisition 24.77% of a coking coal business in Ukraine
  - dividend payments of US$34 mn

Cash flow in 9M 2019

US$ mn

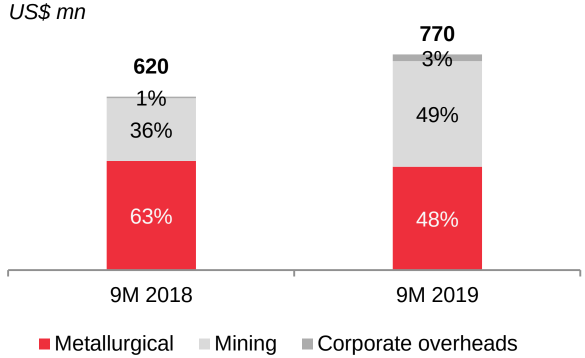


Capital expenditure

- In 9M 2019:
  - CAPEX reached US$770 mn, up 24% y-o-y
  - The Mining segment accounted for 49% of total investments (+13 pp y-o-y)
  - The share of strategic projects was 35% (-4 pp y-o-y)
- The Technological Strategy 2030 forms CAPEX agenda:
  - Environmental CAPEX totaled US$100 mn, up 64% y-o-y
  - Steel
    - progress on blast-furnace shop upgrade: Azovstal completed the major overhaul of BF no. 3 in June 2019
    - the new CCM no. 4 at Ilyich Steel effectively increased the Group's steel production capacity by 14% to 9.6 mt/y, moving Metinvest closer to its long-term target of 11 mt/y
    - downstream in focus: Ilyich Steel completed reconstruction of the hot strip mill 1700: first coils were produced in November
  - Iron ore
    - beneficiation and pelletising facilities upgrade at Central GOK and Northern GOK is ongoing to improve pellet quality
    - maintenance at all assets intensified

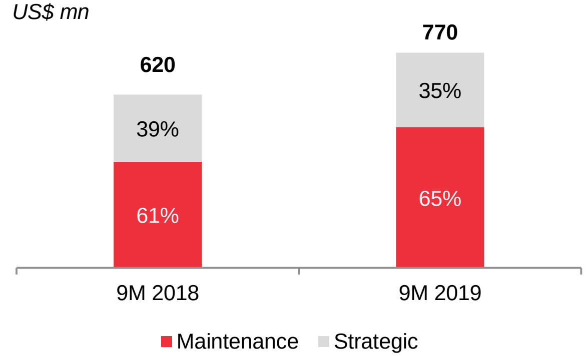
CAPEX by segment

US$ mn



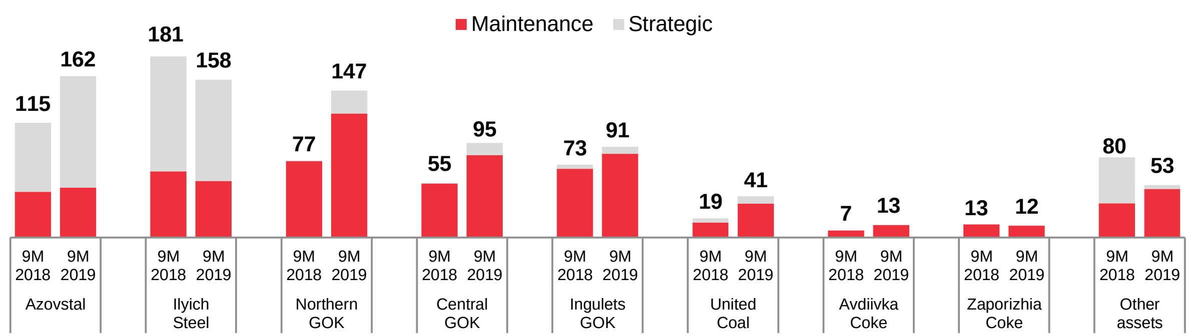
CAPEX by purpose

US$ mn



CAPEX by key asset

US$ mn



Key strategic CAPEX projects in 2019

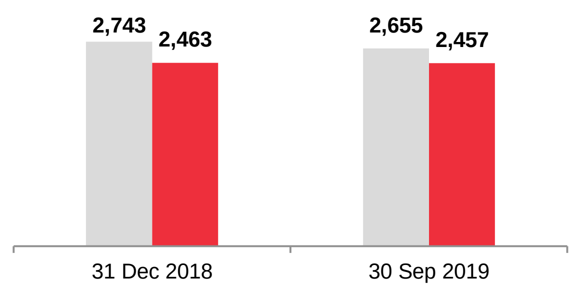
No	Project	Asset	Description	Status
1	**Construction of continuous casting machine (CCM) no. 4**	**Ilyich Steel**	Increase slab casting capacity to 4.3 mt/y, improve product quality, decrease costs and reduce environmental impact	The active construction stage started in September 2016. The first pill heat was cast in November 2018, as expected. Officially launched in March 2019.
2	**Reconstruction of hot strip mill 1700**	**Ilyich Steel**	Increase hot strip mill capacity to 2.5 mt/y; improve HRC quality by reducing the minimum thickness to 1.2 mm, increasing weight to 27 t and allowing widths of 900-1600 mm; and reduce production costs	Basic engineering development started in 3Q 2017. First coils were produced in November 2019. Equipment testing is ongoing.
3	**Sinter plant reconstruction**	**Ilyich Steel**	Comply with environmental requirements	New bag filters have been installed in the sintering zones of all sintering machines (SMs) and cooling zones of SMs nos. 7-12. Desulphurisation complexes at SMs nos. 7-9 are being tested, while their construction at other SMs is ongoing.
4	**Construction of air separation units**	**Ilyich Steel**	Increase production of oxygen and nitrogen required for steel production	Detailed engineering is being developed. FEL-4 has started. Air Liquide was selected as the key equipment supplier.
5	**Major overhaul of blast furnace (BF) no. 3**	**Azovstal**	Increase hot metal production capacity above 1.3 mt/y; reduce production cost by decreasing consumption of coke and coke nuts; and reduce environmental impact	The active construction stage started in July 2017. The major overhaul was completed in June 2019, after which the BF started operating.
6	**Major overhaul of BF no. 6**	**Azovstal**	Increase hot metal production capacity; reduce production cost by decreasing consumption of coke and coke nuts; and reduce environmental impact	Basic and detailed engineering and documentation is being developed
7	**Construction of pulverised coal injection (PCI) facilities**	**Azovstal**	Minimise the need for natural gas in the production process and use coke more efficiently	Three BFs are operating using PCI technology (nos. 2, 4 and 3). Construction of PCI facilities at BF no. 3 was completed in June 2019 and injection started together with the launch of BF no. 3.
8	**Construction of crusher and conveyor system**	**Ingulets GOK**	Reduce operational and capital expenditure in iron ore mining and maintain production volumes	Construction is ongoing on the Vostochny conveyor line
9	**Construction of crusher and conveyor system at Pervomaisky quarry**	**Northern GOK**	Reduce operational and capital expenditure in iron ore mining and maintain production volumes	The first facility for iron ore transportation was launched in July 2016. Construction of the second facility for rock transportation is ongoing.
10	**Upgrade of pelletising machines OK-306 and Lurgi 278-A (1st stage)**	**Northern GOK**	Improve mechanical properties of pellets to capture additional market premium	The Lurgi-278-A has been launched in 4Q 2019; pilot production is ongoing. Completion of the OK-306 has been postponed to 1Q 2020.
11	**Re-equipment of beneficiation facilities to produce DRI-quality pellets**	**Central GOK**	Improve mechanical properties of pellets to penetrate new premium markets	In 2H 2018, the project plan was approved and shipment of core equipment began. Construction work has started and commissioning is expected in 1H 2020.

Debt profile

- In October 2019, after the reporting date, Metinvest successfully completed liability management (LM) to smooth and extend its debt maturity, as well as lower refinancing risks:
  - issued debut dual-currency bonds, incl. a US$500 mn 10-year tranche at 7.75% and EUR300 mn long 5-year tranche at 5.625%
  - tendered US$440 mn of 2023 bonds
  - used US$75 mn of new proceeds to prepay PXF until April 2020
- 2023, 2026 and 2029 bonds have been included in the JPMorgan Corporate Emerging Markets Index (CEMBI) series
- >US$55 mn was secured for CAPEX financing, incl. a EUR34.4 mn 9-year ECA-covered facility for the HSM 1700 revamp at Ilyich Steel

Total and net debt

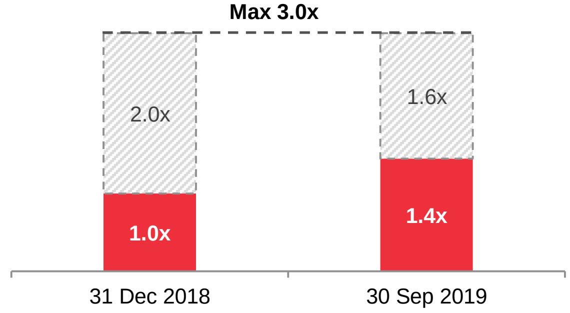
US$ mn



1. Total debt is calculated as the sum of bank loans, bonds, trade finance, lease liabilities and deferred consideration
2. Net debt is calculated as total debt less cash and cash equivalents

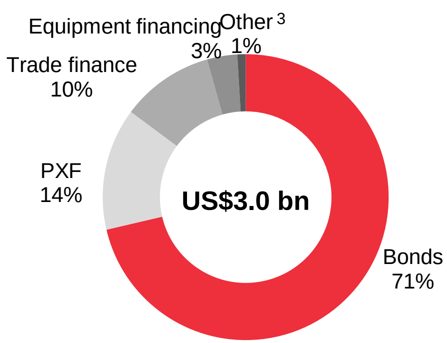
Net debt to LTM EBITDA

x



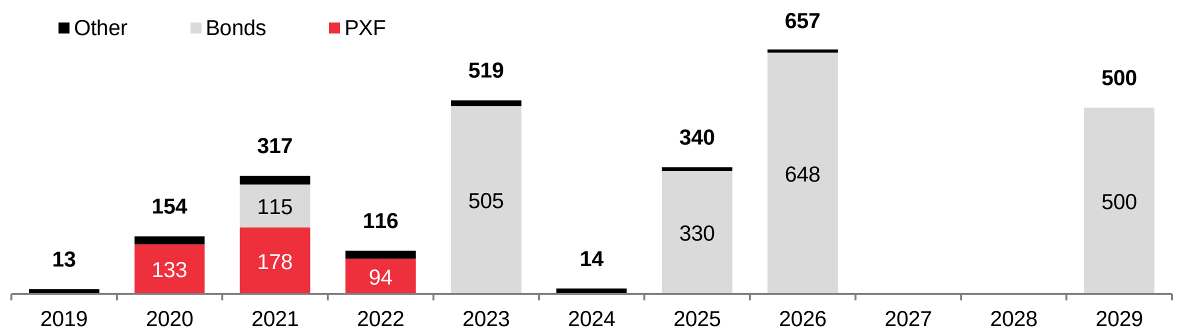
Total debt breakdown after LM

US$ bn



Corporate debt maturity after LM[4]

US$ mn



3. Deferred consideration for Pokrovske coal business acquisition (24.77%) and lease liability under the IFRS 16
4. Notes:
   - Bonds: US$115 mn at 7.50% pa due in 2021, US$505 mn at 7.75% pa due in 2023, EUR300 mn at 5.625% pa due in 2025 (converted at EUR/USD f/x of 1.10), US$648 mn at 8.50% pa due in 2026, US$500 mn at 7.75% pa due in 2029
   - PXF: US$406 mn at LIBOR + margin due in October 2022
   - Other facilities as of 30 Sep 2019 and includes deferred consideration for Pokrovske coal business acquisition (24.77%), ECA and other facilities
   - Trade finance lines are mainly rollovers, so are excluded from the maturity profile chart; Lease liability under the IFRS 16 is excluded

METINVEST

Credit rating

- Progress in credit ratings with all three international rating agencies

	FitchRatings	S&P Global	Moody's
Rating	**BB-** **upgrade** from B+	**B** **upgrade** from B-	**B3** **-**
Outlook	**STABLE** **-**	**STABLE** **-**	**POSITIVE** **upgrade** from stable
Last change	September 2019	September 2019	November 2019
Vs Ukraine Sovereign rating	Two notches above	In line	One notch above

ESG

	Environment	Social	Governance
Goals	▪ Reduce environmental footprint ▪ Introduce more efficient energy-saving technology ▪ Meet best global standards in this area ▪ Proactively address critical issues	▪ Work in close partnership with the communities where Metinvest operates to achieve sustainable improvements in social conditions ▪ Maintain a close dialogue with local stakeholders	▪ Develop the corporate governance system to be among the most transparent international companies and serve the interests of all stakeholders as thoroughly as possible
Initiatives and results in 9M 2019	▪ Around US$270 mn was spent on environmental safety[1] in 9M 2019, up 36% y-o-y ▪ Progress on key efforts to combat environmental footprint: ◦ Ilyich Steel (reconstruction of gas-cleaning system at sinter plant, construction of a new dedusting system at BF no. 3, replacement of a gas cleaning system at basic oxygen furnace no. 3, refurbishment of a sewage system, including construction of sand trap) ◦ Azovstal (major overhaul of BF no. 3 with a closed cooling system, reconstruction of a gas treatment system at the hot metal desulphurisation unit, major overhaul of coke oven battery no. 1) ◦ Avdiivka Coke and Zaporizhia Coke (extensive maintenance of oven chambers) ◦ Northern GOK (replacement of gas cleaning units of pelletising machine Lurgi 552-A) ◦ Central GOK (reconstruction of tailing facilities and recycled water supply, current overhaul of slurry pipelines)	▪ LTIFR[2] was 0.880 and and FFR[3] was 0.071 in 9M 2019 ▪ Around US$65 mn was spent on health and safety in 9M 2019, up 4% y-o-y ▪ Responsible corporate citizen: ◦ Invested US$10 mn in supporting communities in cities where Metinvest operates in 9M 2019 (US$13 mn in 9M 2018) ◦ Held around 1,160 environmental events as part of “Green Centre” in Mariupol, Kryvyi Rih and Zaporizhia ◦ Implemented 44 projects of the “Green Plant” educational initiative ◦ Selected 16 projects of the “We Improve the City” initiative in Mariupol ◦ Selected 100 projects of the “We Are the City” initiative in Zaporizhia ◦ Selected 17 projects of the “#FestMetinvest2019” initiative in Kryvyi Rih	▪ More than 12 years of regular public reporting of audited consolidated financial statements prepared in accordance with IFRS ▪ Monthly financial reporting ▪ CSR reporting in accordance with the G4 Sustainability Reporting Guidelines as defined by the Global Reporting Initiative ▪ Iron ore reserves and resources assessment as of 31 December 2018 in accordance with JORC Code 2012 ▪ Continuous drive to streamline ownership structure: used squeeze-out procedures to increase ownership of several key assets to 100% ▪ Ongoing promotion campaign for the Code of Ethics and Whistleblowing hotline

1. Including both capital and operational improvements
2. The lost-time injury frequency rate (LTIFR) is the number of lost-time incidents per 1 million man-hours.
3. The fatality frequency rate (FFR) is the number of job-related fatalities per 1 million man-hours.

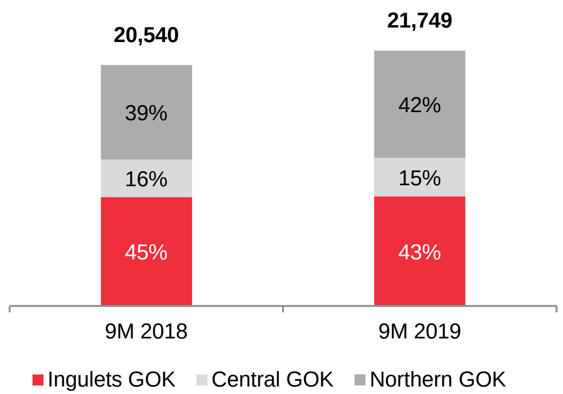
Segmental review

METINVEST

Mining operations

Iron ore concentrate production

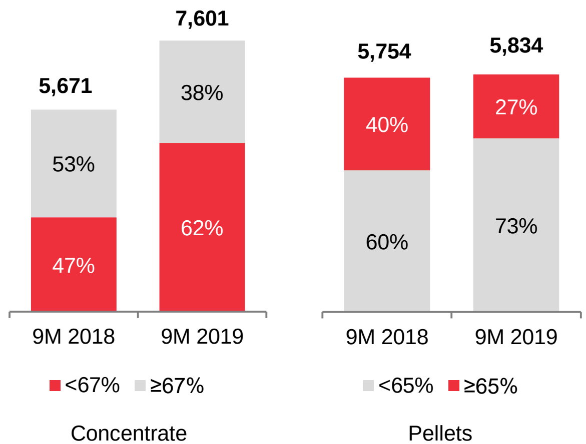
kt



- Overall iron ore concentrate production grew by 3% y-o-y, due to improved capacity utilisation at the iron ore beneficiation plants and higher Fe content of iron ore:
  - up 13% y-o-y at Northern GOK
  - up 2% y-o-y at Central GOK
  - up 1% y-o-y at Ingulets GOK
- Iron ore self-sufficiency was >300%[1] in 9M 2019
- Metinvest used 35%[2] of total iron ore concentrate internally and allocated 65%[2] for third-party sales (41% and 59% in 9M 2018)

Output of iron ore products[3] by Fe %

kt

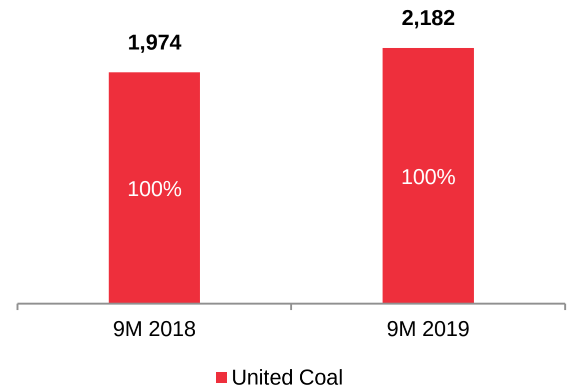


- Merchant iron ore concentrate output increased by 34% y-o-y, amid:
  - lower intra-group consumption
  - higher output of total concentrate
- Merchant pellet output rose by 1% y-o-y

1. Iron ore self-sufficiency is calculated as actual iron ore concentrate production divided by actual consumption of iron ore products to produce hot metal in the Metallurgical segment.
2. In iron ore concentrate equivalent
3. Merchant iron ore product output figures exclude intragroup sales and consumption.
4. Coal self-sufficiency is calculated as actual coal concentrate production divided by actual consumption of coal concentrate to produce coke required for production of hot metal in the Metallurgical segment, and coal consumption for PCI is included in the calculation.

Coking coal production

kt



- Coking coal concentrate production rose by 11% y-o-y following the commissioning of new mining areas at United Coal
- High-quality US coking coal is primarily delivered to Metinvest's Ukrainian coke production facilities to cover around 40%[4] of intragroup needs
- Other coal volumes required for coke production are sourced from international and local suppliers
- Additional long-term supplies have been secured by acquiring 24.77% in the Pokrovske coal business in Ukraine

Mining segment financials

- Sales
  - External revenues increased by 17% y-o-y, mainly driven by greater sales volumes of iron ore products and higher prices
  - Pellets accounted for 45% of the iron ore sales mix volumes and merchant concentrate for 55% in 9M 2019 (50% and 50% in 9M 2018, respectively)
  - The top five iron ore customers accounted for 66% of segmental sales (67% in 9M 2018)
  - Overall, 73% of iron ore volumes were sold under annual contracts (82% in 9M 2018)
- EBITDA
  - EBITDA rose by 29% y-o-y, mainly due to higher iron ore prices and sales volumes, as well as an increase in the contribution from the Southern GOK JV
  - The contribution to gross EBITDA[1] reached 97%, up 51 pp y-o-y
  - The EBITDA margin rose by 4 pp y-o-y to 45%[2]
- The segment's CAPEX increased by 69% y-o-y to US$377 mn, due to higher maintenance and strategic investments at iron ore and coal producers

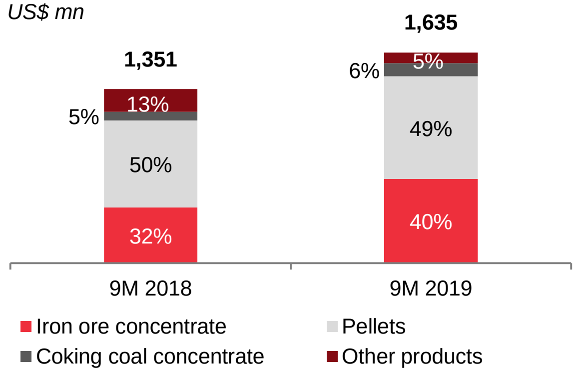
1. The contribution is to the gross EBITDA, before adjusting for corporate overheads
2. Management has changed the presentation of sales of coal produced by third parties, excluding them from intersegment mining sales to allow a better understanding of segment results and improve their comparability. This reduced the Mining segment's sales to other segments in 9M 2018 by US$529 mn to US$956 mn.

Segment financials

US$ mn	9M 2019	9M 2018	Change
Sales (total)	**2,704**	**2,307**	**17%**
Sales (external)	**1,635**	**1,351**	**21%**
% of Group total	*19%*	*15%*	*+4 pp*
EBITDA	**1,217**	**946**	**29%**
% of Group total[1]	*97%*	*46%*	*+51 pp*
margin[2]	*45%*	*41%*	*+4 pp*
CAPEX	**377**	**224**	**69%**

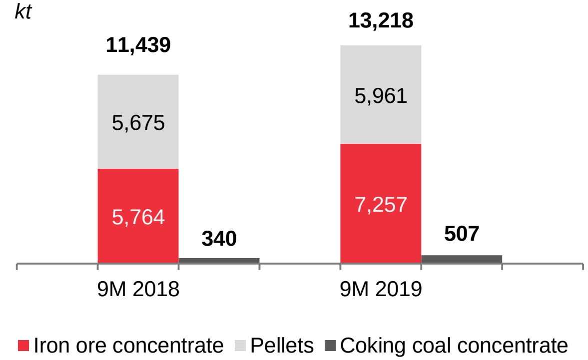
Sales by product

US$ mn



Sales by product

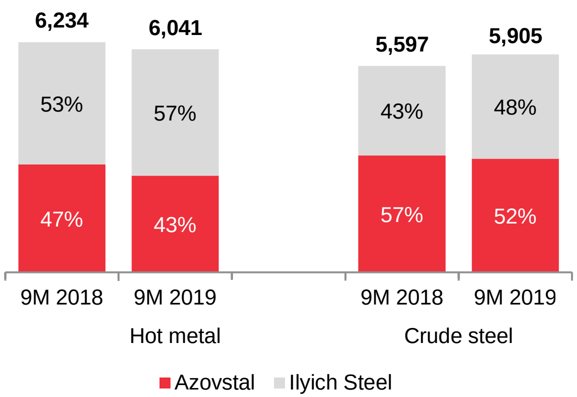
kt



Metallurgical operations

Hot metal and crude steel production

kt

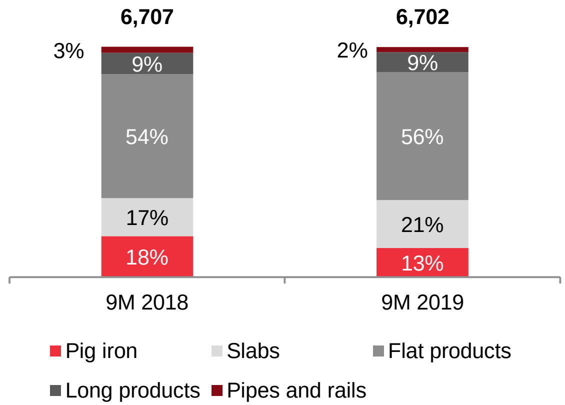


- Total hot metal production declined by 3% y-o-y due to the shutdown of BFs nos. 5 and 6 at Azovstal, which was partly compensated by the launch of the highly efficient BF no. 3 following a major modernisation in June 2019
- Crude steel output rose by 6% y-o-y due to a 16% y-o-y increase at Ilyich Steel, as hot metal was redirected to make steel and downstream products instead of merchant pig iron due to the commissioning of CCM no. 4

1. Dry blast furnace coke output
2. Coke self-sufficiency is calculated as actual coke production divided by actual consumption of coke to produce hot metal in the Metallurgical segment.

Output of merchant metal products

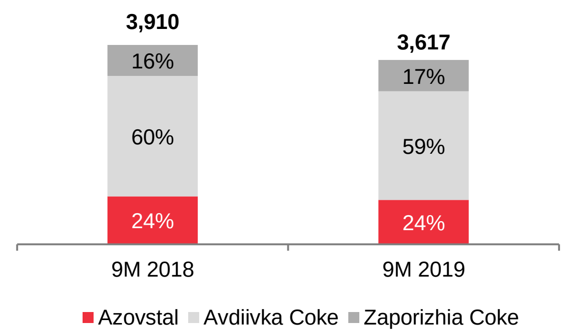
kt



- Metal product mix changed y-o-y in 9M 2019:
  - the share of slabs rose by 4 pp y-o-y to 21%, while that of pig iron dropped by 5 pp y-o-y to 13%, after the commissioning of new equipment at Ilyich Steel
  - the share of flat products reached 56%, up 2 pp y-o-y, mainly amid greater output at Ilyich Steel following the launch of CCM no. 4, supported by the acquisition of Unisteel's galvanising facilities (with production capacity of up to 100 kt/y)
  - shares of long products and pipes and rails were 9% and 2%, respectively (9% and 3% in 9M 2018)

Coke production

kt



- Coke[1] output decreased by 7% y-o-y due to:
  - a coal shortage that started in June, as direct supply stopped from Russia
  - unstable operation of coke oven batteries, a coke dry-quenching plant and emergency shutdowns of coke cars at Avdiivka Coke
- Metinvest covered some 130%[3] of its coke needs with own production in 9M 2019
- To improve long-term coke self-sufficiency in Ukraine, the Group acquired:
  - a 23.71% stake in Southern Coke
  - a 49.37% stake in Dnipro Coke (aiming to consolidate around 95% in 1Q 2020)

Metallurgical segment financials

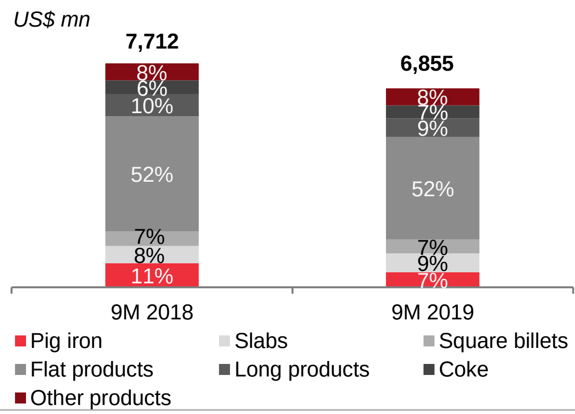
- Sales
  - External sales declined by 11% y-o-y, mainly due to lower steel selling prices in line with global benchmarks, and lower resales volumes
  - The share of HVA products[1] in the metal sales mix volumes, excluding resales, was 50% in 9M 2019 (flat y-o-y)
  - The top five steel customers accounted for 17% of the segment's revenues (15% in 9M 2018)
  - Almost all steel volumes were sold on the spot market
- EBITDA
  - Segment's EBITDA and EBITDA margin decreased y-o-y due to lower steel prices; higher raw material, logistics and labour costs; lower coke sales volumes; and a drop in the contribution from the Zaporizhstal JV
- The segment's CAPEX totalled US$369 mn, down 5% y-o-y

1. HVA products include thick plates, cold-rolled flat products, hot-dip galvanised sheets and coils, structural sections, rails and pipes.
2. The contribution is to the gross EBITDA, before adjusting for corporate overheads.

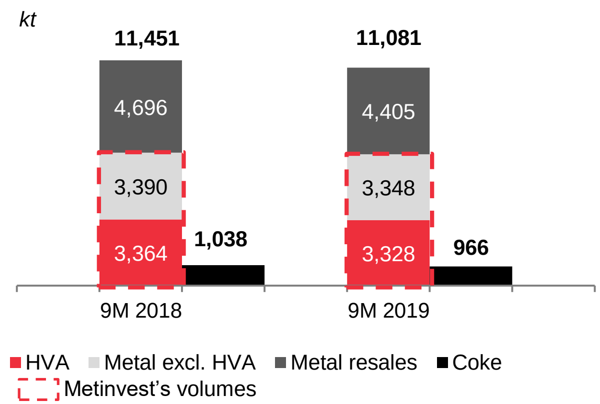
Segment financials

US$ mn	9M 2019	9M 2018	Change
Sales (total)	**6,918**	**7,764**	**-11%**
Sales (external)	**6,855**	**7,712**	**-11%**
% of Group total	*81%*	*85%*	*-4 pp*
EBITDA	**41**	**1,126**	**-96%**
% of Group total[1]	*3%*	*54%*	*-51 pp*
margin	*1%*	*15%*	*-14 pp*
CAPEX	**369**	**390**	**-5%**

Sales by product



Sales by product



Thank you!

Investor relations contacts

Yana Kalmykova
+380 44 251 83 36 (Ukraine)
yana.kalmykova@metinvestholding.com

Andrey Makar
+380 44 251 83 37 (Ukraine)
andrey.makar@metinvestholding.com

www.metinvestholding.com

METINVEST