METINVEST

2015 Results

25 May 2016

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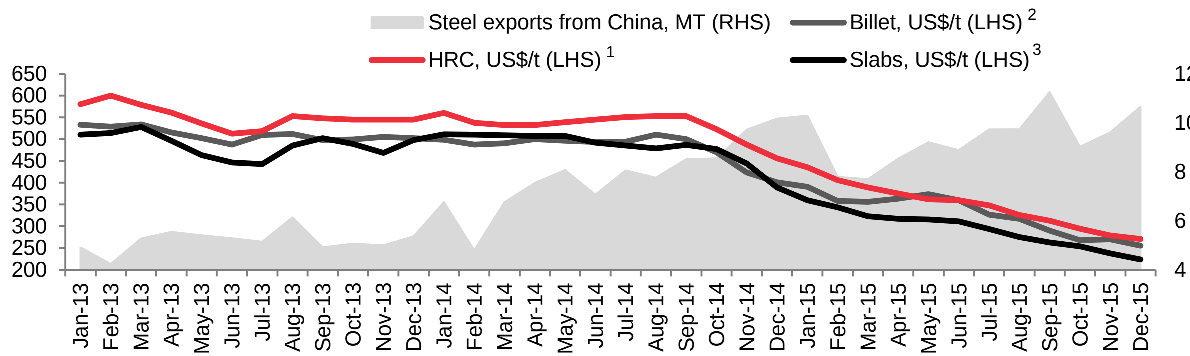
Industry overview

Global steel market

- In 2015, the global steel market remained oversupplied, despite significant capacity cuts worldwide: the average global steel capacity utilisation ratio was 70%
- Global steel production fell by 2.9% y-o-y (-49MT) in 2015
  - the largest declines were in China (-19MT), the US (-9MT), Japan (-6MT) and Ukraine (-4MT), while the strongest growth was in India (+2MT)
- In 2015, global consumption of finished steel products contracted by 3.0% y-o-y (-47MT), mainly driven by China (-38MT)
- Steel prices decreased, driven by lower prices for raw materials y-o-y and oversupply caused by greater volumes from Chinese steel exporters, which increased by 20% y-o-y (+19MT) in 2015
  - average price of hot-rolled coil dropped by 35% y-o-y to US$346 per tonne[1]
  - average price of billets fell by 32% y-o-y to US$327 per tonne[2]
  - average price of slabs declined by 39% y-o-y to US$293 per tonne[3]
- Alongside lower crude steel production in Ukraine, rolled steel consumption decreased by 28% y-o-y to 4MT in 2015, mainly driven by lower construction activity (-12% y-o-y) and a drop in production of mechanical engineering (-14% y-o-y)

Steel product prices vs exports from China

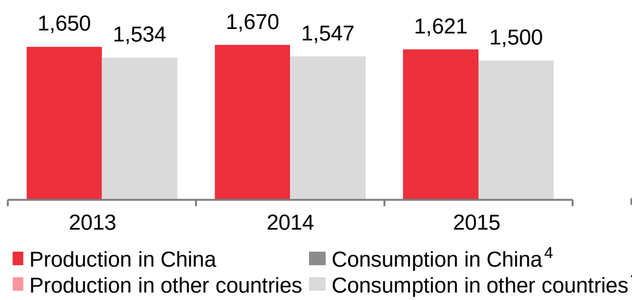


Source: Metal Expert, Bloomberg

1. HRC FOB Black Sea; 2. Billet FOB Black Sea; 3. Slabs FOB Black Sea

Global steel industry

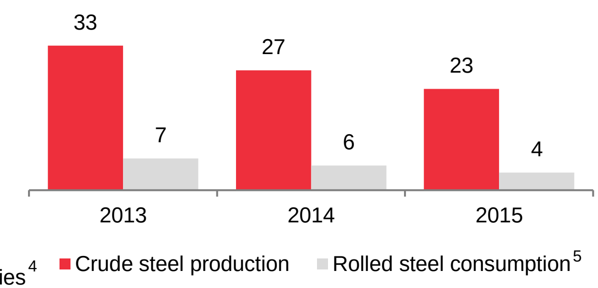
million tonnes



Source: World Steel Association

Steel industry in Ukraine

million tonnes



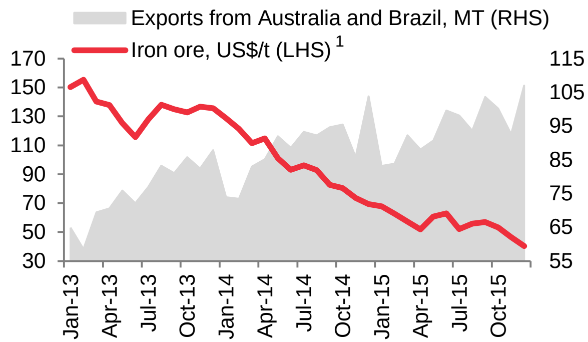
Source: Metal Expert

4. Apparent consumption of finished steel products; 5. Consumption in Ukraine includes flat, long and certain semi-finished products but excludes pipes

Global raw materials market

- Since 2014, iron ore and hard coking coal markets have been in long-term surplus due to
  - greater supply from low-cost countries
  - lower energy and freight costs of mining companies amid falling prices of crude oil
  - weaker demand in China, as its steel production fell by 2.3% y-o-y in 2015, the first decrease in more than three decades
- In 2015, global iron ore production decreased by 0.2% y-o-y to 2,062MT, while global iron ore consumption was 2,030MT, down 1.4% y-o-y
- The largest iron ore suppliers switched to a "volume over price" strategy, putting substantial downward pressure on prices. Australia and Brazil increased iron ore exports from 909MT in 2013 to 1,133MT in 2015.
- The iron ore benchmark price dropped by 43% y-o-y in 2015 to an average of US$56 per tonne[1]
- Global production of hard coking coal decreased by 2.5% y-o-y to 627MT in 2015, while its global consumption declined by 1.9% y-o-y to 627MT
- Hard coking coal benchmark prices dropped by 19% y-o-y in 2015 to US$102 per tonne[2] amid a persistent imbalance between supply and demand in the global market

Iron ore price vs exports from Australia and Brazil

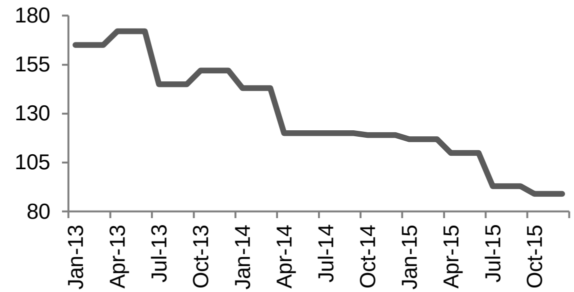


Source: Metal Bulletin, Bloomberg

1. 62% Fe iron ore fines CFR China

Hard coking coal price [2]

US$ per tonne

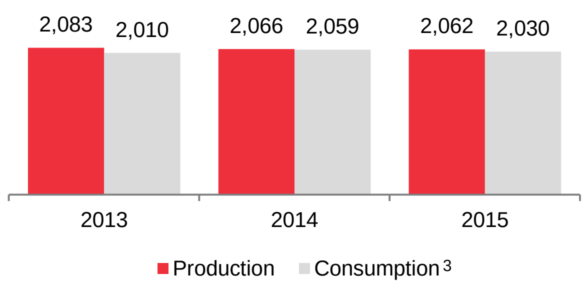


Source: Bloomberg

2. Hard coking coal FOB Australia

Global iron ore (total)

million tonnes

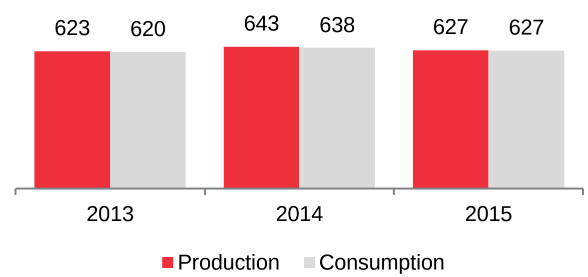


Source: Commodities Research Unit

3. Iron ore consumption includes pellets, lump and iron ore fines

Global hard coking coal

million tonnes



Source: Commodities Research Unit

2015 highlights

2015 summary

US$ million	2015	2014	Change
Revenues	**6,832**	**10,565**	**-35%**
Adjusted EBITDA[1]	**513**	**2,702**	**-81%**
margin	8%	26%	-18 pp
Adjusted EBITDA[1] excl. impairment of trade and other receivables[2]	**804**	**2,762**	**-71%**
CAPEX	**285**	**613**	**-54%**

US$ million	31 Dec 15	31 Dec 14	Change
Total debt	**2,946**	**3,232**	**-9%**
short-term debt[3]	2,858	1,268	125%
long-term debt	0	1,878	-100%
seller notes	88	86	2%
Cash	**180**	**114**	**58%**
Net debt	**2,766**	**3,118**	**-11%**

Production (thousand tonnes)	2015	2014	Change
Crude steel	**7,669**	**9,205**	**-17%**
Iron ore concentrate	**32,208**	**34,888**	**-8%**
Coking coal concentrate	**3,285**	**4,098**	**-20%**

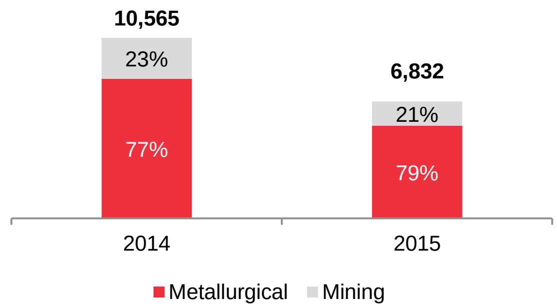
1. *Adjusted EBITDA is calculated as earnings before income tax, finance income and costs, depreciation and amortisation, impairment and devaluation of property, plant and equipment, foreign exchange gains and losses (starting from 1 January 2015), sponsorship and other charity payments, the share of 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. *Following further delays in payments from some key customers beyond the originally expected dates and their certain operational and financial issues, the Group recognised an impairment related to these receivables of US$255 million in 2015. Total impairment of trade and other receivables equalled US$292 million in 2015 and US$60 million in 2014.*
3. *Long-term debt of US$1,585 million (as of 31 December 2015) was reclassified as short-term debt, as a payment default took place in 2015 and continues for now.*

2015 highlights

- Total revenues decreased by 35% y-o-y to US$6,832M
  - Metallurgical revenues fell by 34% y-o-y to US$5,407M
  - Mining revenues dropped by 41% y-o-y to US$1,425M
- Total EBITDA declined by 81% y-o-y to US$513M
  - Metallurgical EBITDA fell by 57% y-o-y to US$486M
  - Mining EBITDA decreased by 95% y-o-y to US$88M
- Total EBITDA excluding impairment of trade and other receivables was US$804M in 2015
- Significant y-o-y change in divisional EBITDA shares[1] in 2015: 15% in Mining (61% in 2014) and 85% in Metallurgical (39% in 2014)
- Total CAPEX fell by 54% y-o-y to US$285M
- Net cash from operating activities dropped by 58% y-o-y to US$625M

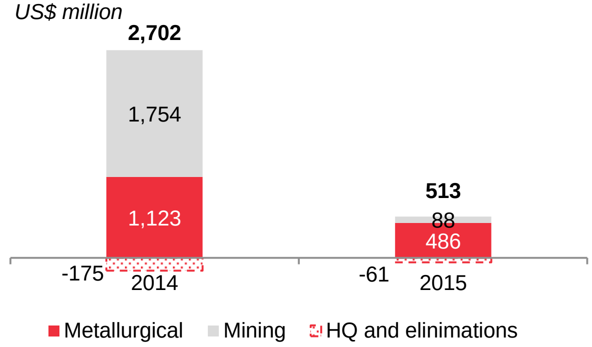
Revenues

US$ million



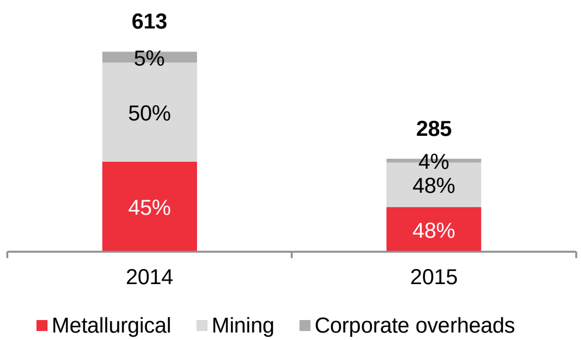
EBITDA

US$ million



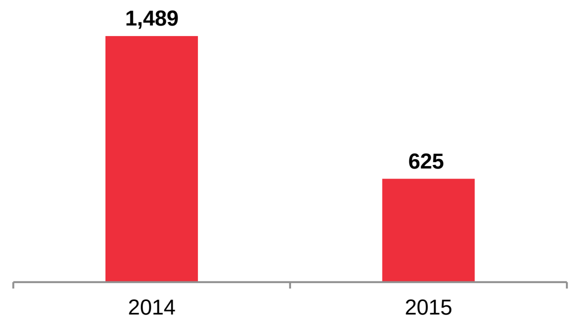
CAPEX

US$ million



Net cash from operating activities

US$ million

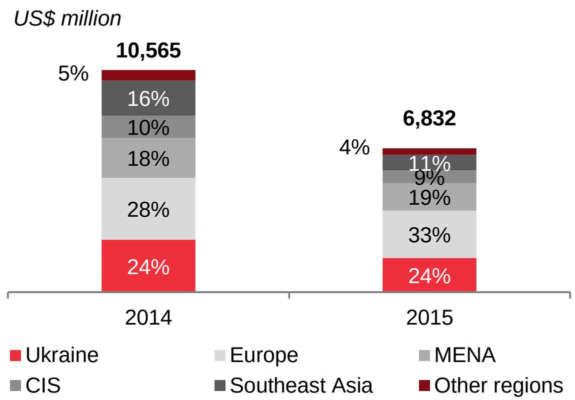


1. The contribution is to the gross EBITDA, before adjusting for corporate overheads and elimenations

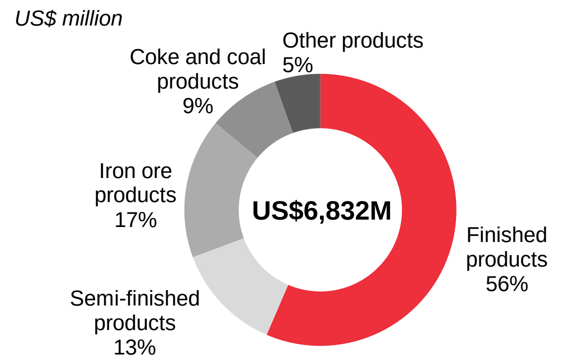
Global sales portfolio

- Total sales declined by 35% y-o-y (US$3,732M), mainly driven by:
  - lower production volumes of crude steel (-17% y-o-y) due to disruptions in Eastern Ukraine and unfavourable market factors
  - lower output of iron ore concentrate (-8% y-o-y)
  - weak demand in key markets
  - multi-year low prices of iron ore and steel products
- Share of export sales remained unchanged y-o-y at 76% in 2015
- Breakdown of sales by region changed y-o-y:
  - share of Europe rose by 5 pp y-o-y due to higher sales volumes of pig iron, square billets, flat products and pellets
  - share of Southeast Asia declined by 5 pp y-o-y due to decreased selling prices of key products and lower sales volumes of flat products, slabs and pellets
- Proportion of sales in hard currencies (US$, EUR, GBP) remained flat y-o-y at 82%

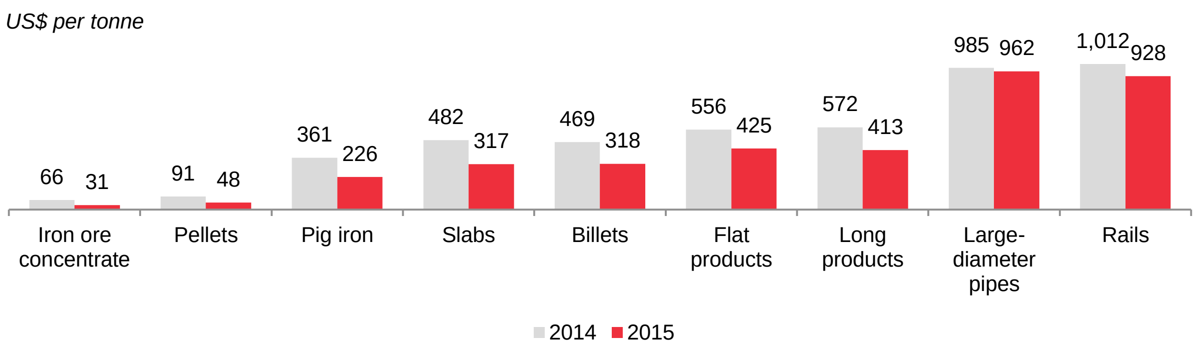
Total sales by region



Total sales by product in 2015



Price dynamics, FCA basis

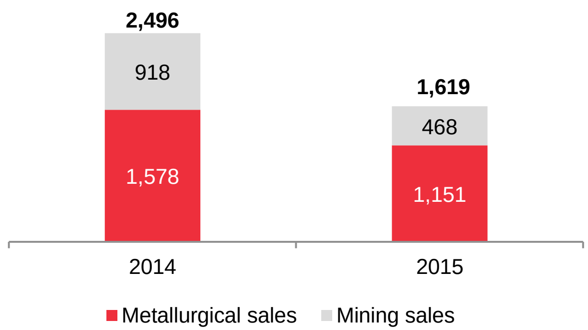


Sales in Ukraine

- Total sales in Ukraine declined by 35% y-o-y to US$1,619M
- Metallurgical sales decreased by 27% y-o-y to US$1,151M due to:
    - lower sales volumes of flat (-26% y-o-y) and long (-27% y-o-y) products amid weak demand in steel consuming sectors as a result of the conflict in Eastern Ukraine and the overall economic slowdown in the country
    - lower selling prices of steel products, which followed the benchmarks on key markets
- Mining sales declined by 49% y-o-y to US$468M, driven by:
    - lower sales volumes of iron ore concentrate (-17% y-o-y) and pellets (-39% y-o-y), as key customers significantly scaled back their production amid the conflict in Eastern Ukraine
    - lower selling prices of iron ore products, which followed the benchmark[1]
- Sales in Ukraine accounted for 24% of the Group total in 2015

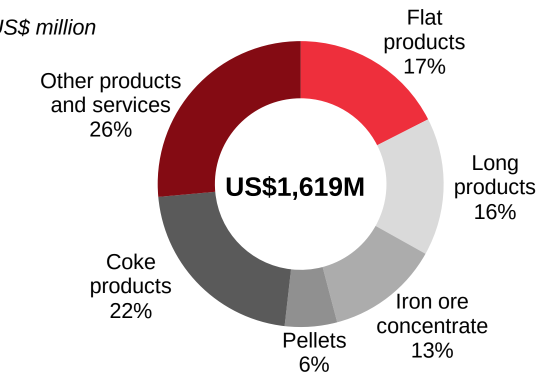
Total sales

US$ million



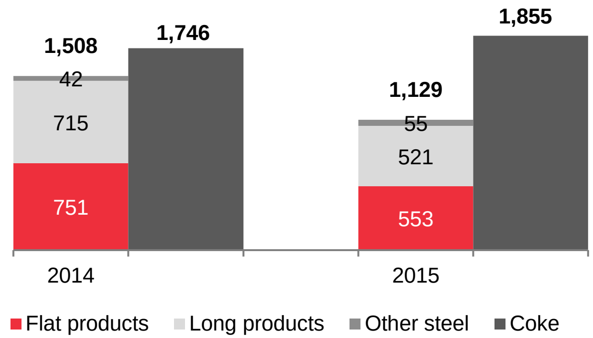
Sales by product in 2015

US$ million



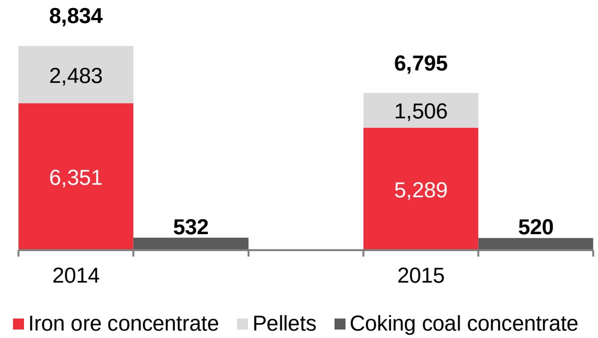
Metallurgical sales volumes

thousand tonnes



Mining sales volumes

thousand tonnes



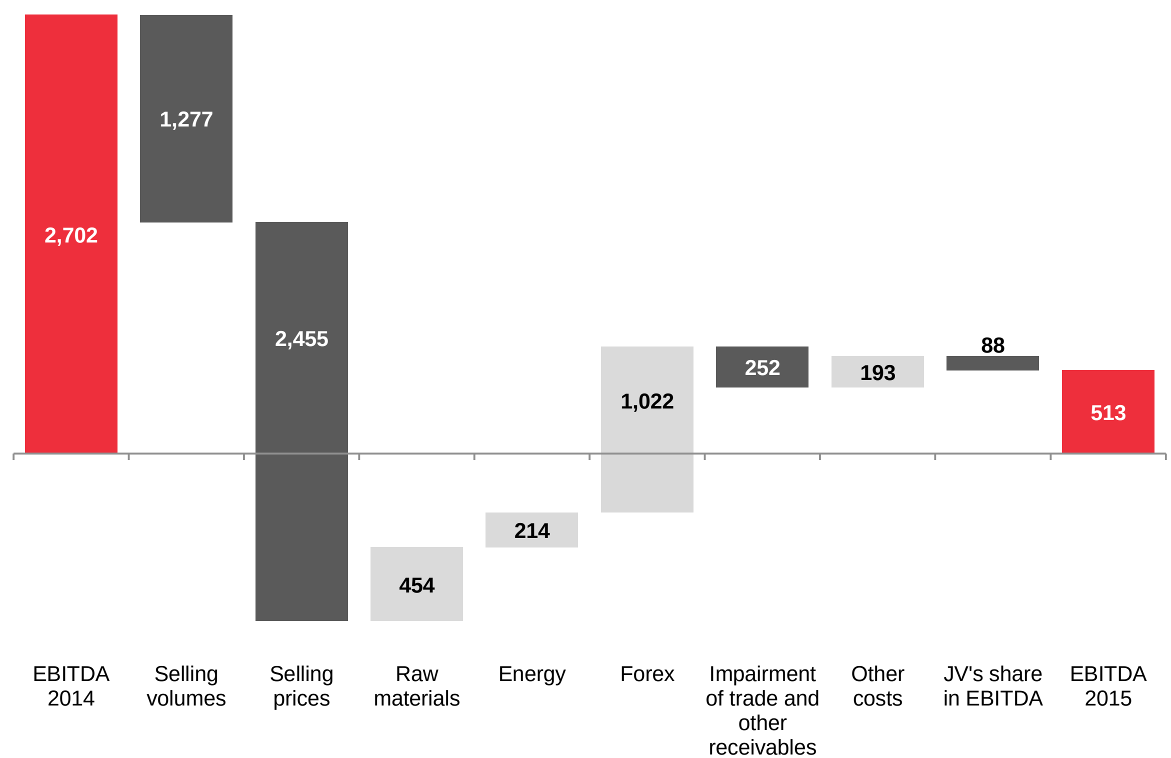
1. *62% Fe iron ore fines CFR China*

EBITDA

- Total EBITDA fell by 81% y-o-y to US$513M
- Negative EBITDA drivers were:
  - lower sales volumes (US$1,277M)
  - lower selling prices of steel, iron ore and coal products (US$2,455M)
  - an increase in impairment of trade and other receivables of US$252 million
  - a decrease in the contribution of the Zaporizhstal JV of US$29M and the Southern GOK JV of US$59 million[1]
- Positive EBITDA drivers were:
  - hryvnia devaluation (US$1,022M)
  - reduced raw material costs because of lower consumption and prices (US$454M)
  - reduced energy costs amid lower gas prices and volumes, as well as lower electricity consumption (US$214M)
- The EBITDA margin decreased by 18 pp y-o-y to 8% in 2015
  - the Mining division's EBITDA margin dropped by 40 pp y-o-y to 3%, while the Metallurgical division's decreased by 5 pp y-o-y to 9%

EBITDA drivers

US$ million



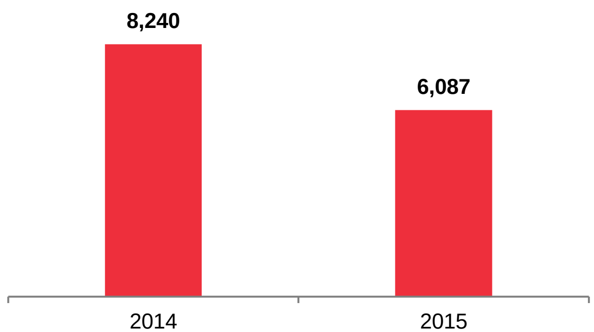
1. *Metinvest acquired 45.9% of Southern GOK in July 2014 and started consolidating its results in 3Q 2014*

Operating expenses

- Cost of sales dropped by 26% y-o-y to US$6,087M, mainly due to:
  - hryvnia depreciation (US$1,410M)
  - reduced raw material costs amid lower consumption and prices (US$454M)
  - lower energy consumption (effect of US$286 million) and lower gas prices (savings of US$96M)
  - a drop in cost of goods and services for resale of US$411 million, mainly goods from Zaporizhstal
- Distribution costs declined by 13% y-o-y to US$920M, driven by:
  - hryvnia depreciation (US$203M)
  - lower freight costs due to lower freight tariffs amid decreased crude oil prices (US$79M)
- General and administrative expenses decreased by 26% y-o-y to US$211M, mainly due to:
  - the hryvnia devaluation (US$92 million)
  - a decrease in depreciation and amortisation costs of US$10 million
  - lower rent expenses for the head office (US$3 million)

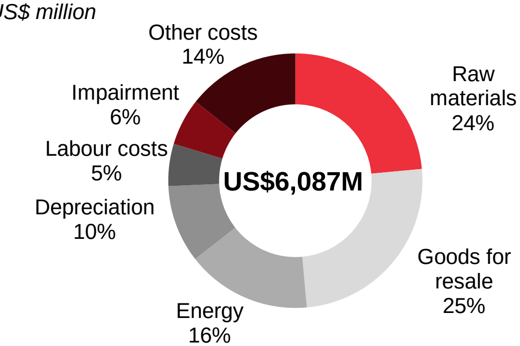
Cost of sales

US$ million



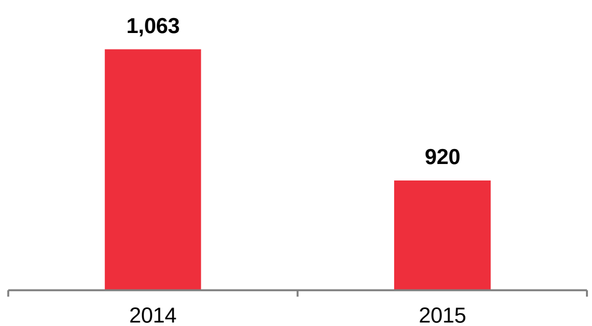
Cost of sales by nature in 2015

US$ million



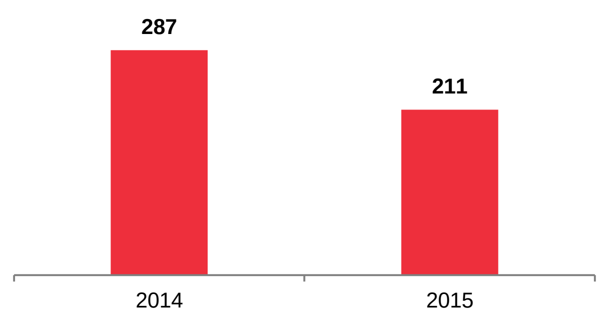
Distribution costs

US$ million



General and administrative expenses

US$ million

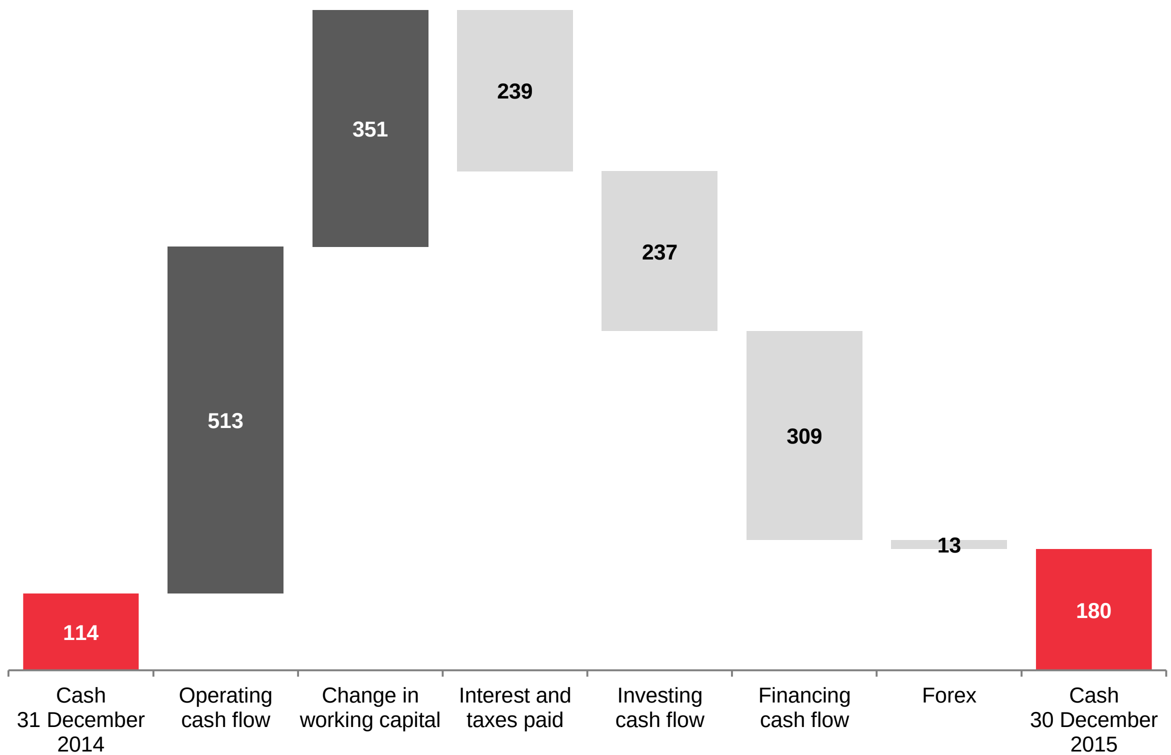


Cash flow profile

- The cash balance stood at US$180M at the end of 2015, compared with US$114M at the end of 2014, mainly driven by:
  - operating cash inflow totalled US$513M in 2015, down US$1,581M y-o-y primarily following lower revenues
  - positive change in working capital equalled US$351M in 2015, up US$368M y-o-y, amid a decrease in inventories and receivables, as well as an increase in payables
  - interest and taxes paid totalled US$239M in 2015, down US$349M y-o-y, mainly driven by lower taxes amid decreased production and deteriorated profitability, as well as a change in the tax collection system since 1Q 2014, when both the final payment for 4Q 2013 and the advance payment for 1Q 2014 were paid
  - Investing cash outflow equalled US$237M in 2015, down US$322M y-o-y, principally due to a decrease of US$274M in purchases of PPE and intangible assets, as well as no acquisition of associates during 2015
  - financing cash outflow totalled US$309M in 2015 due to net repayment of loans (US$102M), bonds (US$28M) and trade finance (US$179M). It fell US$1,233M y-o-y, mainly due to lower debt repayment amid tight liquidity and debt restructuring discussions.

Cash flow in 2015

US$ million



Operational review

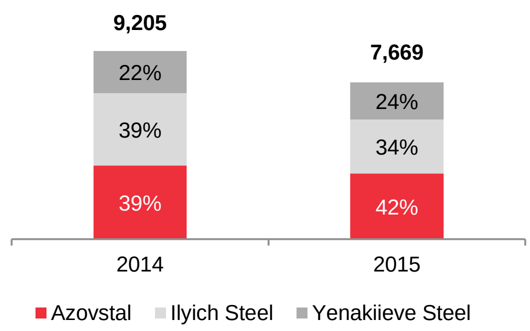
Metallurgical division operations

- Operations in Ukraine were significantly affected by the conflict in the eastern regions in 1H 2015
  - Yenakiieve Steel was completely shutdown from 7 February to 16 March 2015
  - raw material supplies to Azovstal and Ilyich Steel were constrained, following damage to railway infrastructure and a key gas pipeline during the conflict
- 2H 2015 operational performance was mainly affected by the unfavourable market environment
- Crude steel output fell by 17% y-o-y to 7,669KT
- Slabs and billets volumes declined by 20% and 13% y-o-y respectively due to general decline in hot metal output and its redistribution to produce more pig iron (+4% y-o-y)
- Flat product volumes fell by 13% y-o-y, mainly due to lower production of plates and coils at Ilyich Steel
- Long product volumes fell by 16% y-o-y, mainly due to a lack of orders at Azovstal, suspension of operations at Yenakiieve Steel, and a shortage of billets from Yenakiieve Steel at Promet Steel
- Rails and pipe production dropped by 62% and 57% y-o-y respectively, due to weak demand
- Coke[1] output fell by 15% y-o-y due to raw material supply constraints and disruptions of operations in the conflict zone
- Metinvest almost fully covered its coke needs by own production in 2015 (97% in 2014)

1. Dry blast furnace coke output

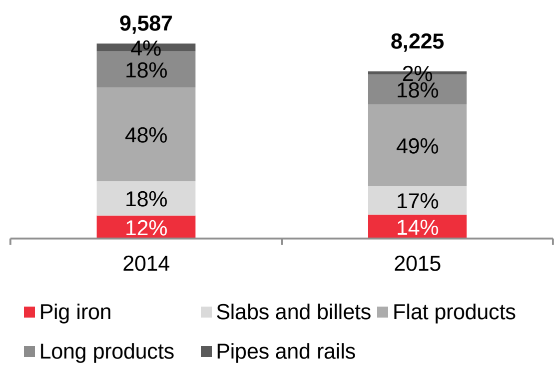
Crude steel production

thousand tonnes



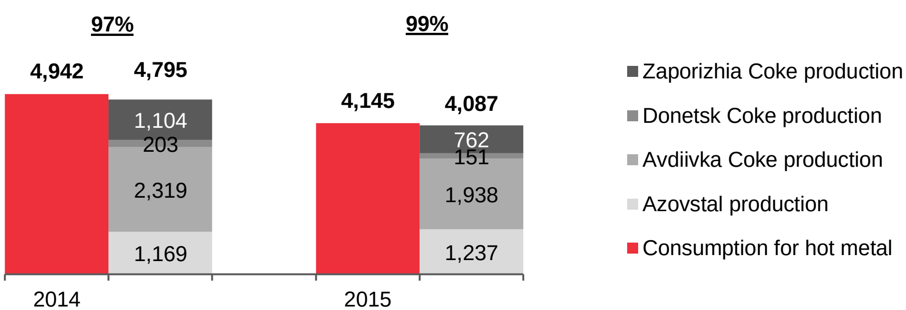
Output of merchant steel products

thousand tonnes



Coke self-sufficiency

thousand tonnes



Note: Self-sufficiency is calculated as total coke production divided by total consumption of coke to produce hot metal in the Metallurgical division

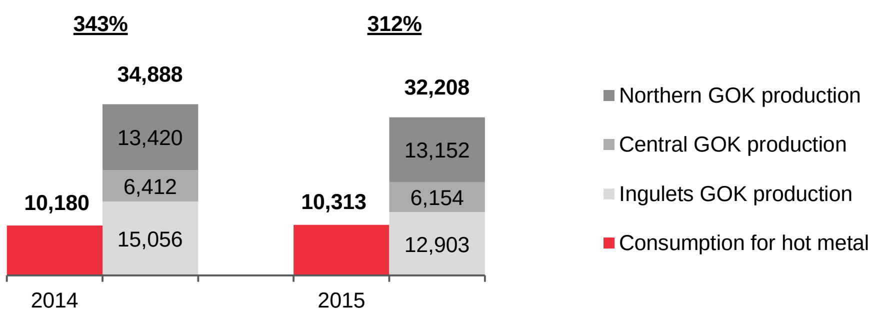
Mining division operations

- Overall production of iron ore concentrate fell by 2,680KT y-o-y due to:
  - decrease in production of 2,153KT at Ingulets GOK
  - fall in output of 268KT at Northern GOK
  - drop in production of 258KT at Central GOK
- Lower production was caused by overstocked warehouses in 1Q 2015 due to the inability to ship products and the unsatisfactory technical condition of equipment at the iron ore enrichment and crushing factories at Ingulets GOK, as well as lower intragroup consumption amid the conflict in Eastern Ukraine
- Volume of merchant iron ore concentrate decreased by 596KT y-o-y to 13,714KT
- Volume of merchant pellets fell by 1,293KT y-o-y to 6,668KT

- Coking coal concentrate production dropped by 813KT y-o-y due to:
  - fall in output of 1,176KT at Krasnodon Coal
  - increase in production of 363KT at United Coal
- Lower volumes at Krasnodon Coal were due to an inability to ship products amid the conflict in the Donbas region
- The rise in production at United Coal was due to higher volumes of 453KT from the Affinity, Wellmore and Carter Roag mines, partly offset by lower volumes of 90KT from the Pocahontas mines
- Breakdown of coking coal production in 2015: United Coal and Krasnodon Coal accounted for 89% and 11% respectively
- Some 48% of Metinvest's coking coal needs were covered by own production in 2015, compared with 49% in 2014

Iron ore self-sufficiency

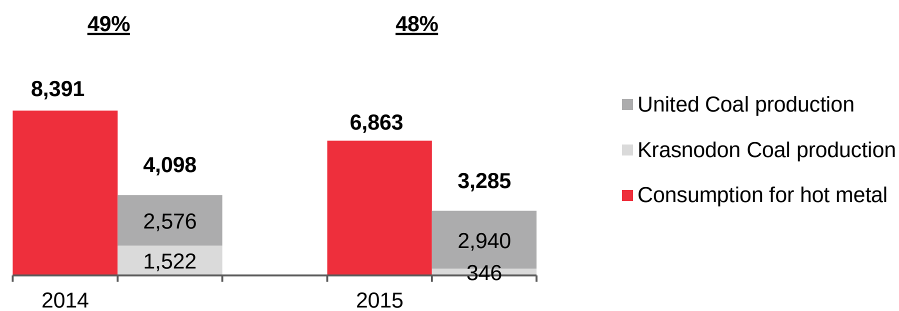
thousand tonnes



Note: Self-sufficiency is calculated as total iron ore concentrate production divided by total consumption of iron ore products to produce hot metal in the Metallurgical division

Coal self-sufficiency

thousand tonnes



Note: Self-sufficiency is calculated as total coal concentrate production divided by total consumption of coal concentrate to produce coke required for production of hot metal in the Metallurgical division

Metallurgical division financials

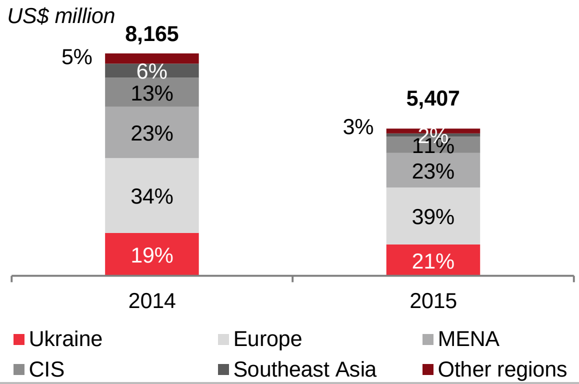
- Metallurgical revenues fell by US$2,758M y-o-y, impacted mainly by:
  - lower production volumes of crude steel (-17% y-o-y)
  - lower average selling prices, which followed the benchmarks on key markets
  - lower external sales volumes of all steel products, except for pig iron, as well as coke and chemical products
- The breakdown of sales by region changed y-o-y:
  - higher share of Ukraine (+2 pp y-o-y) mainly due to greater sales volumes of coke and chemical products, and Europe (+5 pp y-o-y), driven principally by higher sales volumes of flat products, square billets and pig iron
  - lower share of Southeast Asia (-4 pp y-o-y) and the CIS (-2 pp y-o-y) amid weak demand
- Top five steel customers accounted for 13% of divisional revenues
- EBITDA decreased by 57% y-o-y to US$486M in 2015, while its contribution to the Group's total EBITDA rose by 46 pp y-o-y to 85%[1]
- EBITDA margin decreased by 5 pp y-o-y to 9%
- EBITDA excluding impairment of trade and other receivables was US$531M in 2015
- Metallurgical division reduced CAPEX by 50% y-o-y to US$137M

Division financials

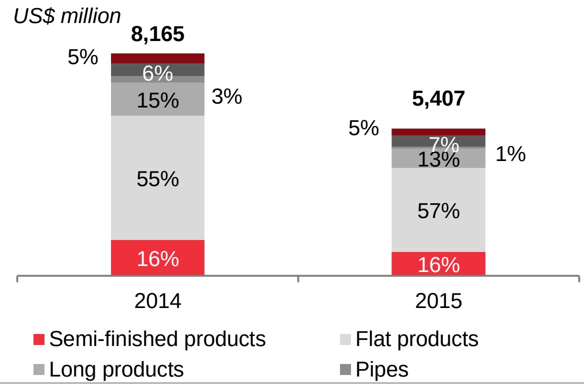
US$ million	2015	2014	Change
Sales (total)	**5,515**	**8,246**	**-33%**
Sales (external)	**5,407**	**8,165**	**-34%**
% of Group total	*79%*	*77%*	*+2 pp*
EBITDA	**486**	**1,123**	**-57%**
% of Group total[1]	*85%*	*39%*	*+46 pp*
margin	*9%*	*14%*	*-5 pp*
EBITDA excl. impairment of trade and other receivables	**531**	**1,132**	**-53%**
CAPEX	**137**	**276**	**-50%**

1. The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations

Sales by region



Sales by product



Mining division financials

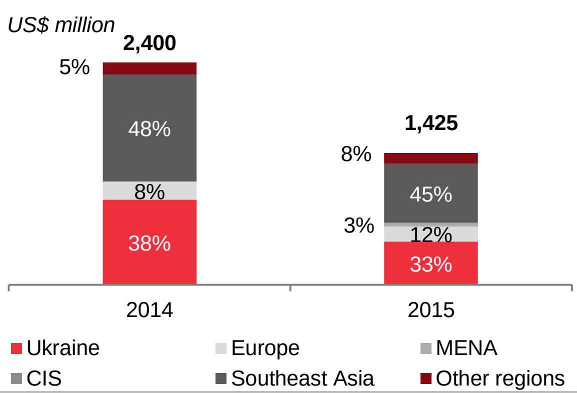
- Mining revenues fell by US$974M y-o-y, driven mainly by:
  - lower production volumes of iron ore concentrate (-8% y-o-y)
  - lower sales of iron ore concentrate (US$517M) and pellets (US$472M) amid a drop in price, following the benchmark (-43% y-o-y)
- The breakdown of sales by region changed y-o-y:
  - lower share of Ukraine (-5 pp y-o-y) and Southeast Asia (-3 pp y-o-y),
  - higher share of Europe (+3 pp y-o-y) and MENA (+3 pp y-o-y)
- Sales of pellets to MENA, mainly Turkey, were resumed after a break of over one year
- Top five iron ore customers accounted for 42% of divisional sales
- EBITDA decreased by 95% y-o-y to US$88M, while its contribution to the Group's total EBITDA dropped by 46 pp y-o-y to 15%[1]
- EBITDA margin fell by 40 pp y-o-y to 3%
- EBITDA excluding impairment of trade and other receivables was US$335M in 2015
- Metallurgical division reduced CAPEX by 55% y-o-y to US$136M

Division financials

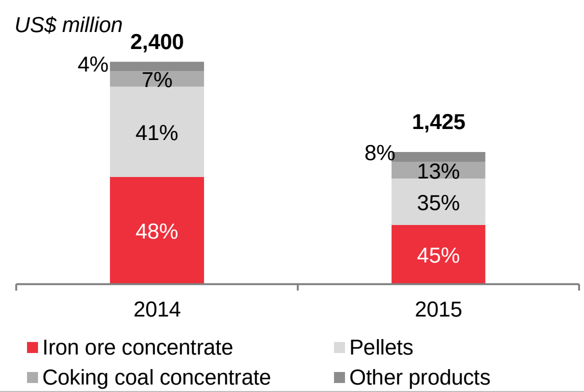
US$ million	2015	2014	Change
Sales (total)	**2,861**	**4,094**	**-30%**
Sales (external)	**1,425**	**2,400**	**-41%**
% of Group total	*21%*	*23%*	*-2 pp*
EBITDA	**88**	**1,754**	**-95%**
% of Group total[1]	*15%*	*61%*	*-46 pp*
margin	*3%*	*43%*	*-40 pp*
EBITDA excl. impairment of trade and other receivables	**335**	**1,805**	**-81%**
CAPEX	**136**	**304**	**-55%**

1. The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations

Sales by region



Sales by product



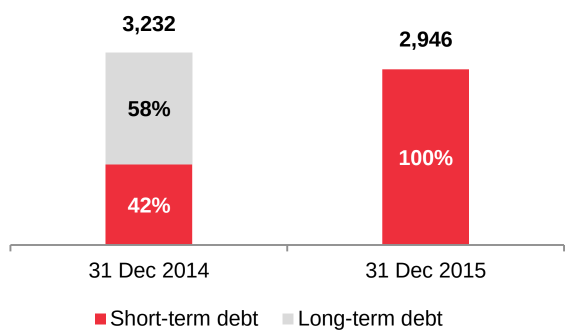
Financial review

Debt profile

- In early 2015, due to the tight liquidity situation and an inability to refinance debt, Metinvest launched debt restructuring negotiations with PXF lenders and holders of 2015, 2017 and 2018 bonds
- Metinvest fully serviced interest and coupon payments under its bank loans and bonds in 2015
- Total debt decreased by US$286M to US$2,946M during 2015
- US$1,585M of long-term debt has been reclassified as short-term debt, as a payment default took place in 2015 and continues for now
- In order to create a stable platform for negotiating a restructuring:
    - the 2015 bonds were extended to 31 January 2016 and certain waivers were obtained from the holders of 2015, 2017 and 2018 bonds as part of a consent solicitation process
    - a standstill until 29 January 2016 in respect of certain defaults under the PXF facilities was agreed with certain PXF lenders
- After the reporting date, in order to maintain a stable platform to continue the negotiations for a restructuring:
    - a moratorium over enforcement action by bondholders until 27 May 2016 was sanctioned by the High Court of Justice of England and Wales
    - the standstill with certain PXF lenders was extended until 27 May 2016
- Restructuring negotiations are ongoing

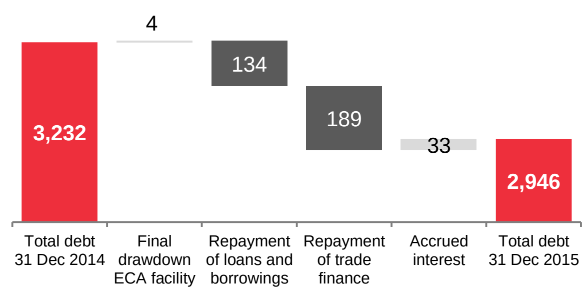
Total debt

US$ million

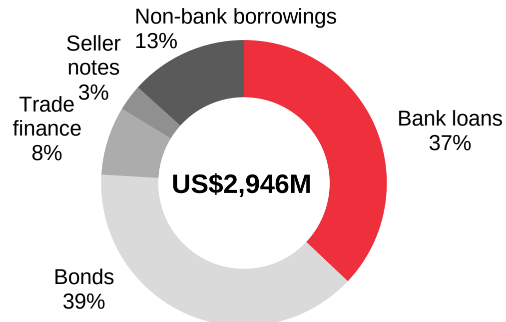


Total debt change

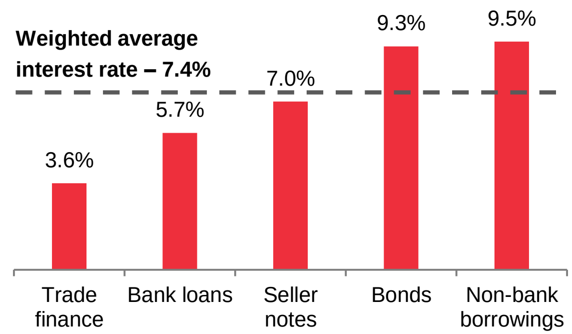
US$ million



Total debt by instrument: 31 Dec 2015



Total debt by effective interest rate: 31 Dec 2015



Capital expenditure

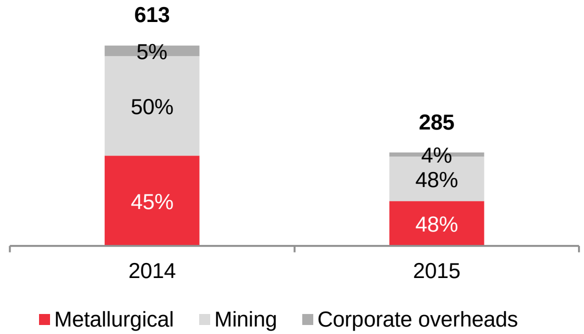
METINVEST

Capital expenditure

- Given the tight liquidity situation and conflict in Eastern Ukraine, the focus has shifted to maintenance and top-priority expansion projects offering fast payback
- Completion of several projects was delayed
- In 2015, CAPEX declined by 54% y-o-y to US$285M
    - Metallurgical division reduced CAPEX by 50% y-o-y to US$137M
    - Mining division reduced CAPEX by 55% y-o-y to US$136M
    - CAPEX for corporate overheads fell by 64% y-o-y to US$12M
- Expenditure on maintenance projects amounted to 73% of total investments (71% in 2014) and on expansion projects to 27% (29% in 2014)
- Metallurgical and Mining divisions accounted for 48% of CAPEX each (2014: 45% and 50% respectively)

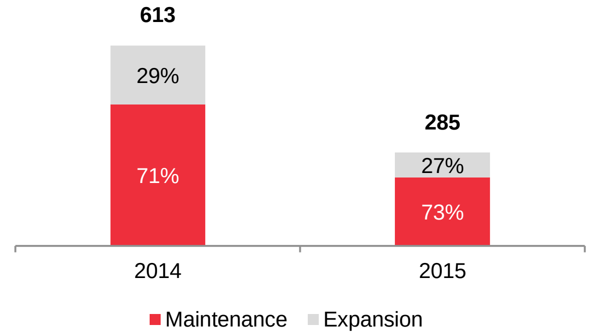
CAPEX by division

US$ million



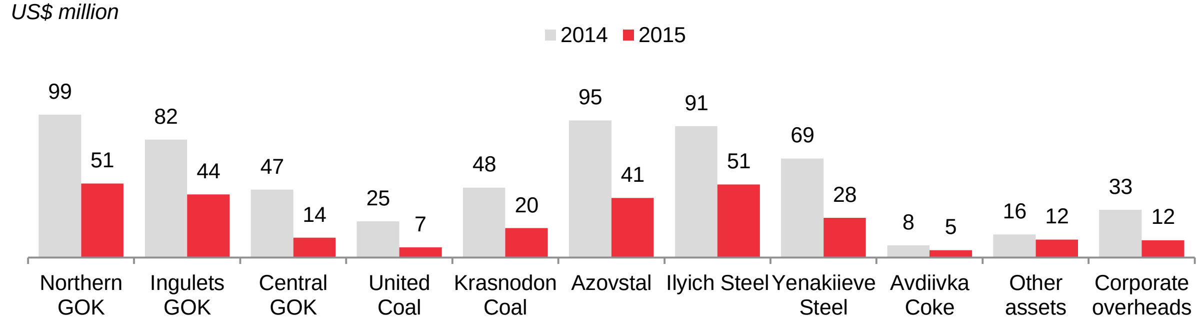
CAPEX by purpose

US$ million



CAPEX by key asset

US$ million

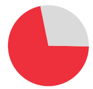


Key strategic CAPEX projects

No	Project	Asset	Description	Status
1	Major overhaul of blast furnace (BF) no. 4	Azovstal	Increase capacity	Completed in September 2015. Launch was postponed to February 2016 due to a lack of orders
2	Replacement of turbine air blower (TAB) no. 3	Azovstal	Increase blowing parameters, which will raise blast furnace productivity and decrease coke consumption	Launched with delays amid funding constraints in April 2016
3	Construction of pulverised coal injection (PCI) unit	Azovstal	Eliminate the need for natural gas in the production process and use coke more efficiently	Construction of PCI unit at BF no. 4 was approved as the first stage of the project. Construction work started in 2015
4	Sinter plant reconstruction	Ilyich Steel	Comply with environmental requirements	Work is ongoing. The filters on sintering machines no. 1-3 were replaced during 2015
5	Construction of PCI unit	Yenakiieve Steel	Eliminate the need for natural gas in the production process and use coke more efficiently	Construction resumed in 1Q 2015 (suspended in 2014). PCI injection into BF no. 5 started in February 2016
6	Building infrastructure for new air separation unit (ASU)	Yenakiieve Steel	A third party will build and operate the unit, while Metinvest will provide the accompanying infrastructure, thus reducing the amount of up-front investment required for the project. The ASU is expected to produce around 1,400 tonnes of oxygen, nitrogen and argon per day for steel production.	Frozen in August 2015 due to an emergency
7	Construction of crusher and conveyor system (CCS) at the Pervomaisky quarry	Northern GOK	Reduce operational and capital expenditures in iron ore mining and maintain production volumes	The launch of the first facility was delayed to 2016 due to funding constraints
8	Restoration of Lurgi 278-B roasting machine	Northern GOK	Reduce the cost of pellet production	Frozen in 4Q 2015 due to a lack of funding
9	Replacement of gas cleaning unit at Lurgi 552-B pellet plant	Northern GOK	Comply with the maximum permissible concentrations of pollutants in the air and improve conditions in the workplace	Three of the five filters were replaced in 2015. Work to replace the remaining filters is ongoing
10	Construction of CCS	Ingulets GOK	Reduce operational and capital expenditures in iron ore mining and maintain production volumes	Construction is ongoing on the Vostochny conveyor line only. Construction of the Zapadny conveyor line was suspended in 1Q 2015 due to limited funding

Appendices

Metinvest in brief



71.24 %
System Capital Management

23.76 %
Smart Group

5.00 %
Clarendale Limited[1]

Metinvest

- Multinational group with operations in Ukraine, Italy, Bulgaria, the UK and the US
- Vertically integrated business model: from iron ore and coal to finished steel products
- Substantial resource base provides long-term security for steelmaking operations
- Global distribution network with easy access to both mature and emerging markets
- Improving health and safety and investing in mitigating our environmental footprint

Mining division

- Top 8 iron ore producer in the world[2]
- Top 2 iron ore producer in the CIS[2]
- Long-life proven and probable iron ore reserves in Ukraine of 1,383MT[3]
- More than fully self-sufficient in iron ore concentrate and pellets
- Captive long-life coal reserves of 508MT[4] in Ukraine and the US
- Coking coal production currently covers almost 50%[5] of internal needs

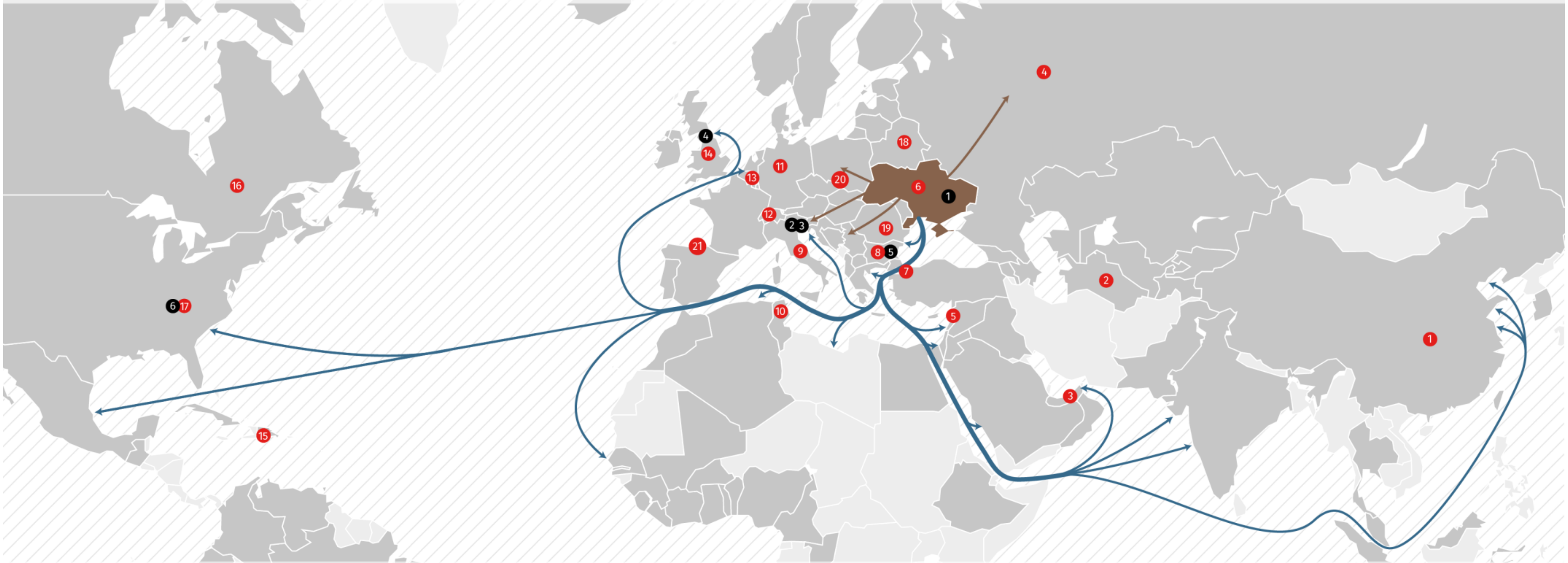
Metallurgical division

- Top 40 steel producer in the world[6]
- Top 6 steel producer in the CIS[2]
- Annual steelmaking capacity of 13MT[7]
- Around 70% share of finished steel goods in the product mix in 2015
- Sales outside Ukraine accounted for 76% of revenues in 2015
- Contribution to the Group's total EBITDA of 85%[8] in 2015

1. *As at 31 December 2015, a 5% interest in Metinvest B.V. in the form of Class C shares has been acquired from the previous owners of Ilyich Group for the benefit of SCM and SMART. It is the intention of SCM and SMART to dispose of the said 5% interest in due course (after receipt of respective governmental approvals if such will be necessary), and in such manner that the ultimate interest of SCM in the Company shall be 75% minus 1 share, and the ultimate interest of SMART in the Company shall be 25% plus 1 share, thus SCM remaining as the controlling shareholder.*
2. *Metinvest's estimate based on companies' public production data*
3. *According to JORC methodologies, as at 1 January 2010 and adjusted for production of 483MT of reserves between 1 January 2010 and 31 December 2015. Ore reserves refer to the economically mineable part of mineral resources.*
4. *As at 31 December 2015 (unaudited)*
5. *Self-sufficiency is calculated as total coal concentrate production divided by total consumption of coal concentrate to produce coke required for production of hot metal in the Metallurgical division*
6. *World Steel Association 2015 ranking based on tonnage*
7. *Metinvest's annual steel capacity, excluding capacity of Zaporizhstal*
8. *The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations*

Global presence

Rail delivery routes   Sea delivery routes   Existing markets   Operations   Sales offices



Metinvest's operations

1 Ukrainian operations

Azovstal	Donetsk Coke
Ilyich Steel	Northern GOK
Yenakiieve Steel	Central GOK
Khartsyzk Pipe	Ingulets GOK
Avdiivka Coke	Krasnodon Coal
Zaporizhia Coke	

International operations

2. Ferriera Valsider
3. Metinvest Trametal
4. Spartan UK
5. Promet Steel
6. United Coal

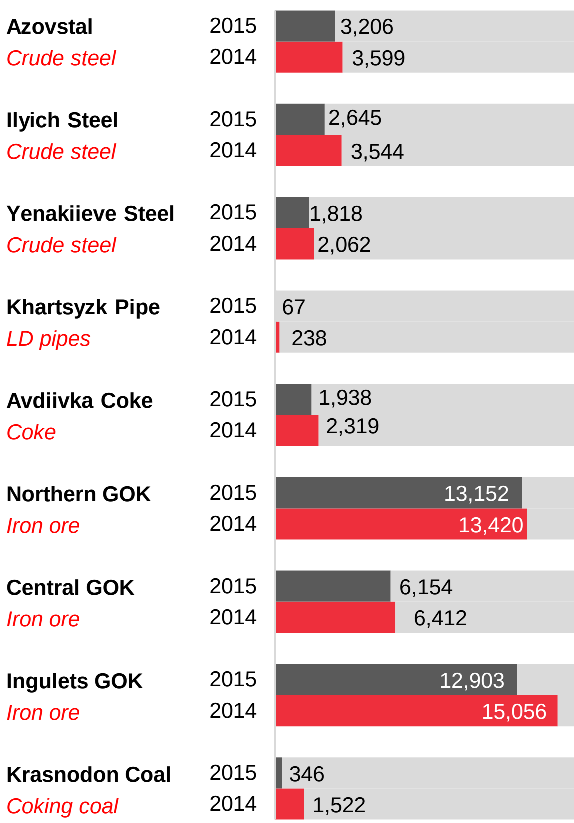
Metinvest's sales offices

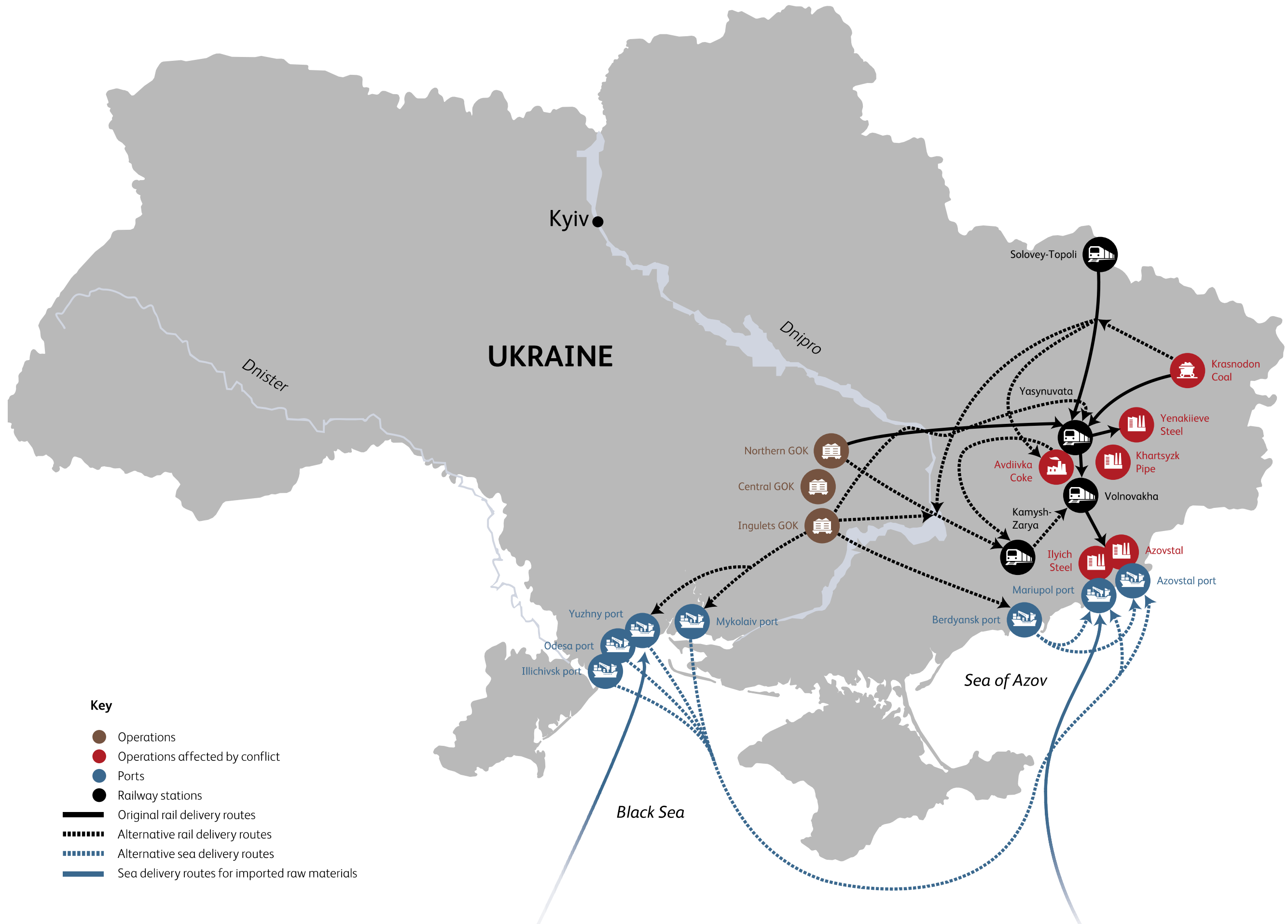
1. China
2. Turkmenistan
3. United Arab Emirates
4. Russia (14 offices)
5. Lebanon
6. Ukraine (23 offices)
7. Turkey
8. Bulgaria (3 offices)
9. Italy (3 offices)
10. Tunisia
11. Germany
12. Switzerland
13. Belgium
14. United Kingdom
15. Dominican Republic
16. Canada
17. United States
18. Belarus (2 offices)
19. Romania
20. Poland
21. Spain

Operations in Ukraine

Production by key asset

thousand tonnes





Executive Committee

Yuriy Ryzhenkov

Chief Executive Officer

(2013–)

- Chief Operating Officer at DTEK (2010-2013)
- Chief Financial Officer at DTEK (2007-2010)
- Manager of Economic Analysis and Informatics at Mini Steel Mill ISTIL (2002-2007)
- MBA from London Business School (UK)

Alexander Pogozhev

Metallurgical Division Director

(2011–)

Interim Mining Division Director

(2016 –)

- Director of Steel and Rolled Products division (2010-2011)
- COO at Severstal International (2008-2010)
- Executive positions at Severstal (1991-2008)
- MBA from Northumbria University (UK)

Dmytro Nikolayenko

Sales Director

(2011–)

- Sales Director of Steel and Rolled Products division (2010-2011)
- General Director at Metinvest-SMC (2007-2010)
- General Director at SM Leman (2003-2007)
- MBA from IMI (Kyiv)

Yuliya Dankova

Interim Chief Financial Officer

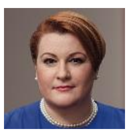
(2016–)

- Director of Controlling Department of the Finance Directorate (2015-2016)
- Financial Control Director of Mining Division (2010-2015)
- Finance Director of Metinvest's iron ore mining and enrichment assets in Kryvyi Rih (2006-2010)
- MBA from LINK International Institute of Management (Russia)

Nataliya Strelkova

Human Resources and Social Policy Director (2010–)

- HR Director at MTS (2006-2010)
- HR Policy Director at MTS (2004-2006)
- Senior HR Specialist at Yukos (2001-2004)
- HR Director at the ESN Group (1997-2001)
- MBA from IMD (Lausanne)

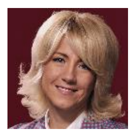


Svetlana Romanova

Chief Legal Officer

(2012–)

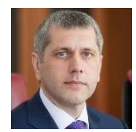
- Partner at Baker and McKenzie (2008-2012)
- Lawyer at Baker and McKenzie (2000-2008)
- Lawyer at Cargill (1998-2000)
- LLM from The University of Iowa College of Law (US)



Olga Ovchinnikova

Logistics and Purchasing Director (2013–)

- Logistics Director of the Supply Chain Management Directorate (2012-2013)
- Logistics Manager at Severstal-Resource (2006-2011)
- Logistics and Supply Chain Management



Sergiy Detyuk

Chief Information Officer

(2016–)

- CIO at DTEK (2009-2016)
- Deputy Finance Director for IT at DTEK (2007-2009)
- Head of the Information Technology Department at Dniprospetsstal (2006-2007)
- MBA from London School of Business (UK)
- MBA from Kyiv-Mohyla Business School (Ukraine)

Aleksey Komlyk

PR and Regional Development Director (2013–)

- Managing PR Director at AFK Sistema (2011-2013)
- Managing Partner at Mosso (2008-2011)
- Vice President of PR at Uralkali (2006-2008)
- Head of Media Relations Office at Uralkali (2003-2006)
- Master's in Philology

Supervisory Board

Igor Syry
Chairman, Class A Member
(2014–)
- COO at SCM (2013–)
- CEO at Metinvest Holding (2006-2013)
- Senior Manager at SCM (2002-2006)
- Senior Consultant at PwC (1999-2002)
- MBA from Cornell University (US)

Alexey Pertin
Deputy Chairman, Class B Member (2014–)
- Chairman of the Supervisory Board at Smart-Holding (2014–)
- CEO at Smart-Holding (2008-2014)
- Deputy CEO at Severstal (2004-2006)
- CEO at Izhora Pipe Plant, Severstal (2002-2004)
- MBA from Northumbria University (UK)

Amir Aisautov
Class A Member
(2014–)
- Director of Metals and Mining business at SCM (2009-2015)
- Director of Strategy and Investments at Clever Management (2008-2009)
- Engagement Manager at McKinsey and Company (2003-2008)
- MBA from Georgetown University (US)

Damir Akhmetov
Class A Member
(2014–)
- Associate Director at SCM Advisors (UK) Limited (2013–)
- Member of the Supervisory Board at DTEK (2011–)
- MSc in Finance from City University (UK)

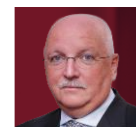
Christiaan Norval
Class A Member
(2014–)
- CEO and Founder at Green Gas International (2004-2011)
- CEO at SUAL (2002-2004)
- Head of Corporate Finance at BHP Biliton (1997-2002)
- Bcom (Hons) from Rand Afrikaans University (South Africa)

Stewart Pettifor
Class A Member
(2014–)
- COO at Corus (2003-2005)
- Head of Flat Products at Corus (2001-2003)
- Deputy CEO at Avesta Polarit (2000-2001)
- CEO and President at Avesta (1997-2000)
- BSc in Metallurgy from Nottingham University (UK)

Oleg Popov
Class A Member
(2014–)
- CEO at SCM (2006–)
- Chairman of the Supervisory Board at DTEK (2009–)
- COO at SCM (2001-2006)
- Degree in Economics from Donetsk State University (Ukraine)

Yaroslav Simonov
Class A Member
(2014–)
- Deputy Director at Voropaev and Partners law firm (2008–)
- COO at Renaissance Capital Ukraine (2008)
- Head of Legal and Compliance at Renaissance Capital Ukraine (2005-2007)
- LLM in International Business Law from Central European University (Hungary)

Gregory Mason
Class B Member
(2014–)
- Member of the Supervisory Board at Smart-Holding (2014–)
- CEO at Severstal International (2004–2009)
- MSc in Electrical Engineering from Naval University of St Petersburg (Russia)



Gerhart Rieger
Class B Member
(2014–)
- Member of the Supervisory Board at Smart-Holding (2014–)
- CFO at Yukos (2005-2006)
- Consultant at Roland Berger (1993-2000)
- Degree (Hons) in Engineering and Economics in Machine-Building from Kharkiv Engineering and Economic Institute (Ukraine)

Corporate social responsibility

	Health and Safety	Environment	Community
Goals	▪ Meet the highest standards of health and safety and ensure the safety of employees in all aspects of their work ▪ Create a safety-driven culture throughout the Group and ensure that employees take responsibility for themselves and their colleagues	▪ Reduce our environmental footprint ▪ Introduce more efficient energy-saving technology ▪ Meet European standards in this area ▪ Respond rapidly to any critical issues	▪ Work in partnership with the communities where we operate to achieve long-term improvements in social conditions ▪ Maintain close dialogue with local stakeholders
Initiatives	▪ Continue implementation of measures to reduce the risk of fatalities due to cardiovascular diseases ▪ Reinforce a gas safety programme to eliminate incidents of CO poisoning ▪ Introduce protective barrier standard to reduce injuries associated with working at heights ▪ Continue a risk assessment programme covering all production processes and investment projects using HAZID[1], HAZOP[2] and ENVID[3]	▪ Continually examine and enhance environmental standards within the framework of our Technological Strategy ▪ Require all newly built and reconstructed assets to meet EU environmental standards ▪ Regularly review the environmental action plan to target efforts more effectively	▪ Implement social partnership programmes with local authorities ▪ Empower local communities ▪ Foster the development of green and ecological initiatives ▪ Enhance sustainable development of regions ▪ Support communities affected by the conflict
Results in 2015	▪ Over US$61M was spent on health and safety ▪ Provided extensive HSE training for over 12,279 managers and supervisors ▪ Conducted 115,267 audits and identified 140,275 safety issues, which were addressed swiftly ▪ Conducted 115 HAZIDs at subsidiaries, and developed 663 recommendations to reduce risks to an acceptable level	▪ Over US$194M was spent on environmental safety (including both capital and operational environmental improvements) ▪ Progress on key environmental projects ○ reconstruction of sinter plant no. 1 at Ilyich Steel ○ design development of switch from wet to dry type of BF-gas cleaning system at Azovstal ○ replacement of gas-cleaning equipment of Lurgi 552-B pellet plant at Northern GOK ○ refurbishment of de-dusting system of coke crushing area at Avdiivka Coke	▪ Published the Social Report for 2013-2014 in accordance with the GRI 4.0 standard and principles of the UN GC ▪ Invested around US$24M to support communities in cities where Metinvest operates, including US$17M spent on humanitarian assistance and restoring infrastructure in the conflict zone in Eastern Ukraine ▪ 64 community projects were selected and implemented under the “We Improve the City” initiative, with a total budget of around US$0.3M ▪ Around 600 environmental events of the “Green Centre” were held

1. HAZID study is a tool for hazard identification, used early in a project as soon as process flow diagrams, draft heat and mass balances, and plot layouts are available
2. HAZOP (hazard and operability study) is a structured and systematic examination of a planned or existing process or operation in order to identify and evaluate problems that may represent risks to personnel or equipment, or prevent efficient operation
3. Environmental (Hazard) Identification is conducted like HAZID, but with the aim of identifying environmental issues

Thank you!

Investor relations contacts

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www.metinvestholding.com

METINVEST