

Metinvest launches second magnetic and flotation iron ore concentrate upgrading facility at Ingulets GOK

Metinvest (“the Company”), the international vertically integrated steel and mining group of companies, today announced that it has commissioned the second magnetic and flotation iron ore concentrate upgrading facility (“MFCU”) at Ingulets Iron Ore Enrichment Works (“Ingulets GOK”). The facility’s launch was implemented within the framework of Metinvest’s long-term development strategy. Total investments in the project amounted to US\$ 40 million.

The second MFCU facility will have an annual capacity of approximately 3.3 million tonnes of concentrate, allowing Metinvest to increase output of high quality premium class merchant concentrate with Fe content of 67% and above to 6.5 million tonnes per annum. The MFCU facility will start operating at full capacity from January 2012.

Ingulets GOK has been successfully utilizing MFCU technology since 2003, when it launched its first facility with an annual capacity of over 3.2 million tonnes. The launch of the second MFCU facility will enable Ingulets GOK not only to increase MFCU premium quality concentrate production volumes, but also produce concentrate with Fe content of 65% and above, instead of the current 63.7%.

Mykola Ishchenko, Director of Metinvest’s Mining Division, commented: “The commissioning of the second MFCU facility at Ingulets GOK will allow us to boost merchant volumes of premium class iron ore materials for our Metallurgical Division. The facility’s modern equipment enables production of high quality raw materials, which, in turn, guarantees high quality value-added downstream products.”

For editors:

METINVEST GROUP is an international vertically integrated steel and mining group of companies, managing every link of the value chain, from mining and processing iron ore and coal to making and selling semi-finished and finished steel products. The Group comprises steel and mining production facilities located in Ukraine, Europe and the USA and has a sales network covering all key global markets. Metinvest Group is structured into three operating divisions: Coke and Coal Division, Iron ore Division, Steel and Rolled Products Division and has a strategic vision to become the leading vertically integrated steel producer in Europe, delivering sustainable growth and profitability resilient to business cycles and providing investors with returns at above the industry benchmarks. The Group generated US\$ 6.9 billion of revenues and a 28.6% EBITDA margin for the first half of 2011.

The major shareholders of the Company METINVEST B.V. (a holding company of Metinvest Group) are SCM Group (71.25% ownership) and Smart-Holding (23.75% ownership) partnering in Company’s management.

METINVEST HOLDING LLC is the managing company of Metinvest Group.

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