



**MAGNITOGORSK
IRON & STEEL
WORKS**
OPEN JOINT STOCK COMPANY

Presentation of the OJSC MMK Group 1Q 2009 IFRS Financial Statements



The presentation contains selected data from the financial statements of MMK Group.
Detailed information is provided in the financial statements of the Group 1Q 2009 prepared according to IFRS.

MMK Group Operations and Income Statement

	1Q2009	4Q2008
Revenue	965	1 368
Operating (loss)/profit	(45)	(659)
(Loss)/profit before income tax	(111)	(779)
(Loss)/profit for the period	(110)	(402)
EBITDA*	99	(469)
<i>EBITDA margin</i>	10,3%	-
OJSC «MMK» Results		
	1Q2009	4Q2008
Revenue	824	1 041
EBITDA*	160	(429)
<i>EBITDA margin</i>	19,4%	-



* EBITDA = Operating income +
Depreciation of assets + Loss
on disposal of fixed assets +/-
Operations with affiliates

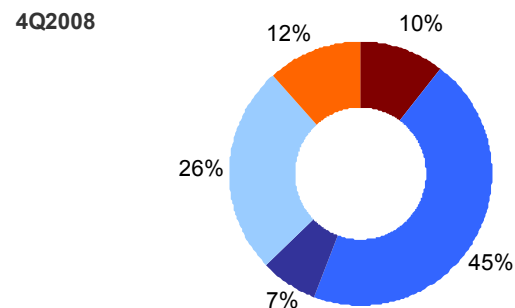
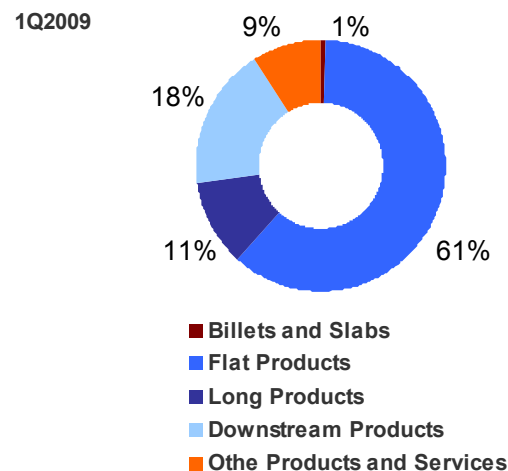
MMK Group's Key Financial Indicators

Proceeds by type of product

	1Q2009	4Q2008
Billets and slabs	6	142
Flat products	590	622
Long products	105	95
Downstream products	178	349
Other products and services	86	160
Total proceeds	965	1 368



Proceeds by type of product

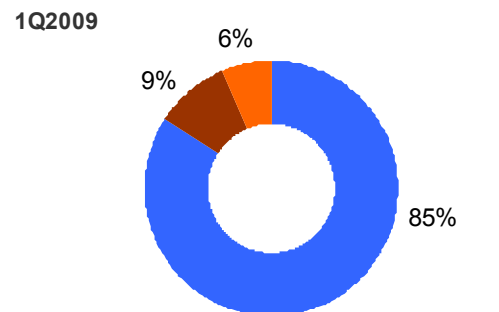


MMK Group's Operating Costs' Structure

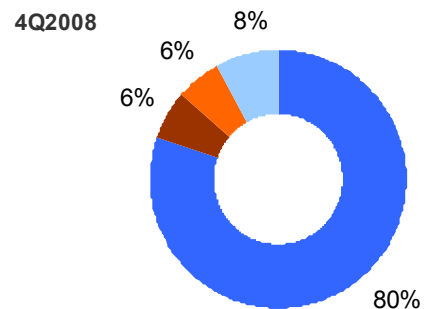
MMK Group's operating costs, mln USD

	1Q2009	4Q2008	Change, %
Cost of products sold	853	1 630	-48%
Selling and distribution expenses	94	119	-21%
General and administrative expenses	64	112	-43%
Other operating income and loss	-1	166	
Total operating costs	1 010	2 027	-50%

MMK Group's operating costs



- Cost of products sold
- Selling and distribution expenses
- General and administrative expenses
- Other operating income and loss



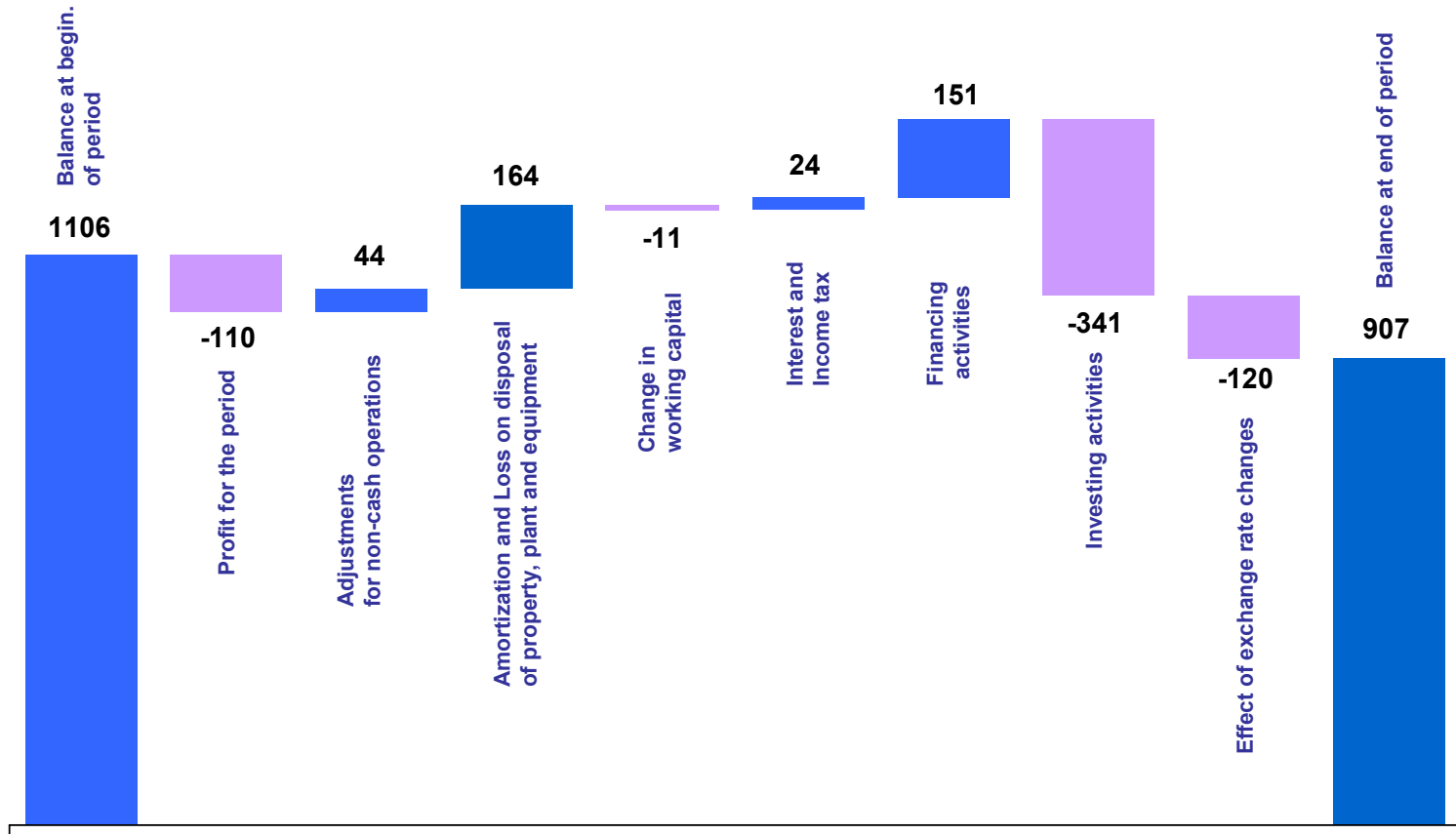
MMK Group's Balance Sheet, USD m

	31.03.2009	31.12.2008	Изменение	%
Non-current assets, incl.	9 424	10 569	-1 145	-10,8%
<i>Property, plant and equipment</i>	<i>8 656</i>	<i>9 751</i>	<i>-1 095</i>	<i>-11,2%</i>
<i>Other non-current assets</i>	<i>768</i>	<i>818</i>	<i>-50</i>	<i>-6,1%</i>
Current assets, incl.	2 755	3 628	-873	-24,1%
<i>Inventories</i>	<i>699</i>	<i>996</i>	<i>-297</i>	<i>-29,8%</i>
<i>Trade and other receivables</i>	<i>855</i>	<i>991</i>	<i>-136</i>	<i>-13,7%</i>
<i>Bank deposits</i>	<i>12</i>	<i>17</i>	<i>-5</i>	<i>-29,4%</i>
<i>Investments in securities and other financial assets</i>	<i>101</i>	<i>121</i>	<i>-20</i>	<i>-16,5%</i>
<i>Cash and cash equivalents</i>	<i>907</i>	<i>1 106</i>	<i>-199</i>	<i>-18,0%</i>
<i>Other receivables and current assets</i>	<i>181</i>	<i>397</i>	<i>-216</i>	<i>-54,4%</i>
Total assets	12 179	14 197	-2 018	-14,2%
Equity attributable to shareholders of the parent company	8 308	9 663	-1 355	-14,0%
Minority interest	161	189	-28	-14,8%
Non-current liabilities, incl.	1 679	1 705	-26	-1,5%
<i>Long-term borrowings and obligations under financial lease</i>	<i>568</i>	<i>431</i>	<i>137</i>	<i>31,8%</i>
<i>Other non-current liabilities</i>	<i>1 111</i>	<i>1 274</i>	<i>-163</i>	<i>-12,8%</i>
Current liabilities, incl.	2 031	2 640	-609	-23,1%
<i>Accounts payables</i>	<i>887</i>	<i>1 321</i>	<i>-434</i>	<i>-32,8%</i>
<i>Short-term borrowings and current portion of long-term borrowings</i>	<i>1 126</i>	<i>1 295</i>	<i>-169</i>	<i>-13,1%</i>
<i>Other current liabilities</i>	<i>18</i>	<i>24</i>	<i>-6</i>	<i>-25,0%</i>
Total liabilities	3 710	4 345	-635	-14,6%
Total equity and liabilities	12 179	14 197	-2 018	-14,2%



MMK Group's Cash Flows

Change of cash balance during the 1Q2009, USD m



OJSC MMK's Key Production Indicators

thousand tons

Description	1Q2009	4Q2008	Change
6% humidity coke	908	706	202
Pig iron	1 592	1 205	386
Crude steel	2 070	1 648	422
<i>Incl. EAF steel</i>	448	393	56
<i>BOF steel</i>	1 622	1 255	366



Historical Structure of OJSC MMK's commercial products' mix

thousand tons

Description	1Q2009	4Q2008	Change
Billets and slabs	0	104	-104
Long products	256	187	68
Flat products	1 448	998	450
Downstream products	213	252	-39
Commercial products	1 917	1 542	375

