



**MAGNITOGORSK
IRON & STEEL
WORKS**

OPEN JOINT STOCK COMPANY

Presentation of the OJSC MMK Group 9M 2008 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 9M 2008 prepared according to IFRS.



MMK Group Operations and Income Statement

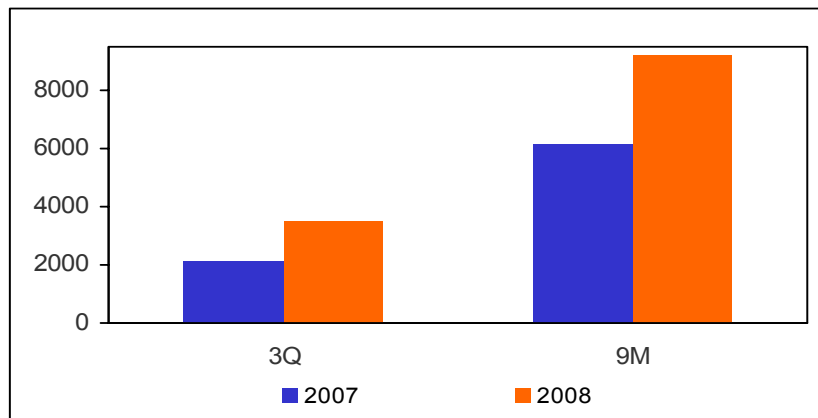
	3Q 2008	2Q 2008	Change	9M 2008	9M 2007	Change
Revenue	3 529	3 484	45	9 182	6 150	3 032
Operating income	788	813	-25	1 833	1 174	659
<i>Revenue margin</i>	22,3%	23,3%		20,0%	19,1%	
Income before income tax and minority interest	815	776	39	1 885	1 288	597
<i>Revenue margin</i>	23,1%	22,3%		20,5%	20,9%	
Net income	667	633	34	1 483	1 041	442
<i>Revenue margin</i>	18,9%	18,2%		16,2%	16,9%	
EBITDA*	1 079	1 071	8	2 673	1 899	774
<i>EBITDA margin</i>	30,6%	30,7%		29,1%	30,9%	

* EBITDA = Operating income + Depreciation of assets + Loss on disposal of fixed asset + Share of results of associates

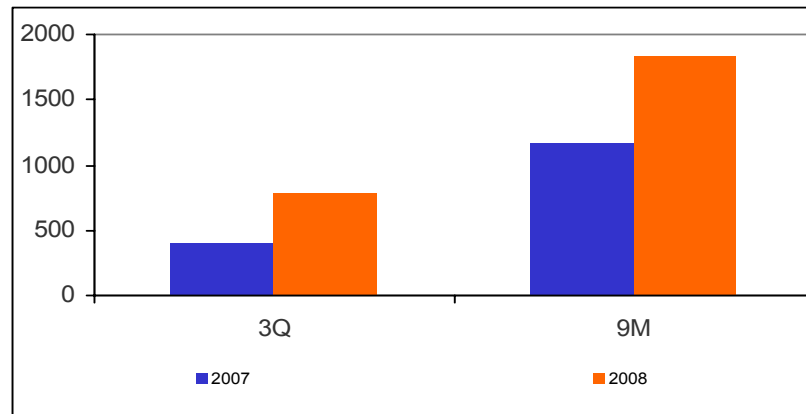


MMK Group Key Performance Indicators

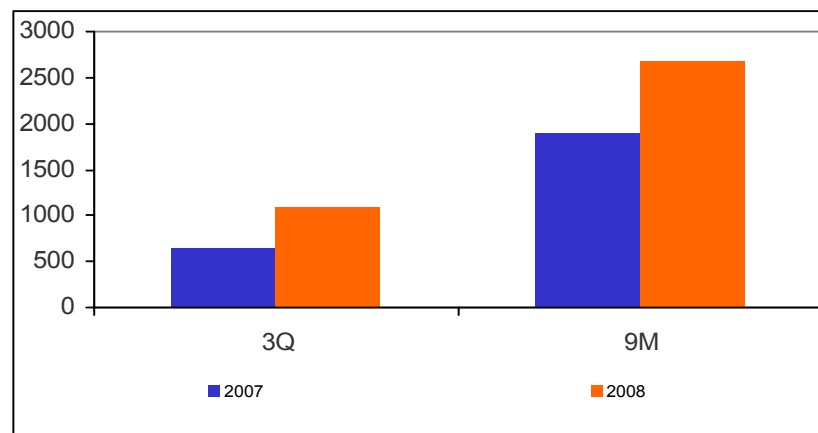
Sales proceeds, USD m



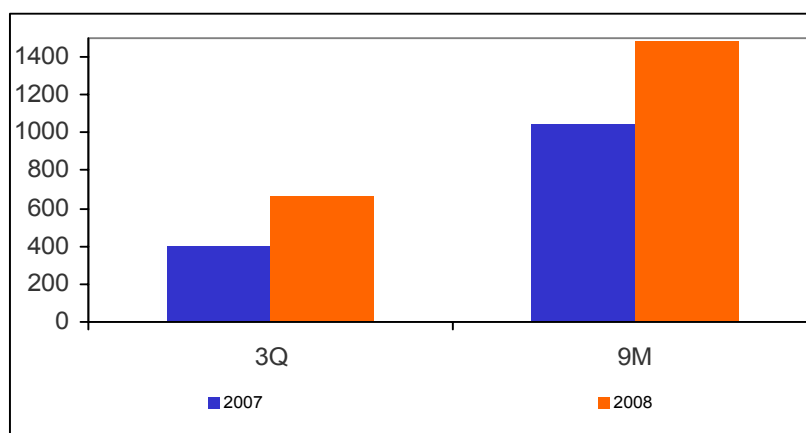
Operating income, USD m



EBITDA, USD m



Net income, USD m





MMK Group's Key Financial Indicators

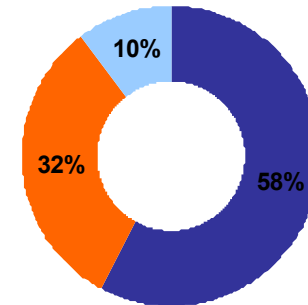
MMK Group's Sales, USDm

	9M 08	9M 07	Change	%
OJSC MMK's proceeds	5 315	3 560	1 755	49%
Group's steel traders' proceeds	2 924	1 980	944	48%
Group's other companies' proceeds	943	610	333	55%
Total proceeds	9 182	6 150	3 032	49%



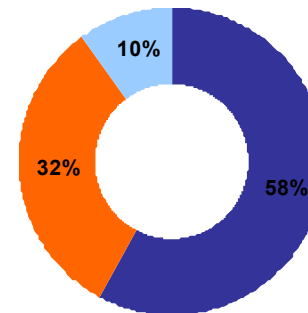
MMK Group's Sales in USD

9M 2008



■ OJSC MMK
■ Steel traders*
■ Other companies

9M 2007



* MMK Steel Trade AG
MMK Trading AG
UralSibTrade



MMK Group's Key Financial Indicators

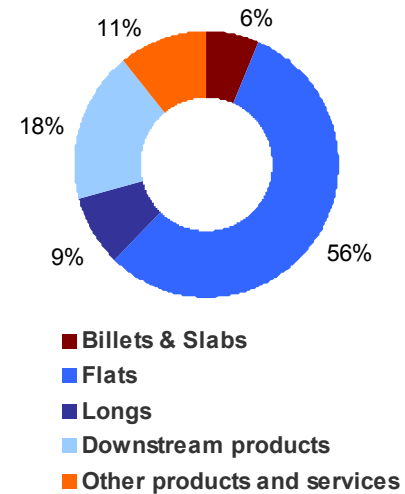
Proceeds by type of product, USDm

	9M 08	9M 07	Change	%
Billets and slabs	584	290	294	101%
Flat products	5 134	3 419	1 715	50%
Long products	797	628	169	27%
Downstream products	1 679	1 374	305	22%
Other products and services	987	439	548	125%
Total proceeds	9 182	6 150	3 032	49%

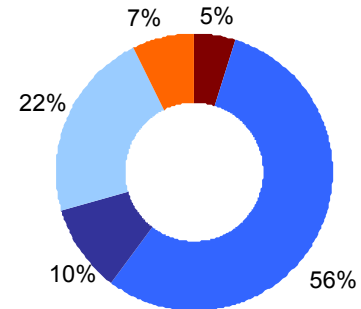


Proceeds by type of product in USD

9M 2008



9M 2007





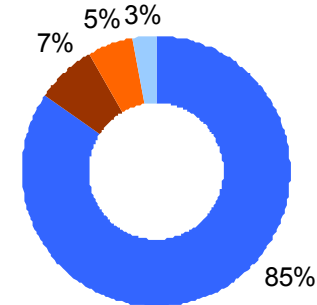
MMK Group's Operating Costs' Structure

MMK Group's operating costs, USDm

	9M 08	9M 07	Change	%
Cost of products sold	6 205	4 231	1 974	46,7%
Selling and distribution expenses	531	399	132	33,1%
General and administrative expenses	401	323	78	24,1%
Other operating income and loss	212	23	189	x9,2

MMK Group's operating costs in USD

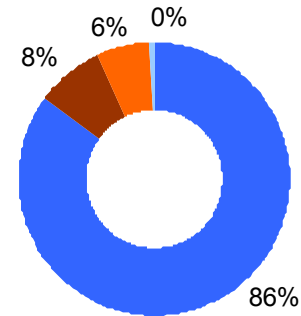
9M 2008



Total: 7,349 USDm

- COGS
- Selling and distr. expenses
- General and administrative expenses
- Other operating income and loss

9M 2007



Total: 4,976 USDm

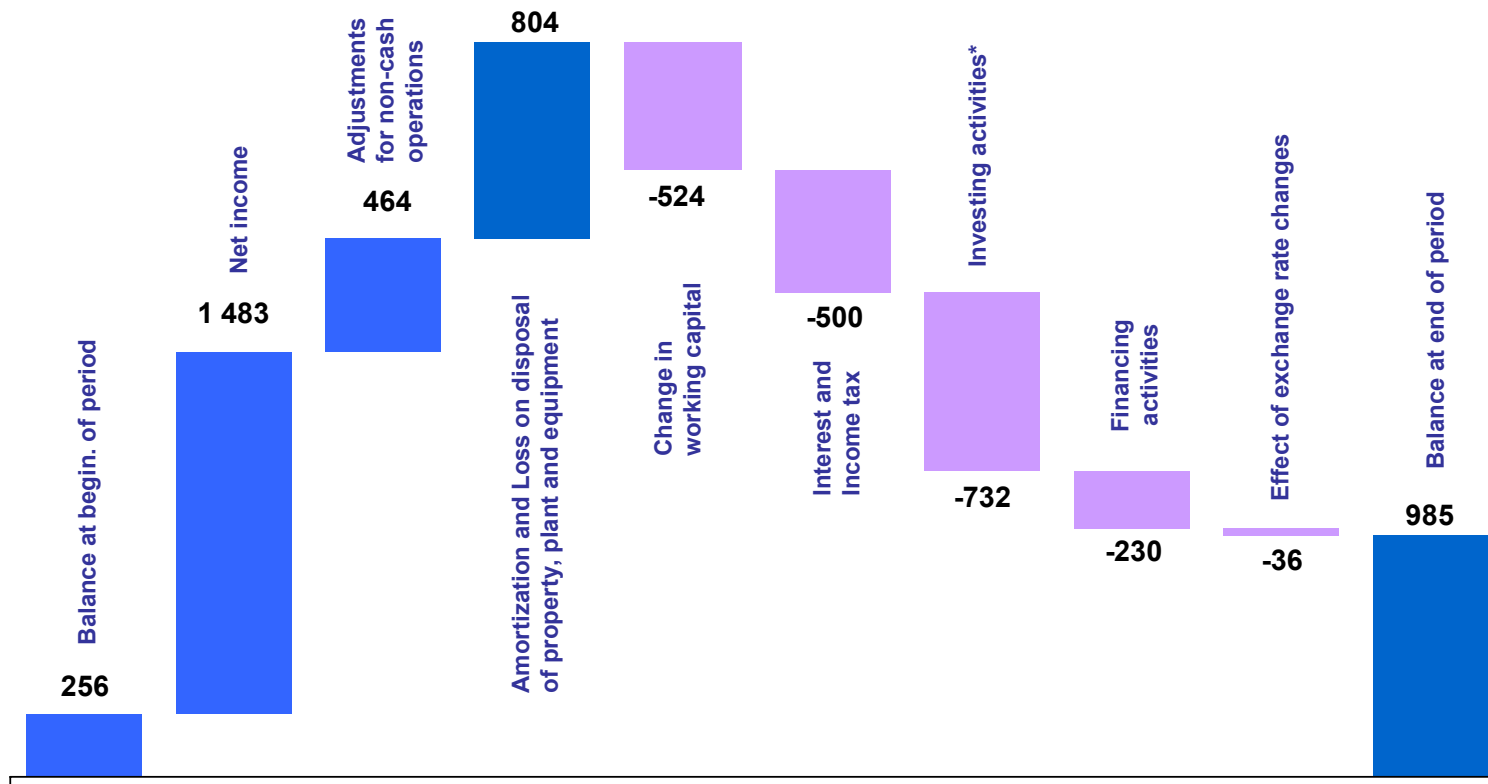
MMK Group's Balance Sheet, USD m

	30.09.2008	31.12.2007	Change	%
Non-current assets, incl.	12,153	11,614	539	4.4%
<i>Property, plant and equipment</i>	11,016	10,409	607	5.5%
<i>Other non-current assets</i>	1,137	1,205	-68	-6.0%
Current assets, incl.	4,550	4,273	277	6.1%
<i>Inventories</i>	1,276	963	313	24.5%
<i>Trade and other receivables</i>	1,349	1,023	326	24.2%
<i>Bank deposits</i>	121	1,279	-1158	-957.0%
<i>Investments in securities and other financial assets</i>	444	465	-21	-4.5%
<i>Денежные средства и их эквиваленты</i>	985	256	729	74.0%
<i>Прочая дебиторская задолженность и текущие активы</i>	375	287	88	30.7%
Итого активы	16,703	15,887	816	4.9%
Собственный капитал	12,029	11,634	395	3.3%
Доля меньшинства	185	152	33	17.8%
Долгосрочная задолженность, в том числе	2,009	2,149	-140	-7.0%
<i>Долгосрочные кредиты, займы и задолженность по лизингу</i>	258	231	27	10.5%
<i>Прочая долгосрочная задолженность</i>	1,751	1,918	-167	-9.5%
Текущая задолженность, в том числе	2,480	1,952	528	21.3%
<i>Кредиторская задолженность</i>	1,217	686	531	43.6%
<i>Краткосрочные кредиты и займы</i>	1,220	1,225	-5	-0.4%
<i>Прочие текущие обязательства</i>	43	41	2	4.7%
Полные обязательства	4,489	4,101	388	8.6%
Итого пассивы	16,703	15,887	816	4.9%



MMK Group's Cash Flows

Change of cash balance during the 9M 2008, USD m





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Contact Persons

Press Secretary

Yelena Azovtseva

email: azovtseva@mmk.ru

tel: **+7 3519 24 9082**

Head of Investor Relations Service

Yevgeny Kovtunov

email: kovtunov@mmk.ru

tel: **+7 3519 24 9355**

fax: **+7 3519 24 9360**