



SUPERIOR DRIVE FOR PERFORMANCE

INTERIM RESULTS FOR 6 MONTHS ENDED JUNE 30, 2005

October 13, 2005



Disclaimer

This document does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire securities of Evraz Group S.A. (Evraz) or any of its subsidiaries in any jurisdiction or an inducement to enter into investment activity. No part of this document, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. 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. None of the Evraz 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 document or its contents or otherwise arising in connection with the document.

This document contains “forward-looking statements”, which include all statements other than statements of historical facts, including, without limitation, any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “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 Evraz’s control that could cause the actual results, performance or achievements of Evraz to be materially different from future results, performance or achievements expressed or implied by such forward-looking, including, among others, the achievement of anticipated levels of profitability, growth, cost and synergy of recent acquisitions, the impact of competitive pricing, the ability to obtain necessary regulatory approvals and licenses, the impact of developments in the Russian economic, political and legal environment, volatility in stock markets or in the price of our shares or GDRs, financial risk management and the impact of general business and global economic conditions.

Such forward-looking statements are based on numerous assumptions regarding Evraz’s present and future business strategies and the environment in which Evraz Group S.A. will operate in the future. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements speak only as at the date as of which they are made, and Evraz expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in Evraz’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

Neither Evraz, nor any of its agents, employees or advisors intend or have any duty or obligation to supplement, amend, update or revise any of the forward-looking statements contained in this document.

The information contained in this document is provided as at the date of this document and is subject to change without notice.



Summary Financial Performance

		1H 2005	1H 2004
		<i>\$ million</i>	
Revenues	+ 27%	3,632	2,856
Net Profit *	+ 10%	729	661
EBITDA **	+ 16%	1,119	968
Cash from operations	+ 289%	727	187
Cash flow used in investments, net		(657)	(527)
<i>incl. purchases of PP&E</i>		<i>(280)</i>	<i>(239)</i>

* including minority interests

** profit from operations plus depreciation and amortisation, impairment of assets and loss (gain) on disposal of PP&E



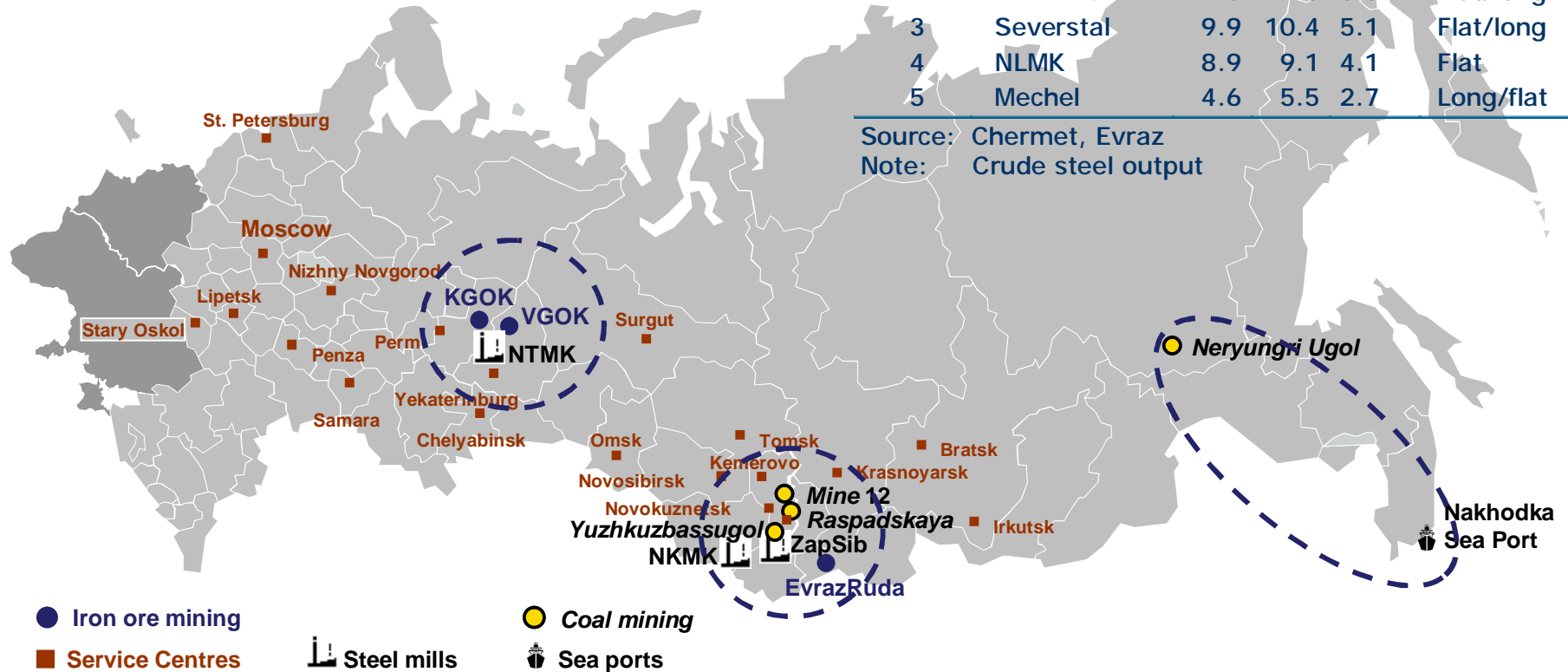
Top Russian Steel Producer

Evraz Group's main locations

Top Russian steel producers

Russian ranking	Company	Output ¹ (million tons)			Main products
		2003	2004	1H05	
1	Evraz Group	13.9	13.7	7.0	Long
2	MMK	11.5	11.3	5.5	Flat/long
3	Severstal	9.9	10.4	5.1	Flat/long
4	NLMK	8.9	9.1	4.1	Flat
5	Mechel	4.6	5.5	2.7	Long/flat

Source: Chermet, Evraz
 Note: Crude steel output





Our Strategy

- n Focused on leveraging its inherent advantages**
 - n Russia's sustainable low-cost advantage
 - n Evraz Group's unique access to raw materials
 - n Economies of scale and growing benefits of vertical integration

- n Domestic market strategy is focused on finished products**
 - n Leading position in long products
 - n Strong and growing home market
 - n Dominant market position in railway and construction segments
 - n Competition limited in chosen sectors

- n Export market strategy is focused on leveraging raw material base**
 - n Optimized delivery of raw materials/semi-finished products to growing markets
 - n Significantly enhanced vertical integration
 - n Diversified exposure at Asian markets

Strong earnings sustainability ensured through the cycle



Summary Operational Performance

		1H 2005 <i>thousand tonnes</i>	1H 2004 <i>thousand tonnes</i>	Y-o-Y <i>change, %</i>
§ Retained position of Russia's largest steel producer	Steel division			
	Pig iron	5,951	5,630	+ 5.7%
	Steel	7,008	6,728	+ 4.2%
	Rolled products	6,306	6,012	+ 4.9%
§ Enhanced profile as a growing mining company	Mining division * (<i>saleable products</i>)			
	Iron ore			
	Concentrate	1,291	1,153	+ 12.0%
	Sinter	4,632	3,269	+ 41.7%
	Pellets	2,757	492	+ 459.9%
	Coal			
	Coking coal	156	-	n/a
Steem coal	24	-	n/a	
	<i>Equity investment</i>			
	Coking coal (Raspadskaya)	3,314	n/a	n/a

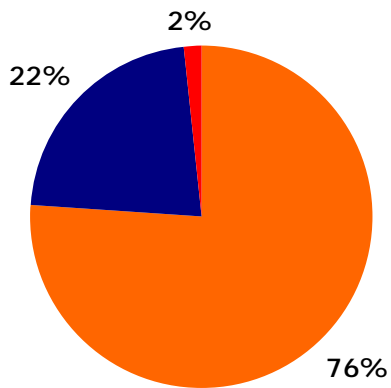
* all information on production volumes of the enterprises concerns only the period of their operation within Evraz Group. Operational results of Evraz Ruda are consolidated for the full 6 months of 2004 and 2005. Operational results of Kachkanarsky GOK are consolidated since June 2004. Mine 12 results are consolidated into the Group since April 2005



1H05 Highlights

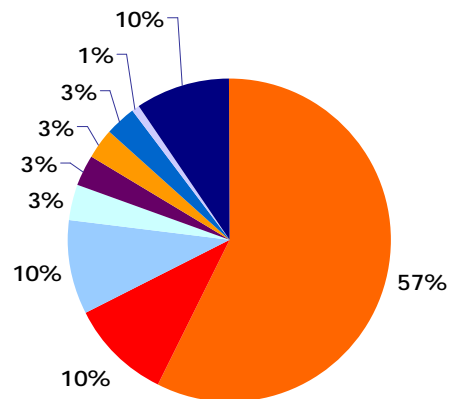
- § Revenues up on the back of stronger domestic and export steel prices
- § EBITDA up 16% from \$0.97 billion to \$1.12 billion fueled by growing mining segment
- § IPO completed in London in June
- § Investment program on track to deliver further value
- § Further consolidation of significant minority stakes in subsidiaries

EBITDA Breakdown



■ Steel segment ■ Mining segment ■ Other

Revenue Breakdown



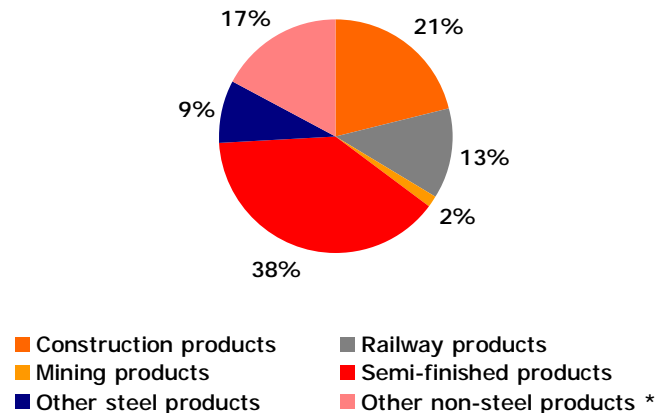
■ Russia ■ Thailand ■ Taiwan
 ■ Iran ■ Korea ■ Vietnam
 ■ Philippines ■ China ■ Other



Steel Segment 1H05 Highlights

- § Revenue up 34% from \$2.7 billion to \$3.7 billion on higher volumes (+2%) and ever better pricing environment
- § Steel operating profit flat y-o-y, the Group able to offset coal and iron ore price pressures by increasing volumes and maintaining stronger prices in the key sectors
- § Softer pricing in the export markets (mainly slab) balanced by ever stronger domestic sales
- § Sales to key domestic sectors (construction and railway) showed strong momentum in volumes and pricing
- § Revenues from selling vanadium slag added significantly to the profitability of the segment

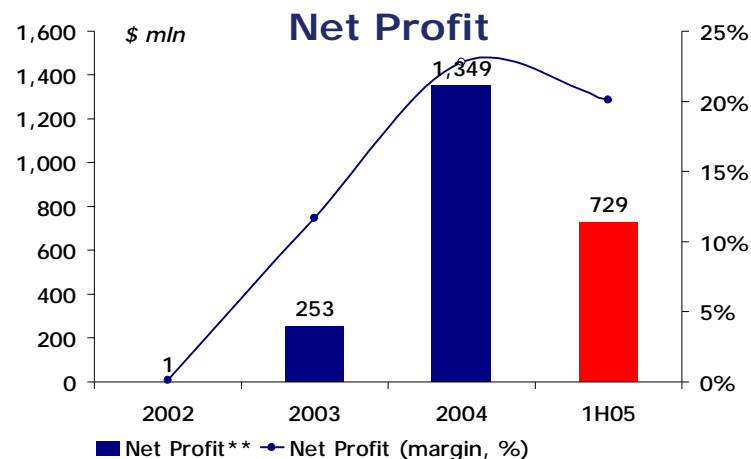
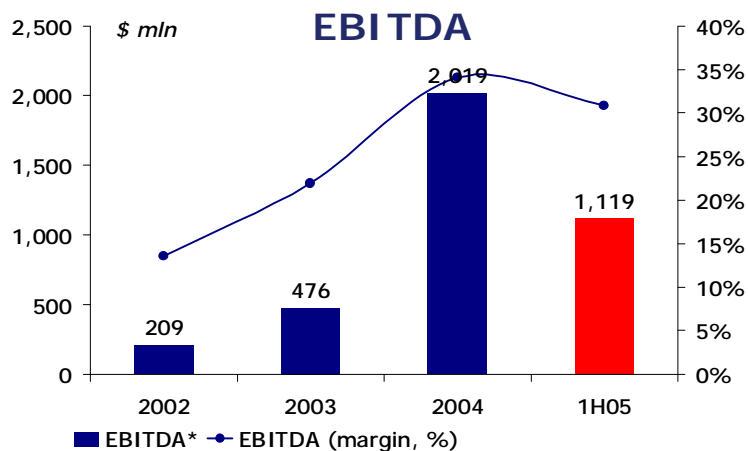
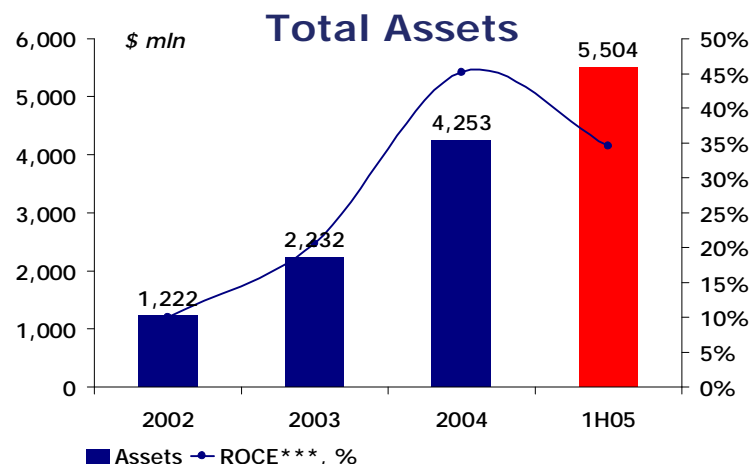
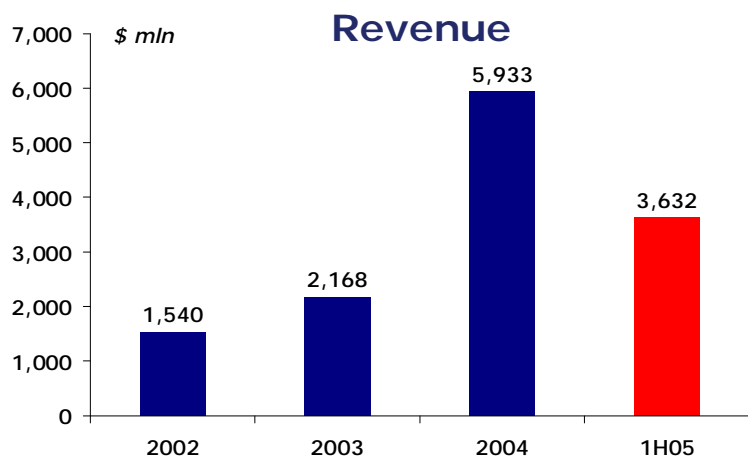
Revenue Breakdown



* Other includes vanadium slag, coke and coking products, refractory products, services and other non-steel products



Financial Performance



* EBITDA represents profit from operations plus depreciation and amortisation, impairment of assets and loss (gain) on disposal of PP&E

** Net Profit includes minority interests

*** ROCE represents profit from operations plus profit from equity investments less income tax over total equity plus interest bearing loans at end period



P&L Highlights

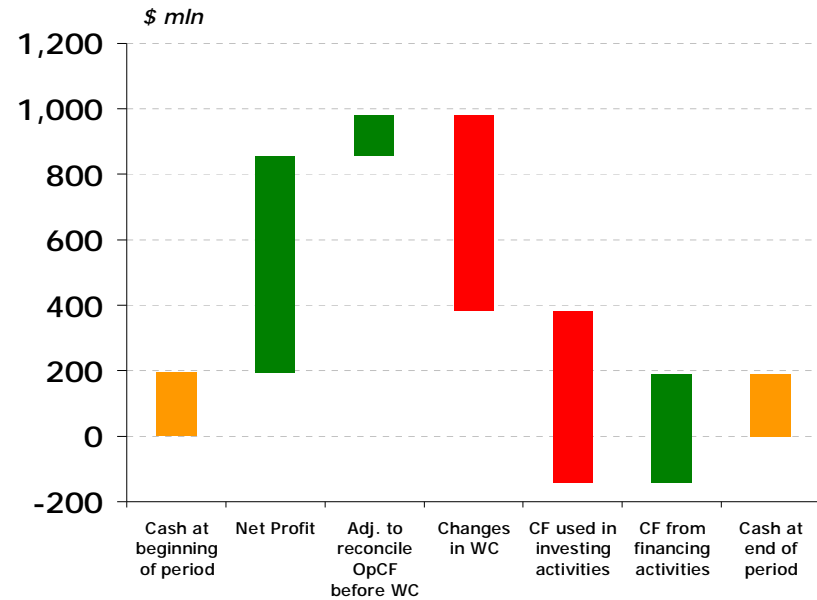
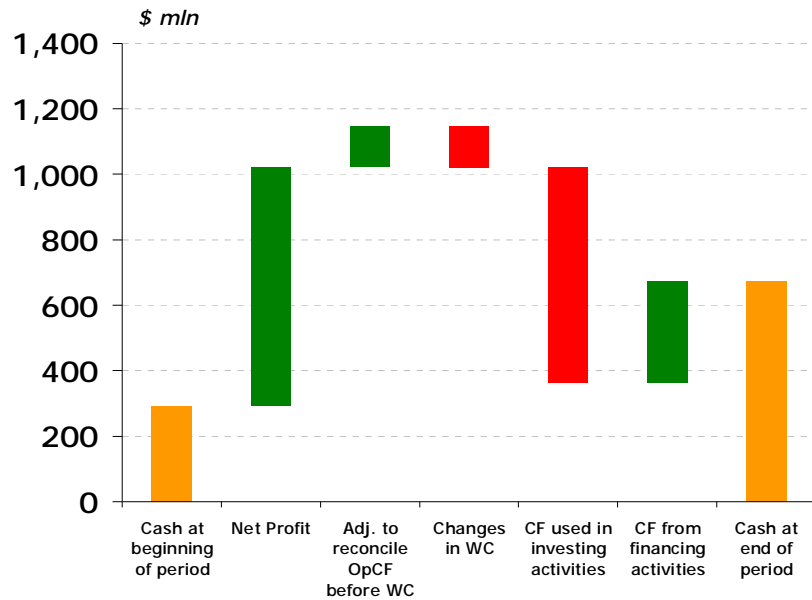
- § **Gross profit up 20% to \$1.4 billion on the back of stronger prices and volume growth**
- § **SG&A increased by 40% due to higher staff costs, taxes (other than income tax) and due to acquisitions**
- § **Income from associates (mainly the JV regarding Raspadskaya mine) added \$41 million to the bottom line**
- § **A \$10 million write-off of the non-recoverable deposit placed with the Government of Georgia for Chiatura manganese project, that the Company decided to abandon in June**



Excellent Cash Flow Generation

- § Net Operating Cash Flow improved by 289% to \$727 million
- § Conversion of EBITDA to Net Operating Cash Flow much stronger – 65%
- § Cash flows impacted by \$308 million expenditure to buy out minorities

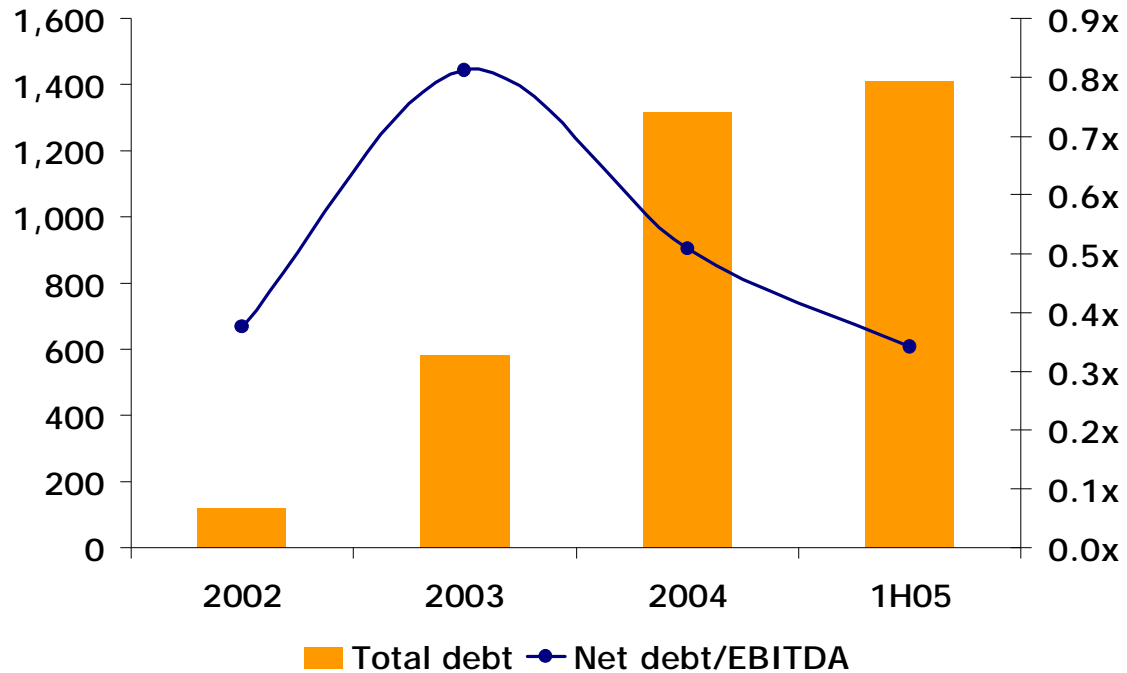
1H 2005 Cash Flow Bridges 1H 2004





Ever Stronger Liquidity and Enhanced Credit Profile

- § While EBITDA was up by 16%, total debt* since December 31, 2004 increased by only 7%
- § Cash reserves up 2.3x to \$673 million
- § In 1H 2005 net debt** reduced by \$289 to \$736 million



* total debt represents long-term loans, net of current portion, plus short-term loans and current portion of long-term loans
 ** net debt represents long-term loans, net of current portion, plus short-term loans and current portion of long-term loans less cash
 *** net debt/EBITDA calculated as net debt over EBITDA for the last 12 months



Capital Expenditure

- § Key focus remains at efficiency and product mix improvement
- § Implementation on-track with the annual budget of \$600 million
- § Capital spending of \$280 million in 1H05 vs \$239 million in 1H04
- § Key projects included:

Project	Status
Construction of a 2.5 mty slab caster at ZapSib	On-going
Revamp of BF2 at ZapSib	Complete
Revamp of BF5 at NTMK	On-going
Modernization of EAF plant at NKMK	On-going
Construction of a new coal mine at NeryungriUgol	On-going

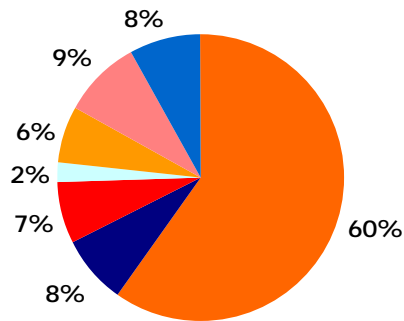
- § Capex at current operation expected to decline from 2006



Costs

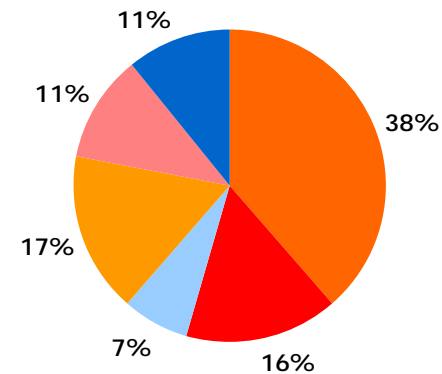
- § Steel cost increase fueled by raw material price pressures
- § Significant portion of steel cost hikes captured in the growing profitability of the mining segment
- § SG&A cost has become the Company's key focus

Steel segment COS and Other operating cost: \$2,886 million



■ Raw materials
 ■ Transportation
 ■ Employee
 ■ Depreciation
 ■ Energy
 ■ Other *
 ■ SG&A

Mining segment COS and Other operating cost: \$370 million



■ Raw materials
 ■ Employee
 ■ Depreciation
 ■ Energy
 ■ Other **
 ■ SG&A

* includes repairs and maintenance, auxiliary materials such as ferroalloys and refractory products, social and social infrastructures expenses and other operating costs

** includes repairs and maintenance and auxiliary materials



Looking Ahead

- § Further benefits of vertical integration, mainly in iron ore
- § Robust domestic performance, difficult pricing environment in the steel export markets until the year end
- § Completion of the main part of return-driven capex program
- § Positive impact on the Group's topline and bottomline performance as a result of acquisitions: Palini e Bertoli (consolidation from Q3 2005) and Vitkovice Steel (consolidation expected from Q4 2005)
- § More focus on strategic acquisitions
 - § downstream assets complimentary to Russian steel semis exports
 - § steel-making in low cost regions
 - § greenfield / brownfield ore and coal mining



Post Balance Sheet Events

- § 75% stake purchased in Palini e Bertoli (Aug, complete)
- § Vitkovice Steel privatization auction won (Jul, on-going)
- § New slab caster commissioned at ZapSib site (Sept, complete)
- § JV with Mitsui signed to develop Denisovskoye coal field (Sept, on-going)
- § Fitch Ratings upgrade to BB-; S&P coverage initiated at B+, positive outlook



EVRAZ GROUP