



**MMK group US GAAP  
1Q2007 results**

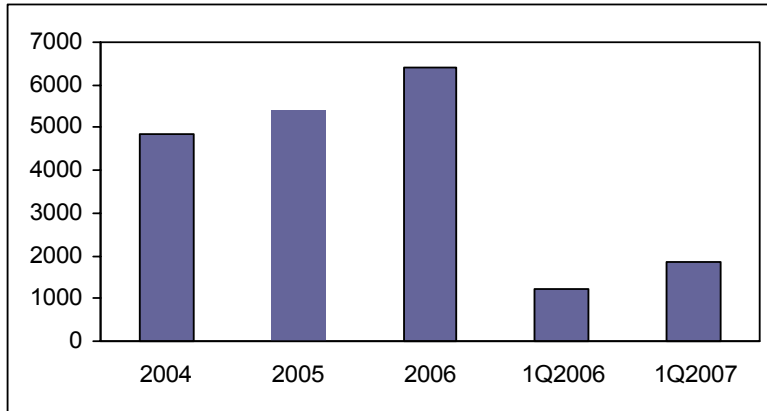
# Consolidated income statements

	1Q2007, USD mln.		Change y-on-y	
	2007	2006	USD mln.	%
Net revenue	1 845	1 216	629	51,7%
Income from operating activities	449	292	157	53,8%
<i>Margin on net revenue</i>	24,3%	24,0%		
Income before tax and minority interest	471	341	130	38,1%
<i>Margin on net revenue</i>	25,5%	28,0%		
Net income	350	248	102	41,1%
<i>Margin on net revenue</i>	19,0%	20,4%		
Comprehensive income	406	248	158	63,7%
<i>Margin on net revenue</i>	22,0%	20,4%		
EBITDA*	507	336	171	50,9%
<i>EBITDA margin</i>	27,5%	27,6%		
Basic and diluted earnings per common share (USD)	0,034	0,024	0,01	41,7%

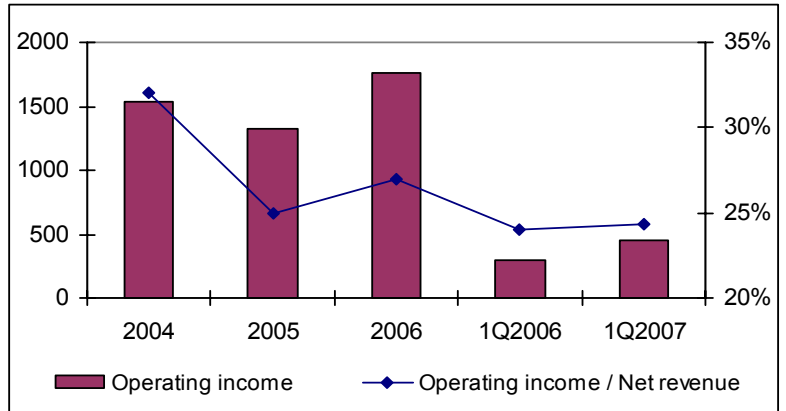
\* EBITDA = Income from operating activities + Depreciation and amortization + Loss on disposal of property, plant and equipment

# Key indicators

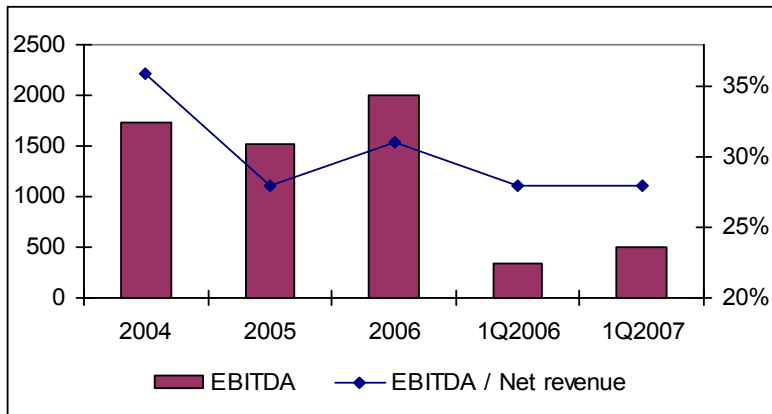
## Net revenue



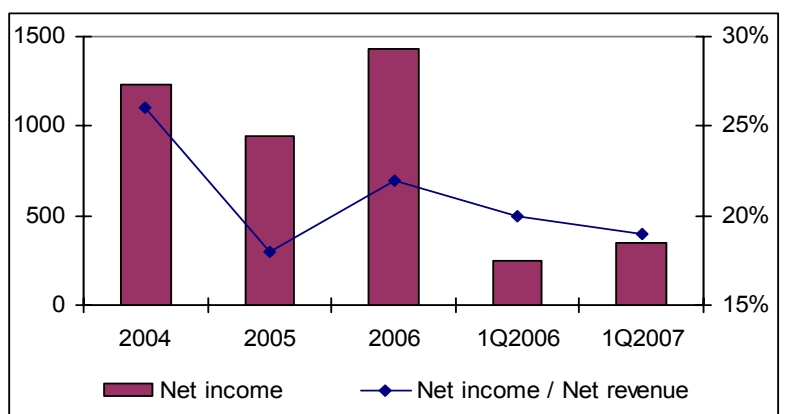
## Operational income



## EBITDA



## Net income



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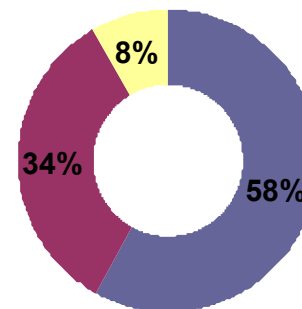
# Key financial indicators

## MMK group sales

	1 <sup>st</sup> quarter, USD mln.		Y-on-y change	
	2007	2006	USD mln.	%
MMK (parent company) sales	1 072	738	334	45,3%
Sales of MMK group traders	621	390	231	59,2%
Sales of other MMK group companies	152	88	64	72,7%
<b>Total sales</b>	<b>1 845</b>	<b>1 216</b>	<b>629</b>	<b>51,7%</b>

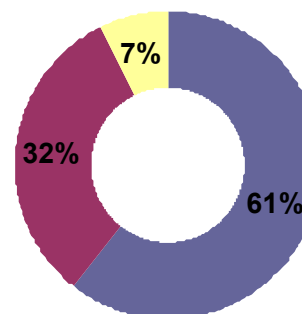
## MMK group sales

1 quarter 2007



■ MMK (parent company)  
■ Traders\*  
■ Other companies

1 quarter 2006



\* MMK Steel Trade AG  
MMK «Trading AG»

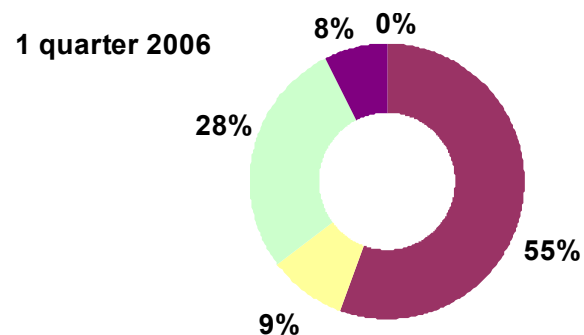
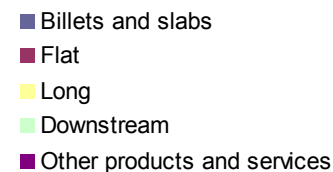
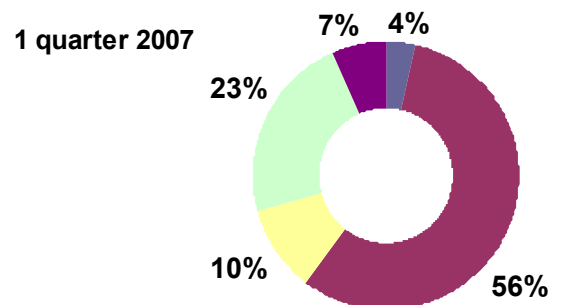
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## Key financial indicators (cont'd)

### Sales by product types

	1 <sup>st</sup> quarter, USD mln.		Y-on-y change	
	2007	2006	USD mln.	%
Billets and slabs	67	1	66	x67
Flat products	1 047	676	371	54,9%
Long products	191	110	81	73,6%
Downstream products	417	337	80	23,7%
Other products and services	123	92	31	33,7%
<b>Total sales</b>	<b>1 845</b>	<b>1 216</b>	<b>629</b>	<b>51,7%</b>

### Sales breakdown by products



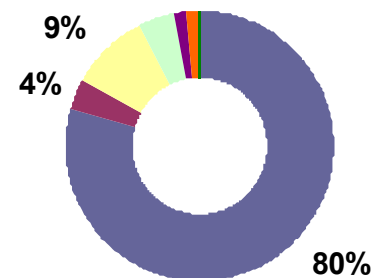
# Operational expenses

## Operational expenses breakdown

	1 <sup>st</sup> quarter, USD mln.		Y-on-y change	
	2007	2006	USD mln.	%
Cost of products sold (exclusive of depreciation and amortization)	1 110	723	387	53,5%
Depreciation and amortization	49	42	7	16,7%
Selling and distribution expenses	131	81	50	61,7%
Administrative expenses	64	59	5	8,5%
Social expenses	19	13	6	46,2%
Tax (other than income tax)	19	8	11	137,5%
Other operating income and losses	4	-2	2	

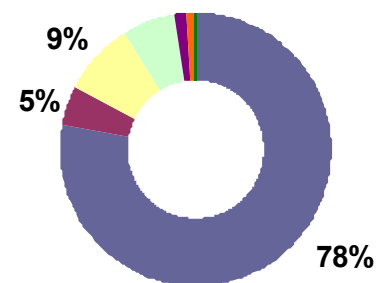
## Operational expenses breakdown

1 quarter 2007 5% 1% 1% 0%



- Cost of products sold (excl. of depreciation and amortization)
- Depreciation and amortization
- Selling and distribution expenses
- Administrative expenses
- Social expenses
- Tax (other than income tax)
- Other operating income and losses

1 quarter 2006 6% 1% 1% 0%



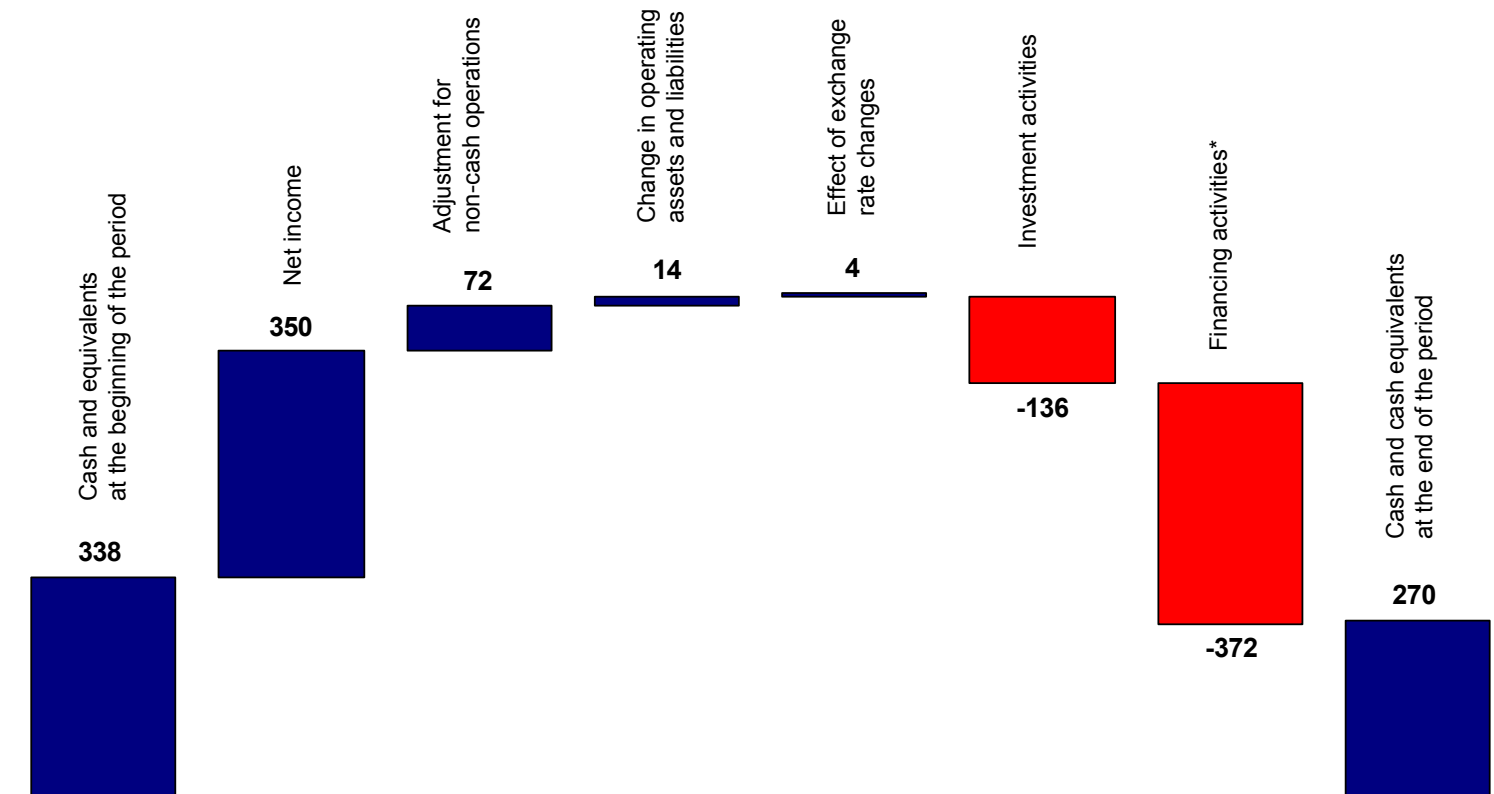
## Consolidated balance sheet, USD mln.

	31.03.2007	31.12.2006	change	%
Current assets, including	2 389	2 480	-91	-3,7%
<i>Cash and equivalents</i>	270	338	-68	-20,1%
<i>Short-term bank deposits</i>	192	228	-36	-15,8%
<i>Short-term investments</i>	315	325	-10	-3,1%
<i>Trade accounts receivable less allowance for doubtful accounts</i>	452	410	42	10,2%
<i>Inventories</i>	700	688	12	1,7%
<i>Other accounts receivable and current assets</i>	460	491	-31	-6,3%
Non-current assets, including	3 415	3 209	206	-6,4%
<i>Property, plant and equipment</i>	2 886	2 764	122	4,4%
<i>Long-term bank deposits</i>	110	109	1	0,9%
<i>Other non-current assets</i>	419	336	83	24,7%
<b>Total assets</b>	<b>5 804</b>	<b>5 689</b>	<b>115</b>	<b>2,0%</b>
Long-term liabilities, including	703	686	17	2,5%
<i>Long-term debt</i>	590	606	-16	-2,6%
<i>Other long-term liabilities</i>	113	80	33	41,3%
Current liabilities, including	996	964	32	3,3%
<i>Short-term debt</i>	393	400	-7	-1,8%
<i>Trade payable</i>	187	225	-38	-16,9%
<i>Other payables and current liabilities</i>	416	339	77	22,7%
Minority interest	20	12	8	66,7%
Total shareholders' equity	4 085	4 027	58	1,4%
<b>Total liabilities and shareholders' equity</b>	<b>5 804</b>	<b>5 689</b>	<b>115</b>	<b>2,0%</b>

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# MMK group cash flows

## Change of cash and equivalents for the period

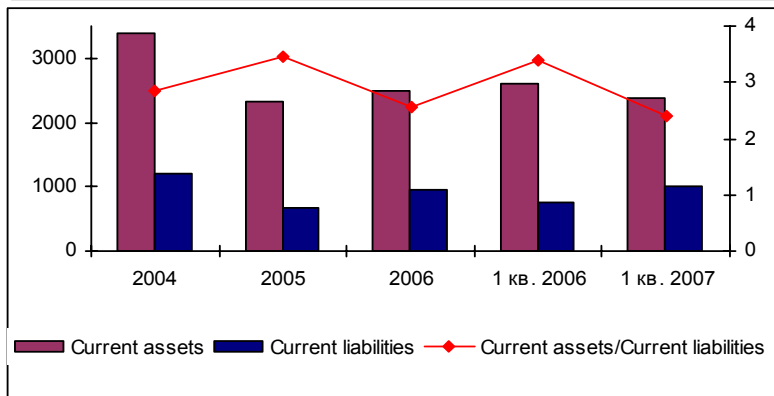


\* Net outflow for operations with shareholders (dividends payments and operations with treasury shares) – USD 330 mln.  
Net change (outflow) for loans and lease – USD 42 mln.

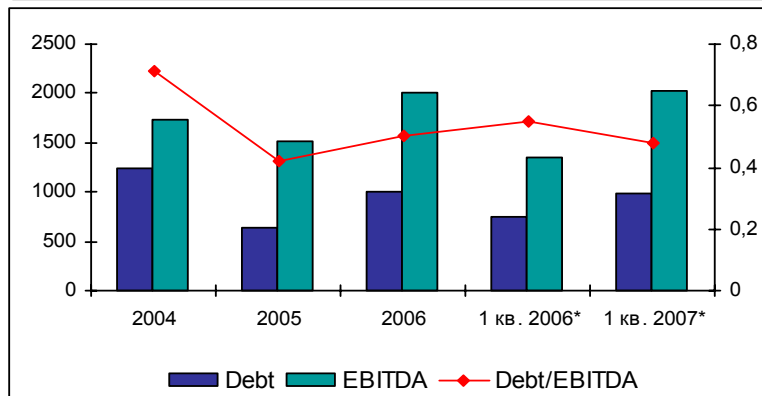


# Financial indicators for MMK group

## Current liquidity

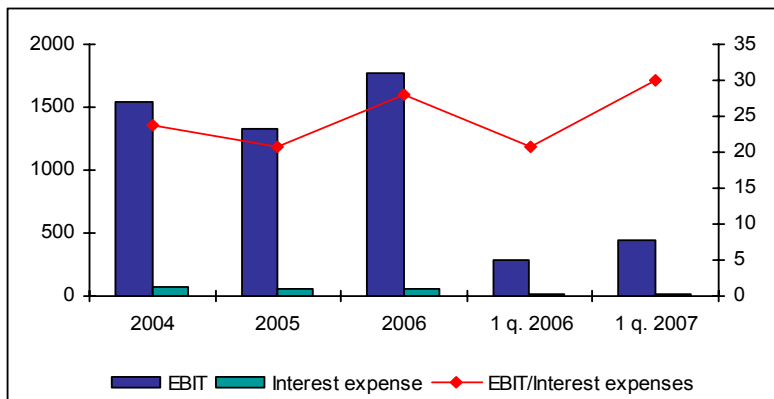


## Debt / EBITDA

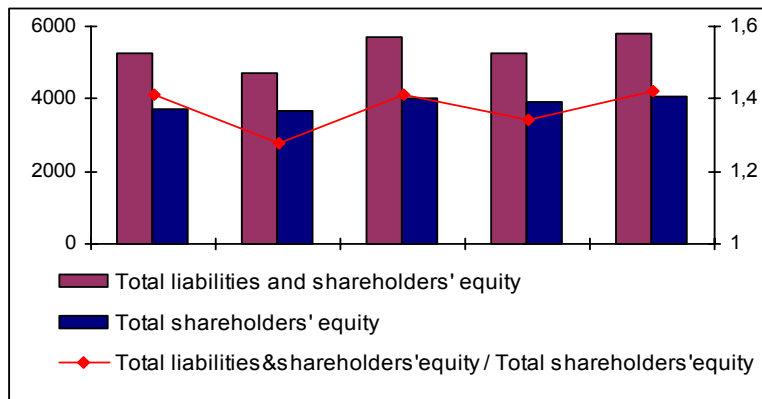


\* EBITDA is calculated as 1Q EBITDA multiplied by 4

## EBIT / Interest expenses



## Total liabilities / Equity



## Key production figures (for MMK – parent company)

Thousand tons

Type of products	2004 г.	2005 г.	2006 г.	1 quarter 2006	1 quarter 2007	Y-on-y change	%
Coke (6% humidity)	5 872	5 576	5 496	1 404	1 287	-117	-8%
Pig iron	9 645	9 655	9 733	2 444	2 298	-146	-6%
Steel (crude)	11 281	11 385	12 455	2 889	3 145	256	9%
<i>Including: EAF shop</i>	1 461	1 319	2 206	369	719	350	95%
<i>Oxygen converter shop</i>	9 820	10 066	10 249	2 520	2 426	-94	-4%

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## Change in commercial products (for MMK – parent company)

Thousand tons

Type of products	2004 г.	2005 г.	2006 г.	1 quarter 2006	1 quarter 2007	Y-on-y change	%
Billets and slabs	722	425	332	2	135	133	x77
Long products	1 174	1 098	1 707	347	456	110	32%
Flat products	6 593	7 136	7 729	1 882	1 979	97	5%
Downstream products	1 647	1 542	1 579	392	360	-32	-8%
<b>Commercial steel products</b>	<b>10 137</b>	<b>10 201</b>	<b>11 346</b>	<b>2 623</b>	<b>2 930</b>	<b>307</b>	<b>12%</b>

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