METINVEST

1Q 2018 Preliminary Results

Bank of America Merrill Lynch
2018 Emerging Markets Corporate Credit Conference

30 May - 1 June 2018

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1Q 2018 highlights

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Summary

US$ mn	1Q 2018	1Q 2017	Change
Revenues	**3,019**	**1,853**	**63%**
Adjusted EBITDA[1]	**649**	**402**	**61%**
EBITDA margin	21%	22%	-1 pp
Net cash from operating activities	**162**	**100**	**62%**
CAPEX	**216**	**103**	**>100%**

US$ mn	31 Mar 2018	31 Dec 2017	Change
Gross debt[2]	**3,086**	**3,017**	**2%**
Cash and cash equivalents[3]	**261**	**259**	**1%**
Net debt[4]	**2,356**	**2,298**	**3%**
Net debt[4] to LTM EBITDA	**1.0x**	**1.1x**	**-0.1x**

Production (kt)	1Q 2018	1Q 2017	Change
Crude steel	**1,825**	**2,070**	**-12%**
Coke	**1,346**	**977**	**38%**
Iron ore concentrate	**6,924**	**6,680**	**4%**
Coking coal concentrate	**633**	**792**	**-20%**

Credit ratings	Fitch	S&P	Moody's
Rating / outlook	**B / positive**	**B- / stable**	**Caa1 / positive**

1. Adjusted EBITDA is calculated as earnings before income tax, finance income and costs, depreciation and amortisation, impairment and devaluation of property, plant and equipment, foreign exchange gains and losses, the share of results of associates and other expenses that the management considers non-core plus the share of EBITDA of joint ventures. Adjusted EBITDA will be referred to as EBITDA in this presentation.
2. Gross debt is calculated as the sum of bank loans, bonds, trade finance, finance lease, seller notes and subordinated shareholder loans.
3. Cash and cash equivalents do not include blocked cash for cash collateral under issued letters of credit and irrevocable bank guarantees, but do include cash blocked for foreign-currency purchases.
4. Net debt is calculated as gross debt less cash and cash equivalents and less subordinated shareholder loans.

Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect absolute figures.

Strategic priorities to 2030

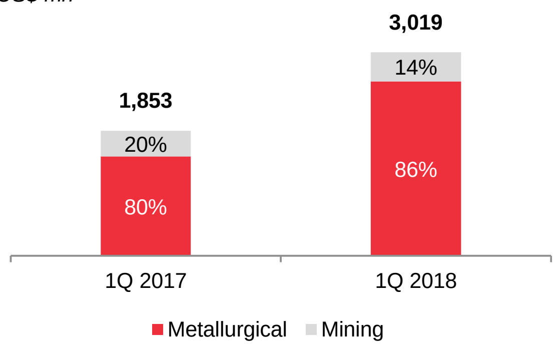
Value driver	Strategic goals
Low-cost steel producer	• Improve efficiency of hot metal and steel production through modernisation of blast furnaces, construction of continuous casting machines and other projects to maintain position in the first quartile on the global steel cost curve • Ensure effective logistics to and from production sites
Organic growth	• Maximise steel production capacity utilisation at existing sites • Implement the Technological Strategy 2030
Product portfolio enhancement	• Steel: Focus on flat products (via coil mill upgrades and downstream development), as well as structural sections and railway products (via reconstruction of the rail and structural mill) • Iron ore: Focus on premium pellets (via upgrade of pelletising machines) and reduction of production costs
Priority market development	• Maximise sales in priority markets (Ukraine, Europe and MENA) • Implement distribution strategy in Europe, focusing on end-user customers and developing additional services through steel service centres to increase sales of high value-added (HVA) products
Customer focus	• Enhance value proposition for customers and control critical factors: product quality, lead time, on-time-in-full delivery • Develop additional services and feedback communication
Operating efficiency improvement	• Continue to implement lean manufacturing • Improve digitalisation of business processes • Enhance the operational model
Selective M&A	• Selective M&A to unlock further synergies from the integration of raw materials and semi-finished steel products

Financial highlights

- Total revenues increased by 63% y-o-y
  - Metallurgical revenues rose by 76% y-o-y to US$2,588 mn
  - Mining revenues climbed by 14% y-o-y to US$431 mn
- Total EBITDA increased by 61% y-o-y
  - Metallurgical EBITDA rose by 4.5 times y-o-y to US$377 mn
  - Mining EBITDA decreased by 20% y-o-y to US$347 mn
- The segments' shares in EBITDA[1] changed in 1Q 2018: 52% for Metallurgical (16% in 1Q 2017) and 48% for Mining (84% in 1Q 2017)
- Consolidated EBITDA margin was 21%, down 1 pp y-o-y
  - Metallurgical EBITDA margin soared by 8 pp y-o-y to 14%
  - Mining EBITDA margin dropped by 4 pp y-o-y to 40%
- Total CAPEX doubled y-o-y to US$216 mn

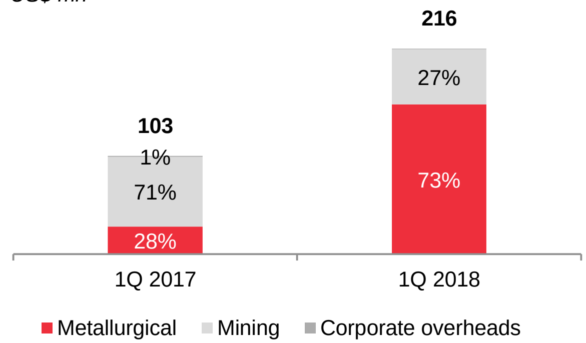
Revenues

US$ mn



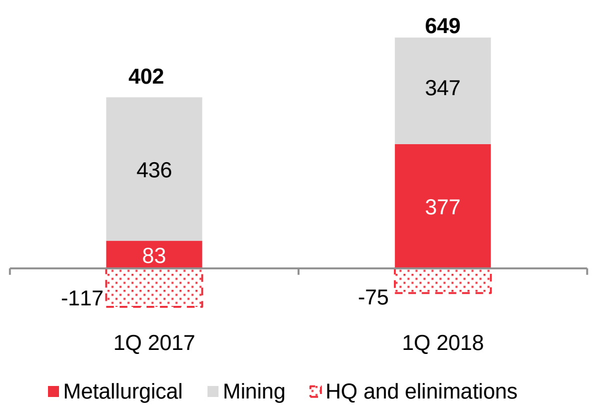
CAPEX

US$ mn



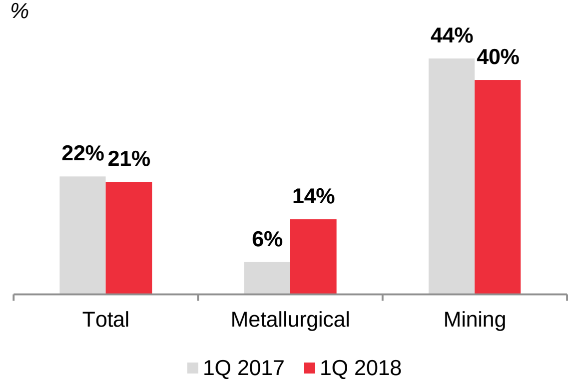
EBITDA

US$ mn



EBITDA margin

%



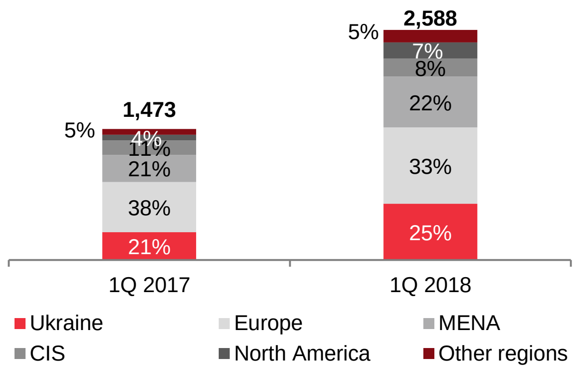
1. The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations

Sales portfolio

- Total sales increased by US$1,166 mn y-o-y, mainly driven by:
  - higher selling prices
  - greater sales volumes of pig iron, slabs, flat products, coke and pellets
  - launch of square billets and long product resales to substitute lost capacity
- Metallurgical sales
  - higher share of Ukraine (+4 pp y-o-y), due to greater demand for steel amid a recovery in the local economy, as well as coke
  - lower share of Europe (-5 pp y-o-y), mainly caused by reduced resales of flat products
- Mining sales
  - share of Ukraine rose by 8 pp y-o-y to 47% amid strong demand for pellets
  - share of premium European market rose by 17 pp y-o-y to 49% following long-term agreements signed with customers
- Proportion of sales in hard currencies (US$, EUR, GBP) amounted to 81% in 1Q 2018, up 2 pp y-o-y

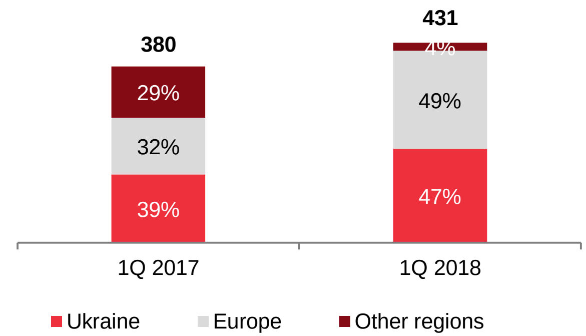
Metallurgical sales by region

US$ mn



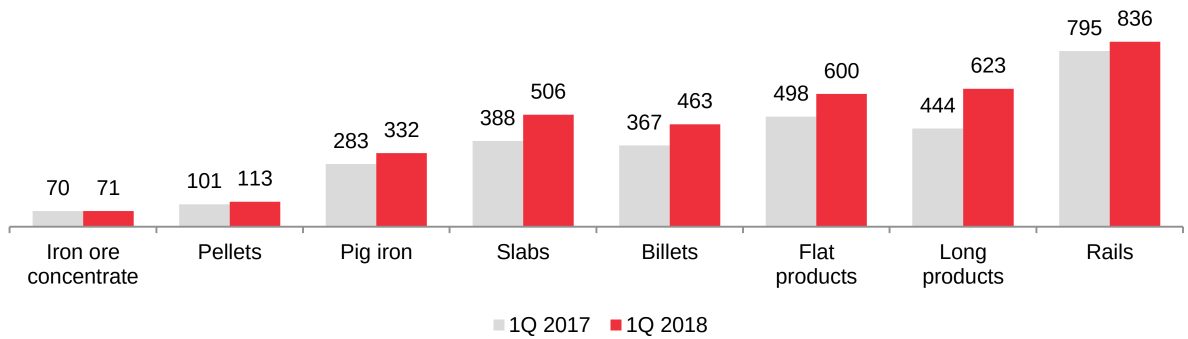
Mining sales by region

US$ mn



Price dynamics, FCA basis

US$/t



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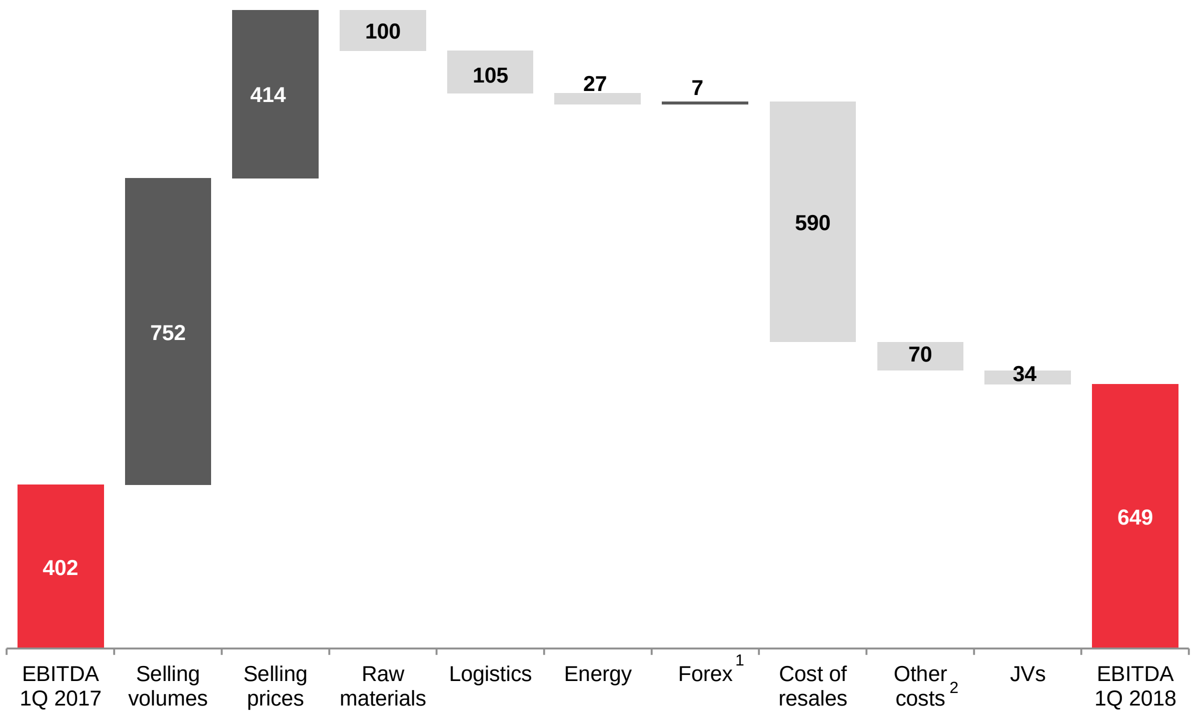
EBITDA

- Total EBITDA soared by US$247 mn y-o-y to US$649 mn, driven by:
  - greater sales volumes
  - higher average selling prices
- Negative EBITDA drivers were:
  - greater cost of goods and services for resale due to higher both prices and volumes
  - greater logistics costs, mainly amid an increase in railway costs in the US related to internal coal supplies, upward tariff indexation by the Ukrainian state railway operator and greater rail shipments
  - higher cost of purchased coking coal, driven by a 38% y-o-y rise in coke output and purchased billets as feedstock to roll at Promet Steel
  - more spending on energy, due to higher natural gas prices (+10% y-o-y) and electricity tariffs (+10% y-o-y), as well as greater consumption of natural gas amid a 9% y-o-y increase in hot metal output
- EBITDA contribution from resales of steel goods amounted to US$85 mn in 1Q 2018

EBITDA drivers

US$ mn



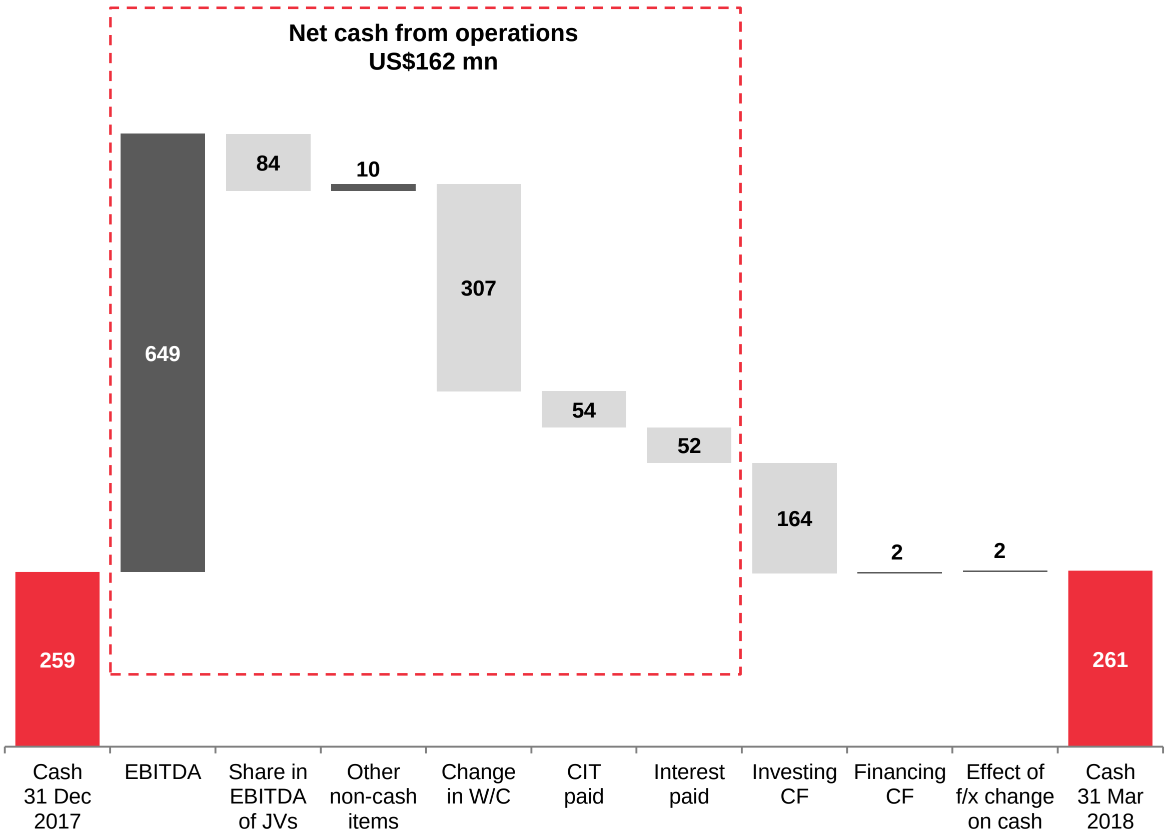
1. Forex includes forex on cost of sales, distribution costs, general and administrative expenses and other operating expenses.
2. Other costs include fixed costs, change in work in progress and finished goods , impairment of seized inventories, other expenses

Cash flow

- Net cash from operating activities increased by 62% y-o-y to US$162 mn
- Working capital outflow of US$307 mn, driven by:
    - an increase in stock (US$23 mn), primarily flat products (+54 kt) to form shipload lots amid a shortage of railway fleet in Ukraine, and pellets (+131 kt) amid higher production to create contingency stock at steelmakers due to scheduled maintenance on the Kamysh-Zaria railway line
    - higher third-party receivables (US$188 mn), mainly driven by sales growth y-t-d
    - an increase in recoverable VAT (US$27 mn) in the ordinary course of business
    - a rise in the amount of letters of credit (US$24 mn) opened to cover coal purchases and worker compensation in the US
- Remaining US$7 mn of seller notes fully repaid in February 2018

Cash flow in 1Q 2018

US$ mn

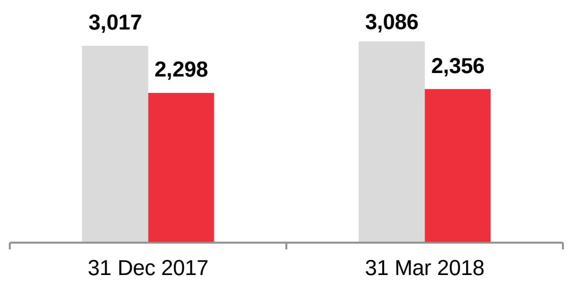


Debt profile

- In April 2018, after the reporting date, bond and PXF refinancing was successfully completed, in order to:
  - decrease total funding costs
  - smooth and extend the maturity profile
  - untie bonds and PXF facility
  - lower refinancing risks
  - align bond terms with standard market terms for similarly rated issuers
  - release certain covenants designed for restructuring

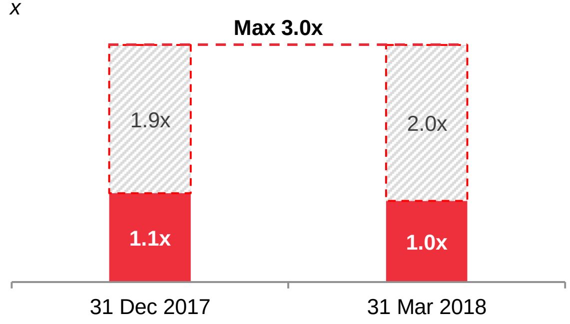
Gross and net debt

US$ mn



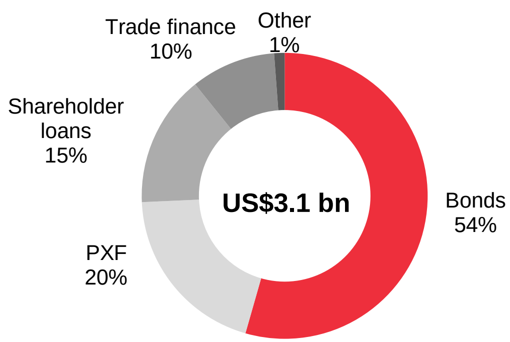
Net debt to LTM EBITDA

x



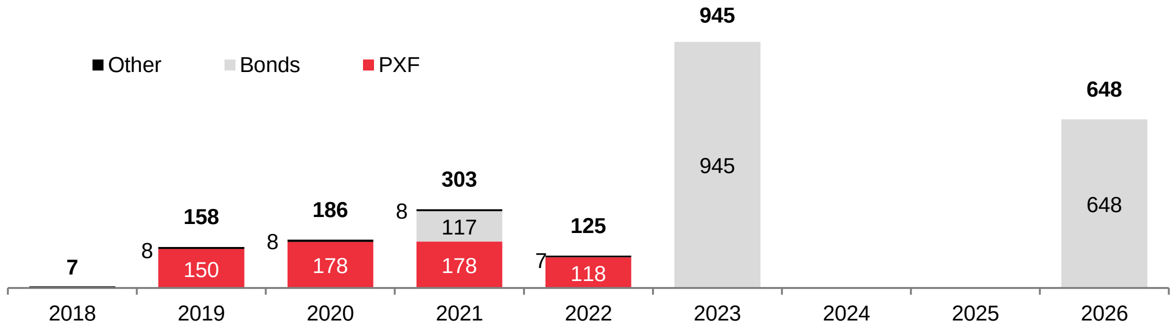
Gross debt structure after refinance[1]

US$ bn



Corporate debt maturity profile after refinance[1]

US$ mn



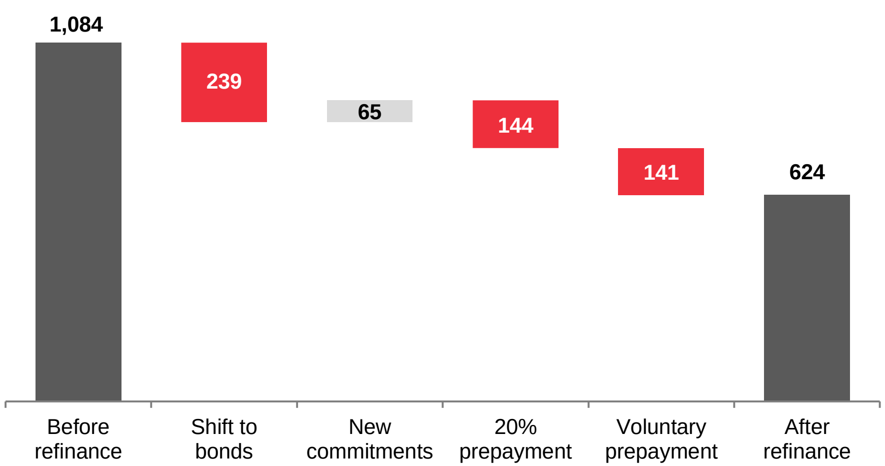
1. Notes:
   - Bonds after refinance
   - PXF after refinance and voluntary repayment in May 2018
   - Other includes ECA facility, finance lease and other facilities (as of 31 March 2018)
   - Trade finance lines are mainly rollovers (as of 31 March 2018), therefore are excluded from maturity profile chart
   - Shareholder loans are subordinated and may be serviced only as part of the dividend basket (as of 31 March 2018), therefore are excluded from maturity profile chart

Refinancing overview

	PXF	Bond 2021	Bond 2023	Bond 2026
Amount	US$624 mn	US$$117 mn	US$945 mn	US$648 mn
Interest rate	LIBOR + margin	7.50%	7.75%	8.50%
Repayment schedule	Equal monthly instalments	Bullet	Bullet	Bullet
Final maturity	18 Oct 2022	31 Dec 2021	23 Apr 2023	23 Apr 2026
Security	• Guarantees by Ilyich Steel, Central GOK, Ingulets GOK, Metinvest Management B.V. • Export, commission and offtake contracts	• Guarantees by Azovstal, Ilyich Steel, Avdiivka Coke, Northern GOK, Central GOK, Ingulets GOK • Guarantor maintenance (>70% of EBITDA excl. JVs and >65% of PPE)		

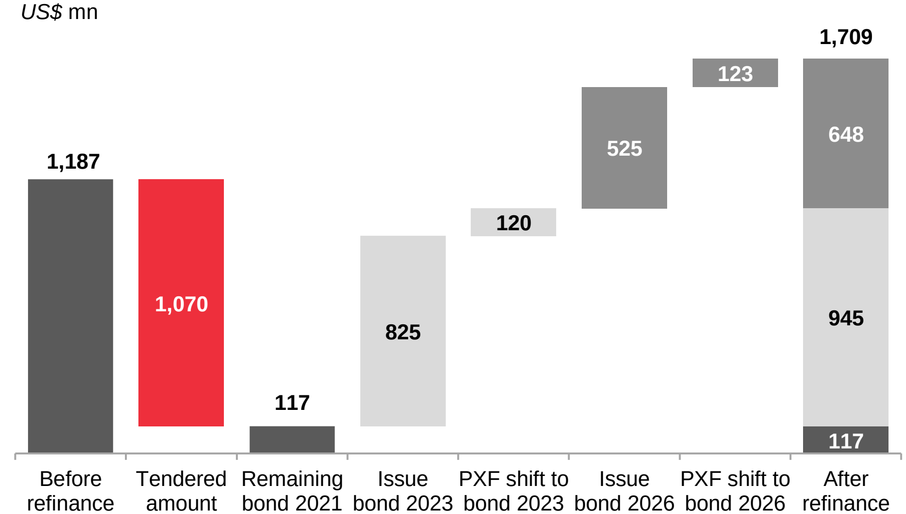
PXF evolution

US$ mn



Bond evolution

US$ mn

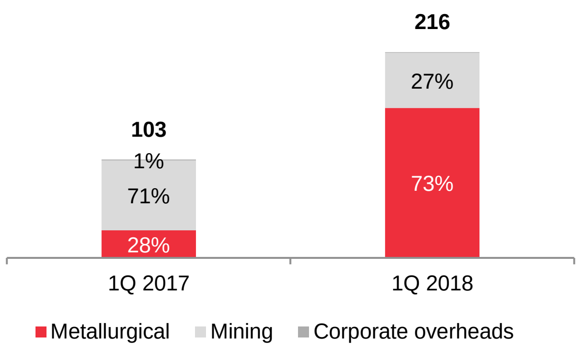


Capital expenditure

- In 1Q 2018:
  - CAPEX doubled y-o-y to US$216 mn
  - Metallurgical segment accounted for 73% of total investments (+45 pp y-o-y)
  - Share of expansion projects reached 39% (+28 pp y-o-y)
- Technological Strategy 2030 focuses on:
  - Enhance operational safety and reduce environmental footprint
  - Steel
    - increase steel production capacity at Azovstal and Ilyich Steel to 11 mt/y by implementing numerous projects, including major overhauls of BFs and construction of new CCMs
    - focus on downstream to increase share of HVA products (mainly flat, sections and rails)
    - improve production cost efficiency
  - Iron ore
    - pursue quality over quantity strategy
    - increase Fe content and enhance key mechanical and chemical characteristics of iron ore products to penetrate premium markets
    - maintain low-cost position
- Key ongoing strategic projects are on slide 13

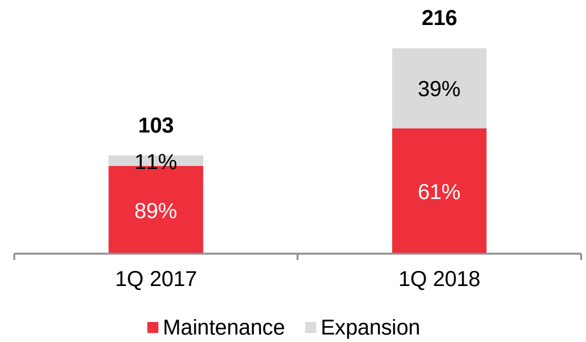
CAPEX by segment

US$ mn



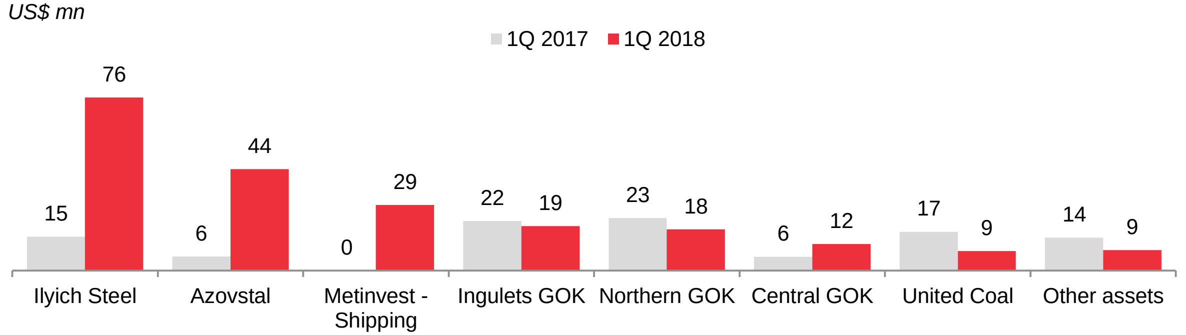
CAPEX by purpose

US$ mn



CAPEX by key asset

US$ mn



Key strategic CAPEX projects in 2018

No	Project	Asset	Description	Status
1	Construction of pulverised coal injection (PCI) facilities	Azovstal	Minimise the need for natural gas in the production process and use coke more efficiently	BF nos. 2 and 4 are operating using PCI technology. Construction at BF no. 3 is ongoing: PCI injection is postponed to 1Q 2019 to align with the major overhaul schedule.
2	Major overhaul of blast furnace (BF) no. 3	Azovstal	Increase hot metal production capacity by 0.5-0.8 mt/y to 1.3-1.6 mt/y, and reduce production cost by decreasing consumption of coke and coke nuts	Final investment decision was made in July 2017, and the active construction stage has started. Launch is postponed to 1Q 2019 due to delays with engineering.
3	Construction of continuous casting machine (CCM) no. 4	Ilyich Steel	Boost slab casting capacity by 1.5 mt/y to around 4 mt/y, improve product quality, decrease costs and reduce environmental impact	Active construction stage started in September 2016 and launch is expected in 4Q 2018
4	Reconstruction of 1700 hot strip mill	Ilyich Steel	Increase hot strip mill capacity, improve the quality of steel surface and reduce the process waste during slab rolling	Basic engineering development started in 3Q 2017. Detailed engineering and documentation are expected to be ready in 2H 2018. Commissioning is expected in 2Q 2019.
5	Sinter plant reconstruction	Ilyich Steel	Comply with environmental requirements	Reconstruction is ongoing. Filters on sintering machines nos. 7-9 have been replaced and a bag hose filter commissioned.
6	Construction of crusher and conveyor system at Pervomaisky quarry	Northern GOK	Reduce operational and capital expenditure in iron ore mining and maintain production volumes	The first facility for iron ore transportation was launched in July 2016. The launch of the second facility for rock transportation is expected in 2019.
7	Replacement of gas cleaning unit on Lurgi 552-B pelletising machine	Northern GOK	Comply with the maximum permissible concentrations of pollutants in the air and improve conditions in the workplace	Currently, 4 of 5 filters have been replaced. Filter no. 1 was replaced by May 2017. The replacement of the last one, no. 5, is expected in 2H 2018.
8	Construction of crusher and conveyor system	Ingulets GOK	Reduce operational and capital expenditure in iron ore mining and maintain production volumes	Construction is ongoing on the Vostochny conveyor line
9	Purchase of 1,800 open rail wagons	Metinvest-Shipping	Purchase rail wagons to deliver raw materials and dispatch finished products to curtail negative effect from rolling stock shortage in Ukraine	Some 1,600 open wagons were purchased as of May 2018, and the remaining wagons are to be supplied shortly

Segmental review

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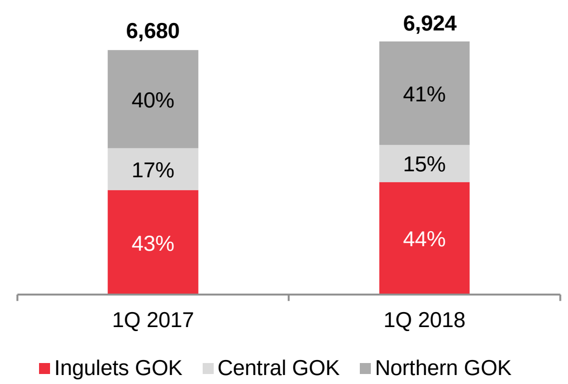
Mining operations

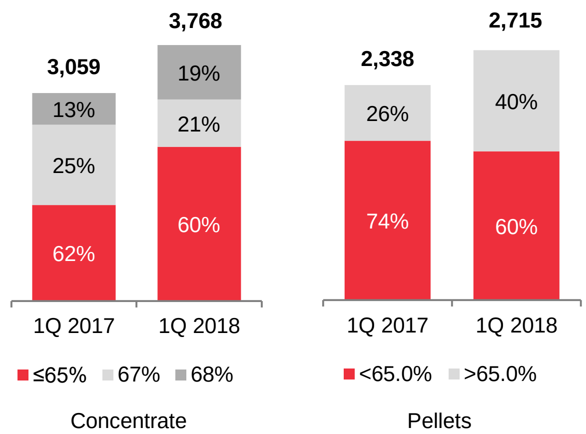
Iron ore concentrate production

kt



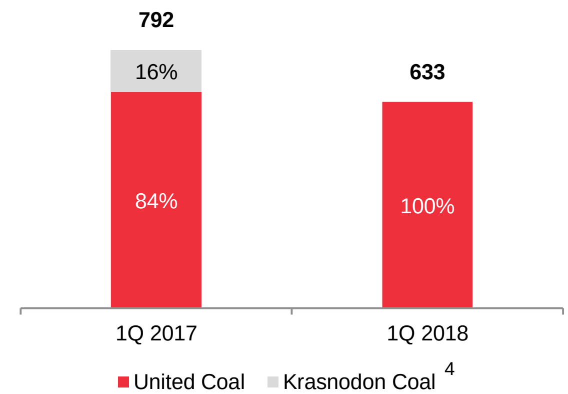
Output of iron ore products[3] by Fe %

kt



Coking coal production

kt



- Overall iron ore concentrate production rose by 4% y-o-y amid greater output at Northern GOK (+6% y-o-y) and Ingulets GOK (+8% y-o-y)
- Iron ore self-sufficiency was around 250%[1] in 1Q 2018
- Metinvest used 44%[2] of total iron ore concentrate internally and allocated 56%[2] for third-party sales

- Metinvest's strategy is to produce premium products (with greater Fe content and better mechanical and chemical characteristics) to penetrate premium markets
  - share of 68.0% Fe concentrate rose by 6 pp y-o-y to 19%[3]
  - share of >65.0% Fe pellets increased by 14 pp y-o-y to 26%[3]

- Coking coal concentrate production decreased by 20% y-o-y following the loss of control over Krasnodon Coal in 1Q 2017
- Production at US mines of United Coal amounted to 633 kt, down 5% y-o-y
- High-quality US coking coal is delivered to Metinvest's Ukrainian coke production facilities to cover around 35%[5] of intragroup needs
- Other coal volumes required for coke production are delivered by international and local suppliers

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1. Iron ore self-sufficiency is calculated as actual iron ore concentrate production divided by actual consumption of iron ore products to produce hot metal in the Metallurgical segment. It excludes iron ore consumption by Yenakiieve Steel, which was seized in March 2017.
2. In iron ore concentrate equivalent
3. Including production for intragroup consumption
4. Seized in March 2017
5. Coal self-sufficiency is calculated as actual coal concentrate production divided by actual consumption of coal concentrate to produce coke required for production of hot metal in the Metallurgical segment. Coal consumption for PCI is included in the calculation. It excludes coal production by Krasnodon Coal and coke consumption by Yenakiieve Steel, both of which were seized in March 2017.

Mining segment financials

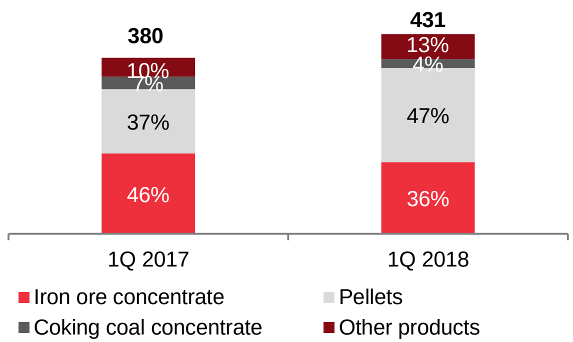
- Sales
  - External revenues increased by 14% y-o-y, driven by greater sales of pellets, which offer higher margins than iron ore concentrate
  - Pellets accounted for 45% of the iron ore sales mix and merchant concentrate for 55% in 1Q 2018 (35% and 65% in 1Q 2017 respectively)
  - Share of 68% Fe iron ore concentrate reached 36% of external sales (+17 pp), and that of 65% Fe pellets 44% (-3 pp)
  - Top five iron ore customers accounted for 79% of segmental sales
- Segment's EBITDA and EBITDA margin dropped y-o-y, following lower coking coal prices and a drop in the contribution from Southern GOK JV
- Segment's CAPEX fell by 21% y-o-y to US$58 mn

1. The contribution is to the gross EBITDA, before adjusting for corporate overheads

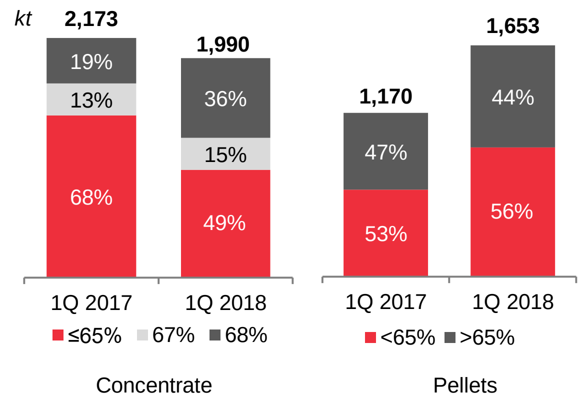
Segment financials

US$ mn	1Q 2018	1Q 2017	Change
Sales (total)	**876**	**985**	**-11%**
Sales (external)	**431**	**380**	**14%**
% of Group total	*14%*	*20%*	*-6 pp*
EBITDA	**347**	**436**	**-20%**
% of Group total[1]	*48%*	*84%*	*-36 pp*
margin	*40%*	*44%*	*-4 pp*
CAPEX	**58**	**73**	**-21%**

Sales by product



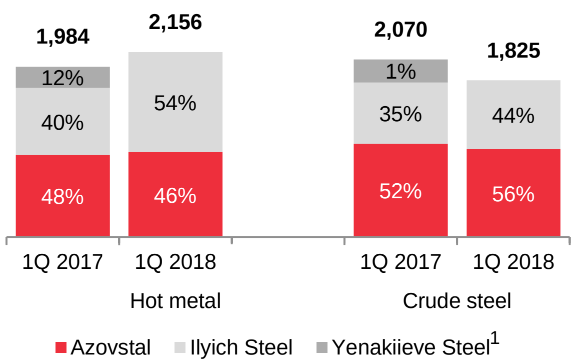
Iron ore external sales by Fe %



Metallurgical operations

Hot metal and crude steel production

kt

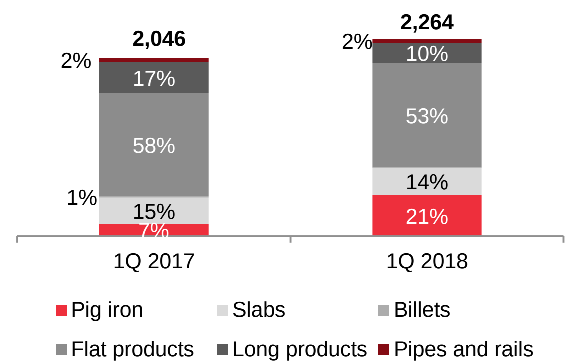


- Total hot metal production rose by 9% y-o-y, primarily due to a 49% y-o-y increase at Ilyich Steel amid stable raw material supplies and completion of BF no. 3 major overhaul (in 1Q 2017), thus driving output of steel and pig iron
- Total crude steel output fell by 12% y-o-y following the loss of control over operations at Yenakiieve Steel and the scheduled major overhaul of BOF no. 2 at Azovstal

1. Seized in March 2017

Output of merchant steel products

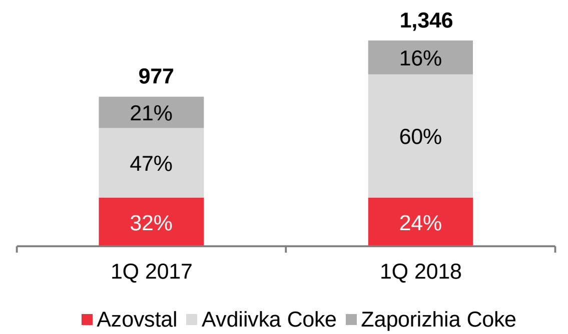
kt



- Steel product mix changed y-o-y:
  - share of pig iron reached 21% (+14 pp), amid higher output (+330 kt) following a favourable market trend
  - flat product share remained decent at 53%, primarily due to greater output of plates at Ilyich Steel (+134 kt) given strong demand
  - share of long products fell to 10%, following lost capacity, partly compensated by a doubling in output at Promet Steel (+68 kt) amid improved business relations with square billet suppliers

Coke production

kt



- Coke[2] output increased by 38% y-o-y, mainly driven by a rise in output of 349 kt at Avdiivka Coke, as all eight coke oven batteries have been in operation since May 2017
- Metinvest covered 143%[3] of its coke needs with own production in 1Q 2018

2. Dry blast furnace coke output
3. Coke self-sufficiency is calculated as actual coke production divided by actual consumption of coke to produce hot metal in the Metallurgical segment. It excludes coke consumption by Yenakiieve Steel, which was seized in March 2017

Metallurgical segment financials

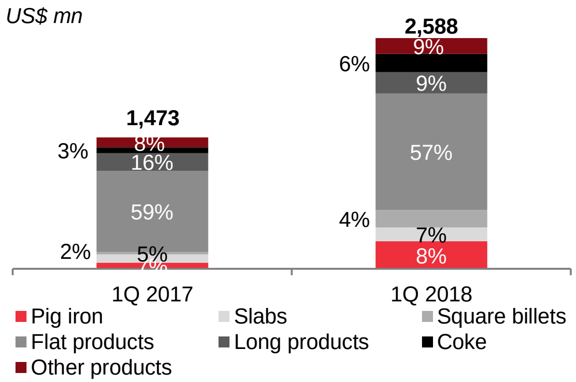
- External sales rose by 76% y-o-y, mainly due to:
  - higher selling prices
  - increased sales volumes of products manufactured at Metinvest's facilities
  - greater resales
- Share of HVA products[1] in steel sales mix excluding resales reached 50% in 1Q 2018
- Top five steel customers accounted for 17% of segment's revenues
- EBITDA
  - EBITDA rose by 4.5 times y-o-y, mainly due to higher prices and no impairment of inventories seized in March 2017
  - Contribution to the gross EBITDA[2] increased by 36 pp y-o-y to 52%
  - EBITDA margin rose by 8 pp y-o-y, primarily due to strong realised prices
- Segment's CAPEX rose fivefold y-o-y to US$157 mn

Segment financials

US$ mn	1Q 2018	1Q 2017	Change
Sales (total)	**2,603**	**1,491**	**75%**
Sales (external)	**2,588**	**1,473**	**76%**
% of Group total	*86%*	*80%*	*+6 pp*
EBITDA	**377**	**83**	**>100%**
% of Group total[2]	*52%*	*16%*	*+36 pp*
margin	*14%*	*6%*	*+8 pp*
CAPEX	**157**	**29**	**>100%**

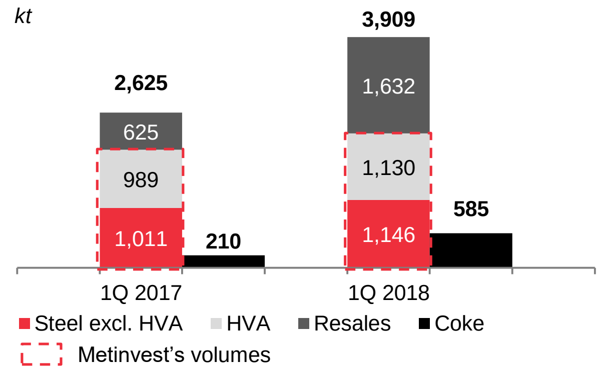
Sales by product

US$ mn



Sales by product

kt



1. HVA products include thick plates, cold-rolled flat products, hot-dip galvanised sheets and coils, structural sections, rails and pipes
2. The contribution is to the gross EBITDA, before adjusting for corporate overheads

Appendix

Group structure

71.24%
SCM

23.76%
SMART

5.00%
Clarendale Limited[1]

Metinvest

Mining segment

- Top 15 iron ore producer in the world[2]
- Top 5 iron ore producer in the CIS[2]
- Long-life proven and probable iron ore reserves in Ukraine of 1,254 mt[3]
- More than fully self-sufficient in iron ore concentrate and pellets
- Captive long-life coal reserves of 126 mt[4] in the US
- Contribution to the Group's total EBITDA of 48%[5] in 1Q 2018
- Sales outside Ukraine accounted for 53% of external revenues in 1Q 2018

Metallurgical segment

- Top 5 steel producer in the CIS[6]
- Annual steelmaking capacity of 8.4 mt/y[7]
- Annual coke production capacity of 6.9 mt/y
- 50% share of HVA products in steel sales mix[8] in 1Q 2018
- Contribution to the Group's total EBITDA of 52%[5] in 1Q 2018
- Sales outside Ukraine accounted for 75% of external revenues in 1Q 2018

1. As at 31 December 2017, a 5% interest in Metinvest B.V. in the form of Class C shares has been acquired from the previous owners of Ilyich Group for the benefit of SCM and SMART. It is the intention of SCM and SMART to dispose of the said 5% interest in due course (after receipt of respective governmental approvals if such will be necessary), and in such a manner that the ultimate interest of SCM in the Company shall be 75% minus 1 share, and the ultimate interest of SMART in the Company shall be 25% plus 1 share, thus SCM remaining as the controlling shareholder.
2. Metinvest's estimate based on companies' public 2017 production data
3. According to JORC methodologies, as at 1 January 2010 and adjusted for production of 612 mt of reserves between 1 January 2010 and 31 December 2017. Ore reserves refer to the economically mineable part of mineral resources.
4. As at 31 December 2017, excluding reserves of Krasnodon Coal, whose assets were seized in March 2017
5. The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations
6. World Steel Association 2017 ranking based on tonnage
7. Metinvest's annual steel capacity, excluding capacity of Zaporizhstal and excluding 2.7 mt capacity of Yenakiieve Steel, whose assets were seized in March 2017
8. Excluding resales

Global presence

Production assets

- **1 Ukrainian operations**
  - Azovstal
  - Ilyich Steel
  - Zaporizhstal JV
  - Avdiivka Coke
  - Zaporizhia Coke
  - Northern GOK
  - Central GOK
  - Ingulets GOK
  - Southern GOK JV
  - Yenakiieve Steel*
  - Khartsyzk Pipe*
  - Krasnodon Coal*
- **2 Ferriera Valsider (Italy)**
- **3 Trametal (Italy)**
- **4 Spartan (UK)**
- **5 Promet Steel (Bulgaria)**
- **6 United Coal (US)**

Sales assets

1. China
2. Lithuania
3. United Arab Emirates
4. Russia (13 offices)
5. Lebanon
6. Turkey
7. Ukraine (8 offices)
8. Belarus
9. Romania
10. Bulgaria (3 offices)
11. Spain
12. Poland
13. Italy (3 offices)
14. Tunisia
15. Germany (2 offices)
16. Switzerland
17. Belgium
18. United Kingdom
19. Dominican Republic
20. Canada

Map legend

Regions with sales

Regions with no sales

(*) Seized in March 2017

Stable operations in Ukraine

Supervisory Board

Igor Syry

Chairman, Class A Member
(2014-present)

- COO at SCM (2013-2016)
- CEO at Metinvest Holding (2006-2013)
- Senior Manager at SCM (2002-2006)
- Senior Consultant at PwC (1999-2002)
- MBA from Cornell University (US)

Stewart Pettifor

Class A Member
(2014-present)

- COO at Corus (2003-2005)
- Head of Flat Products at Corus (2001-2003)
- Deputy CEO at Avesta Polarit (2000-2001)
- CEO and President at Avesta (1997-2000)
- BSc in Metallurgy from Nottingham University (UK)

Oleg Popov

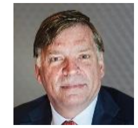
Class A Member
(2014-present)

- CEO at SCM (2006-present)
- Chairman of the Supervisory Board at DTEK (2009–)
- COO at SCM (2001-2006)
- Degree in Economics from Donetsk State University (Ukraine)

Damir Akhmetov

Class A Member
(2014-present)

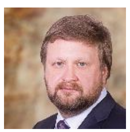
- Chairman at SCM Advisors (UK) Limited (2013-present)
- Member of supervisory boards of several companies in DTEK Group (2011-present)
- MSc in Finance from City University (UK)



Christiaan Norval

Class A Member
(2014-present)

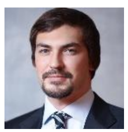
- CEO and Founder at Green Gas International (2004-2011)
- CEO at SUAL (2002-2004)
- Head of Corporate Finance at BHP Biliton (1997-2002)
- Bcom (Hons) from Rand Afrikaans University (South Africa)



Alexey Pertin

Deputy Chairman, Class B Member (2014-present)

- CEO at Smart-Holding (2015-present)
- Chairman of the Supervisory Board at Smart-Holding (2014-2015)
- CEO at Smart-Holding (2008-2014)
- Deputy CEO at Severstal (2004-2006)
- CEO at Izhora Pipe Plant, Severstal (2002-2004)
- MBA from Northumbria University (UK)



Mikhail Novinskii

Class B Member
(2017-present)

- Adviser to CEO at Smart-Holding (October 2015-present)
- Various positions at Smart-Holding, including Head of Project Management and Member of the Supervisory Board (2013-2015)
- Degree in Business Management from Saint Petersburg State University (Russia)
- MSc in Finance and Management from University of St Andrews (UK)

Gregory Mason

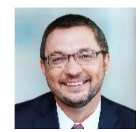
Class B Member
(2014-present)

- Member of the Supervisory Board at Smart-Holding (2014-2015)
- CEO at Severstal International (2004-2009)
- MSc in Electrical Engineering from Naval University of St Petersburg (Russia)

Amir Aisautov

Class A Member
(2014-present)

- Director of Metals and Mining business at SCM (2009-2015)
- Director of Strategy and Investments at Clever Management (2008-2009)
- Engagement Manager at McKinsey and Company (2003-2008)
- MBA from Georgetown University (US)



Yaroslav Simonov

Class A Member
(2014-present)

- Director, Legal Affairs at SCM (2017-present)
- Deputy Director at Voropaev and Partners Law Firm (2008-2017)
- COO at Renaissance Capital Ukraine (2008)
- Head of Legal and Compliance at Renaissance Capital Ukraine (2005-2007)
- LLM in International Business Law from Central European University (Hungary)

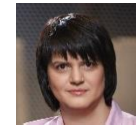
Executive Committee

Yuriy Ryzhenkov
Chief Executive Officer (2013-present)
- Chief Operating Officer at DTEK (2010-2013)
- Chief Financial Officer at DTEK (2007-2010)
- Manager of Economic Analysis and Informatics at Mini Steel Mill ISTIL (2002-2007)
- MBA from London Business School (UK)

Alexander Pogozhev
Chief Operations Officer (2016-present)
- Metallurgical Division Director (2011-2016)
- Director of Steel and Rolled Products division (2010-2011)
- COO at Severstal International (2008-2010)
- Executive positions at Severstal (1991-2008)
- MBA from Northumbria University (UK)

Olga Ovchinnikova
Economics and Business System Director (2018-present)
- Logistics and Purchasing Director (2013-2018)
- Logistics Director of the Supply Chain Management Directorate (2012-2013)
- Logistics Manager at Severstal-Resource (2006-2011)
- Logistics and Supply Chain Management

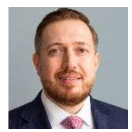
Dmytro Nikolayenko
Sales Director (2011-present)
- Sales Director of Steel and Rolled Products division (2010-2011)
- General Director at Metinvest-SMC (2007-2010)
- General Director at SM Leman (2003-2007)
- MBA from IMI (Kyiv)



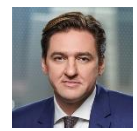
Yuliya Dankova
Chief Financial Officer (2016-present)
- Director of Controlling Department of the Finance Directorate (2015-2016)
- Financial Control Director of Mining Division (2010-2015)
- Finance Director of Metinvest's iron ore mining and enrichment assets in Kryvyi Rih (2006-2010)
- MBA from LINK International Institute of Management (Russia)

Sergiy Detyuk
Chief Information Officer (2016-present)
- CIO at DTEK (2009-2016)
- Deputy Finance Director for IT at DTEK (2007-2009)
- Head of the Information Technology Department at Dniprospetsstal (2006-2007)
- MBA from London School of Business (UK)
- MBA from Kyiv-Mohyla Business School (Ukraine)

Svetlana Romanova
Chief Legal Officer (2012-present)
- Partner at Baker and McKenzie (2008-2012)
- Lawyer at Baker and McKenzie (2000-2008)
- Lawyer at Cargill (1998-2000)
- LLM from The University of Iowa College of Law (US)



Alexey Gromakov
Logistics and Purchasing Director (2018-present)
- Director for Corporate Strategy and Regional Development at Beeline (2015-2018)
- Director of Purchasing and Logistics at Aeroflot (2009-2015)
- MBA from Kingston University (UK)
- Strategy and Innovation from Oxford University's Saïd Business School (UK)



Aleksey Komlyk
PR and Regional Development Director (2013-present)
- Managing PR Director at AFK Sistema (2011-2013)
- Managing Partner at Mosso (2008-2011)
- Vice President of PR at Uralkali (2006-2008)
- Head of Media Relations Office at Uralkali (2003-2006)
- Master's in Philology

Andriy Yemchenko
Chief Technology Officer (2018-present)
- Deputy of CEO for strategic development at Donetsksteel (2007-2018)
- Director of Directorate for Corporate Planning at Donetsksteel (2004-2007)
- Deputy CEO at Consortium Energo (1993-2004)
- PhD in metal treatment under pressure

Corporate social responsibility

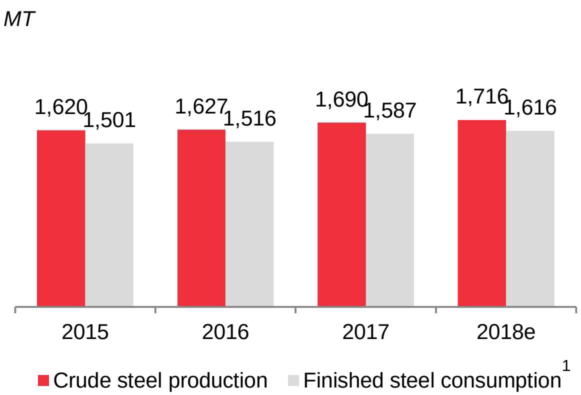
	Health and Safety	Environment	Community
Goals	▪ Meet the highest standards of health and safety and ensure the safety of employees in all aspects of their work ▪ Create a safety-driven culture throughout the Group and ensure that employees take responsibility for themselves and their colleagues	▪ Reduce environmental footprint ▪ Introduce more efficient energy-saving technology ▪ Meet European standards in this area ▪ Respond rapidly to any critical issues	▪ Work in partnership with the communities where Metinvest operates to achieve long-term improvements in social conditions ▪ Maintain close dialogue with local stakeholders
Initiatives	▪ Continue implementation of measures to reduce the risk of fatalities due to cardiovascular diseases ▪ Reinforce a gas safety programme to eliminate incidents of CO poisoning ▪ Introduce protective barrier standard to reduce injuries associated with working at heights, moving/rotating equipment and other hazardous production factors ▪ Continue a risk assessment programme covering all production processes and investment projects using HAZID[1], HAZOP[2] and ENVID[3]	▪ Continually examine and enhance environmental standards within the framework of the Technological Strategy ▪ Require all newly built and reconstructed assets to meet EU environmental standards ▪ Regularly review the environmental action plan to target efforts more effectively	▪ Implement social partnership programmes with local authorities ▪ Empower local communities ▪ Foster the development of green and ecological initiatives ▪ Enhance the sustainable development of regions
Results in 2017	▪ Around US$81 mn was spent on health and safety ▪ Provided extensive HSE training for over 7,296 managers and supervisors ▪ Conducted 173,157 audits and identified 259,464 safety issues, which were addressed swiftly ▪ Conducted 345 HAZIDs and 7 HAZOPs at subsidiaries, and developed 10,378 recommendations to reduce risks to an acceptable level (since the project start)	▪ Around US$225 mn was spent on environmental safety (including both capital and operational improvements) ▪ Progress on key environmental projects ○ reconstruction of gas cleaning system of sinter plant at Ilyich Steel ○ completed construction of dust-trapping facilities of BOF no. 2 at Ilyich Steel ○ major overhaul of gas-cleaning equipment of BOF no. 2 at Azovstal ○ replacement of gas cleaning units of Lurgi 552-B pelletising machine at Northern GOK	▪ Invested around US$8 mn to support communities in cities where Metinvest operates ▪ Selected and implemented 50 community projects under the "We Improve the City" initiative ▪ Selected 53 projects of the "100 Households" initiative ▪ Continued cooperation with the Mariupol Development Fund ▪ Held around 820 environmental events as part of "Green Centre" in Mariupol and Kryvyi Rih

1. HAZID study is a tool for hazard identification, used early in a project as soon as process flow diagrams, draft heat and mass balances, and plot layouts are available
2. HAZOP (hazard and operability study) is a structured and systematic examination of a planned or existing process or operation in order to identify and evaluate problems that may represent risks to personnel or equipment, or prevent efficient operation
3. Environmental (Hazard) Identification is conducted like HAZID, but with the aim of identifying environmental issues

Global steel, iron ore and coking coal markets

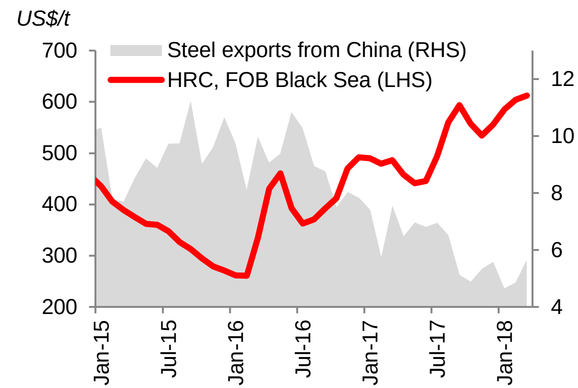
- In 2017, global steel production increased by 5.6% y-o-y and global steel consumption by 7.0% y-o-y. In 2018, global steel consumption is expected to grow further by 1.8% y-o-y
- Global steel prices continued to grow in 1Q 2018, mainly driven by:
  - strong demand in all regions
  - China restructuring its steel industry with the aim of increasing efficiency by cutting excess capacity
  - decrease of steel exports from China
  - rising worldwide protectionism
  - high prices of coking coal
- HRC FOB Black Sea trended in line with global steel benchmarks, increasing to an average of US$601/t in 1Q 2018 (+24% y-o-y)
- 62% Fe iron ore was fluctuating throughout 2017 averaging at US$72/t (+ 21% y-o-y), driven by:
  - stronger global demand for higher grade products amid a drive to improve steel production efficiency increased prices for steel products
  - delayed new capacity launches
- In 1Q 2018, 62% Fe iron ore price increased by 12% q-o-q and decreased by 14% y-o-y compared to 1Q 2017 when the price was US$86/t.
- Spot hard coking coal proved one of the most volatile commodities, driven mainly by the supply side. While the spot price averaged US$188/t in 2017 (+31% y-o-y), it varied from US$141/t to US$314/t. In 1Q 2018, it increased further to an average of US$230/t.

Global steel industry



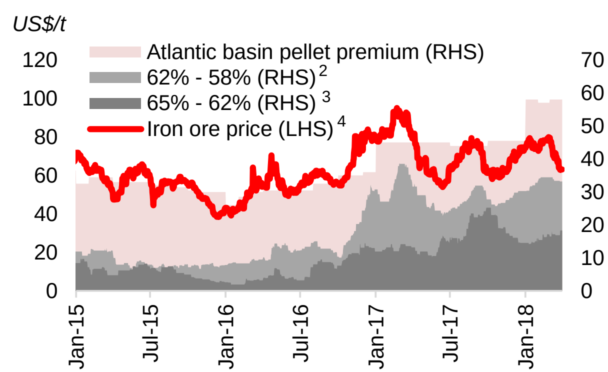
Source: World Steel Association, Metinvest estimates

Steel product prices



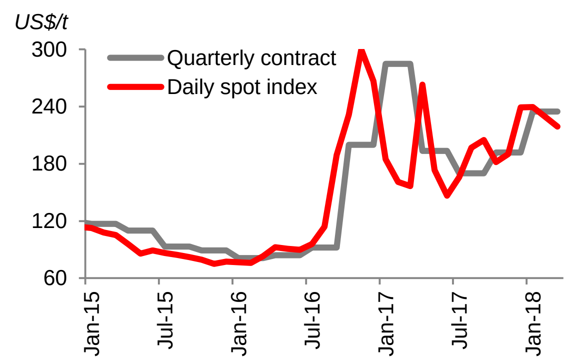
Source: Bloomberg, Metal Expert

Iron ore price



Source: Bloomberg, Platts

Hard coking coal price[5]



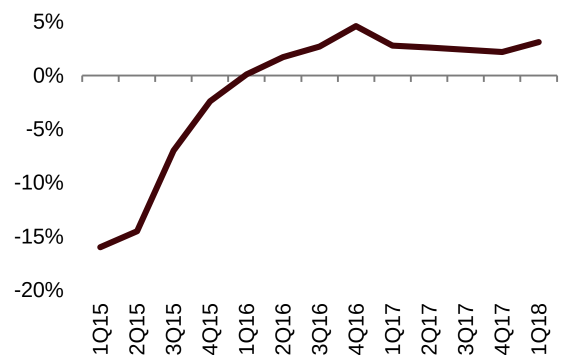
Source: Bloomberg

1. Apparent consumption of finished steel products
2. 58% to 62% Fe iron ore fines discount, CFR China
3. 65% vs 62% Fe iron ore fines premium, CFR China
4. 62% Fe iron ore fines, CFR China
5. FOB Australia

Macro and steel industry in Ukraine

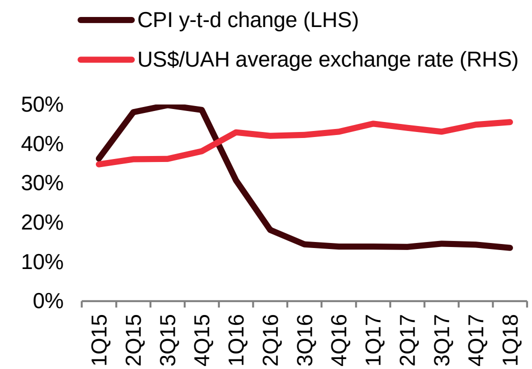
- In 2017 and 1Q 2018, Ukrainian economy continued to show solid growth amid structural economic reforms, favourable export market environment and stronger macroeconomic fundamentals
- Real GDP growth was 2.5% y-o-y in 2017 and 3.1% y-o-y in 1Q 2018. IMF expects real GDP to grow by 3.2% y-o-y in 2018.
- Local currency depreciated y-o-y against the US dollar to an average of 26.60 in 2017 and seasonally q-o-q to 27.33 in 1Q 2018
- CPI was 14.4% in 2017 and 13.6% in 1Q 2018
- Ukraine returned to international debt markets, having issued a US$3 bn, 15-year Eurobond at 7.375% pa in September 2017, its largest sovereign issuance ever. This was followed by successful corporate issues by MHP and Metinvest in 1Q 2018.
- Significant advance in ease of doing business ranking prepared by the World Bank: from 137 in 2013 to 76 in 2017
- In 2017, apparent steel consumption in Ukraine continued to grow (+7.1% y-o-y). In 1Q 2018, it increased slightly (+1.2% y-o-y), supported by stable real demand in key steel-consuming industries:
  - construction activity flat y-o-y
  - machine-building industry +7.3% y-o-y
  - hardware production industry + 0.1% y-o-y
- In 1Q 2018, steel production in Ukraine decreased seasonally by 6.8% q-o-q

Real GDP growth in Ukraine (y-o-y)



Source: State Statistics Service of Ukraine

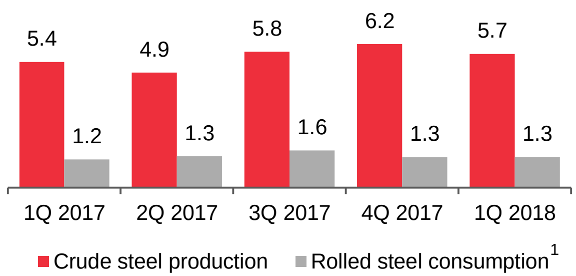
US$/UAH exchange rate vs CPI



Source: National Bank of Ukraine, State Statistics Service of Ukraine

Steel industry in Ukraine

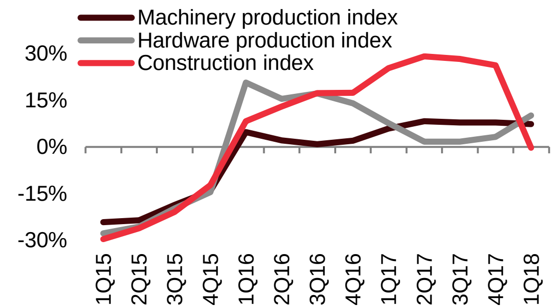
MT



Source: Metal Expert

1. Consumption in Ukraine includes flat, long and certain semi-finished products but excludes pipes

Key steel-consuming sectors in Ukraine[2]



Source: State Statistics Service of Ukraine, Metal Expert

2. All indexes represent the cumulative index from the beginning of the respective year, y-o-y change

Thank you!

Investor relations contacts

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+380 44 251 83 24 (Ukraine)
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