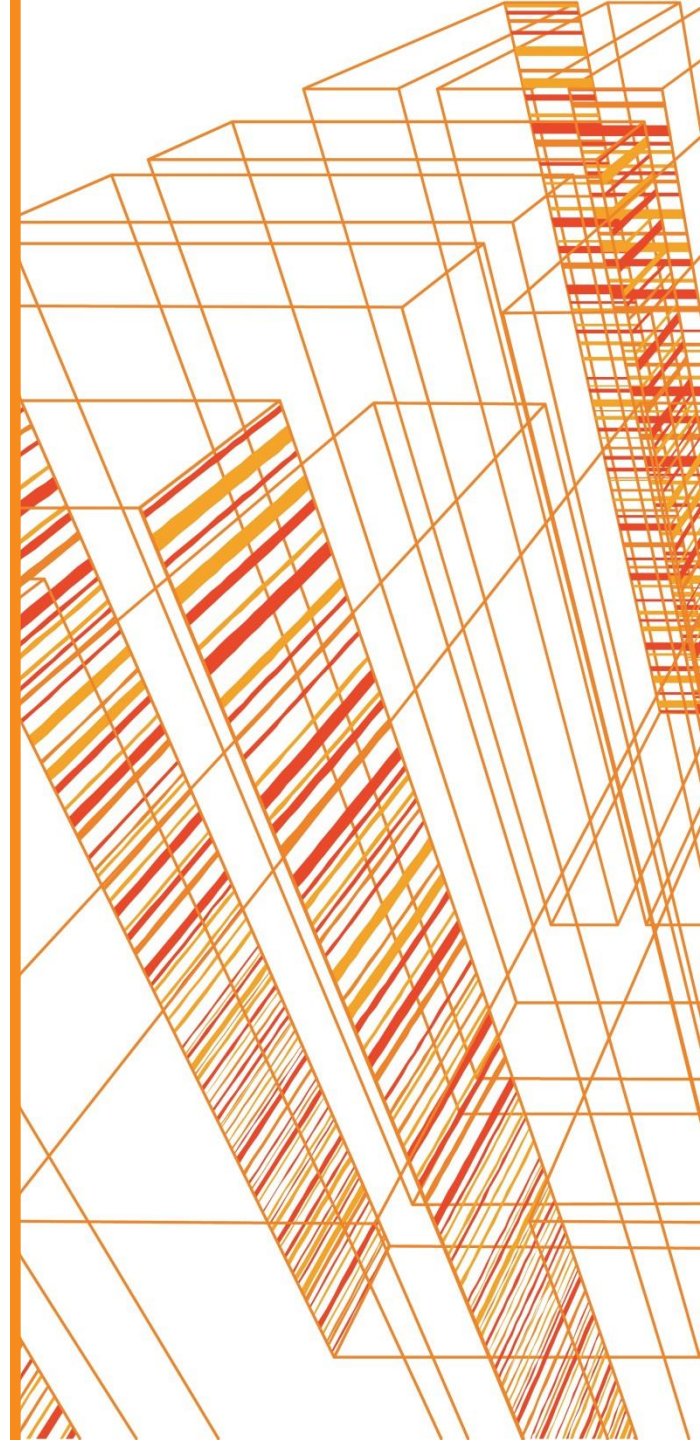


H1 2014 Financial Results

27 August 2014



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

Highlights

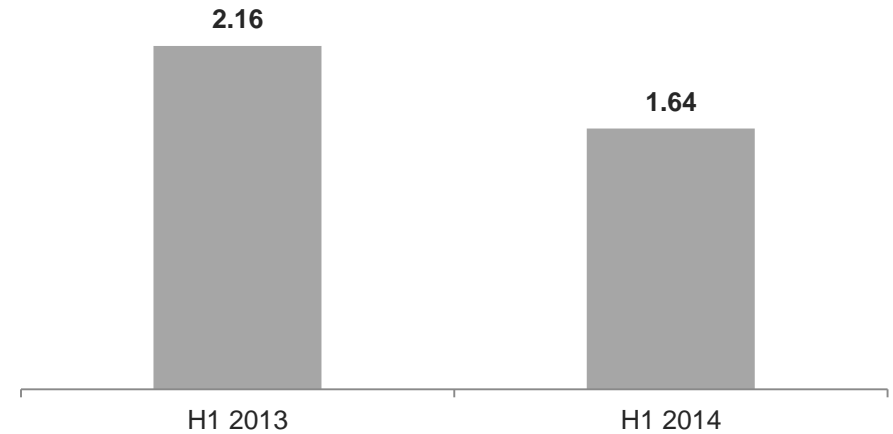
- Overview of H1 2014 Results
- Liquidity and Financial Position
- Segmental and Geographical Results
- Capex and Investment Projects
- Summary

Overview of H1 2014 Results

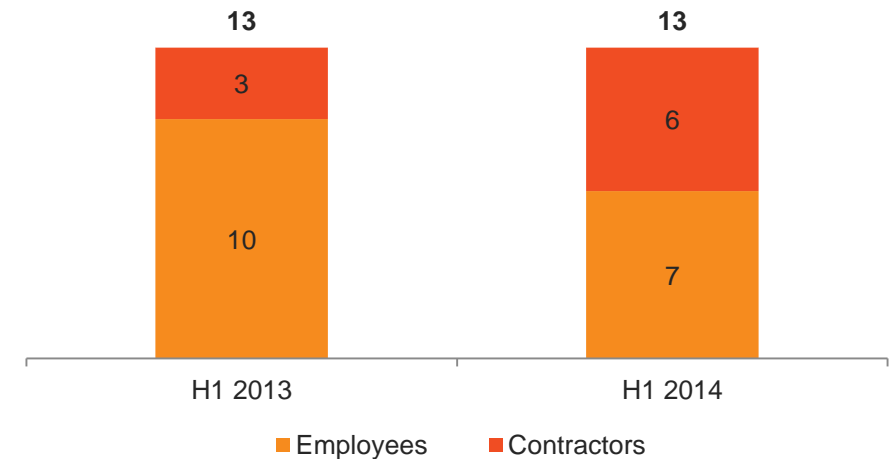
HSE Performance

- 7 employee and 6 contractor fatalities recorded in H1 2014
- Employees' unsafe behavior accounts for up to 90% of incidents
- Strategic goal of zero fatality incidents
- Priority initiatives for 2014:
 - Training of all operations and maintenance and some administrative senior and middle managers to run behaviour safety conversations (audits) with employees'
 - Implementation of energy isolation programme LOTO (Lockout, Tryout) at all EVRAZ facilities
 - Safety focus on contractors' operations that need to be in full compliance with EVRAZ safety standards
 - Earlier initiatives are enforced

Lost Time Injury Frequency Rate (LTIFR)*



Fatalities



* Calculated as number of lost working hours due to injuries, excluding fatalities, per 1 million hours worked

H1 2014 summary

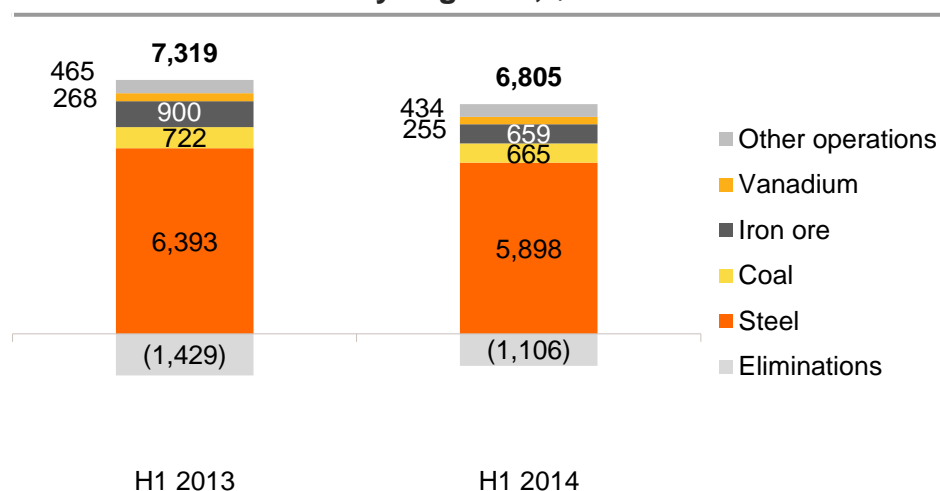
US\$ million unless otherwise stated	H1 2014	H1 2013	Change
Steel sales volumes ¹ ('000 t)	7,653	7,739	-1%
Revenue	6,805	7,319	-7%
EBITDA ²	1,080	925	+17%
EBITDA margin	15.9%	12.6%	+3.3pp
Net profit/(loss)	1	(146)	n/m
Capex ³	365	492	-26%
Free cash flow ⁴	444	(87)	n/m
Total debt ⁵	7,479	8,166	-8%
Net debt ⁵	6,095	6,534	-7%
Net leverage ⁶	3.1x	3.6x	-0.5x

1. Here and throughout this presentation segment sales data refer to external sales unless otherwise stated
2. EBITDA represents profit from operations plus depreciation, depletion and amortisation, impairment of assets, foreign exchange loss (gain) and loss (gain) on disposal of property, plant and equipment and intangible assets. Please refer to slide 30 for EBITDA reconciliation
3. Includes payments recognised in financing activities
4. Please refer to slide 31 for FCF calculation
5. As at 30 June 2014 and 31 December 2013 respectively. Total debt represents nominal value of loans and borrowings plus unpaid interest, finance lease liabilities, nominal effect of cross-currency swaps on principal of rouble-denominated notes. Net debt represents Total debt less cash and liquid short-term financial assets, including those relating to disposal groups classified as held for sale. Please refer to slides 32-33 for Total and Net debt calculations
6. As at 30 June 2014 and 31 December 2013 respectively. Ratio of net debt to last 12 month EBITDA

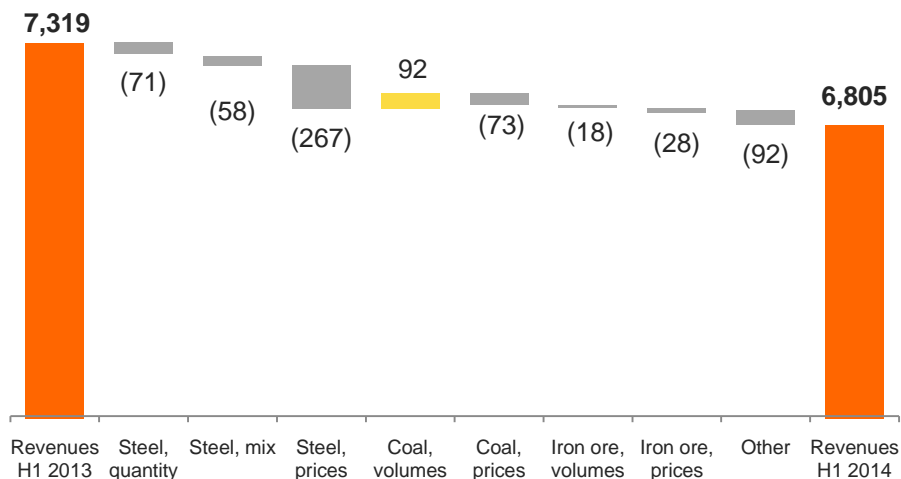
H1 2014 financial highlights

- Consolidated revenue decreased primarily due to lower prices in line with negative global price trends and a lag in domestic steel prices in Russia and Ukraine in adjusting to the depreciation of local currencies
- H1 2014 EBITDA margin was 15.9% vs. 12.6% in H1 2013

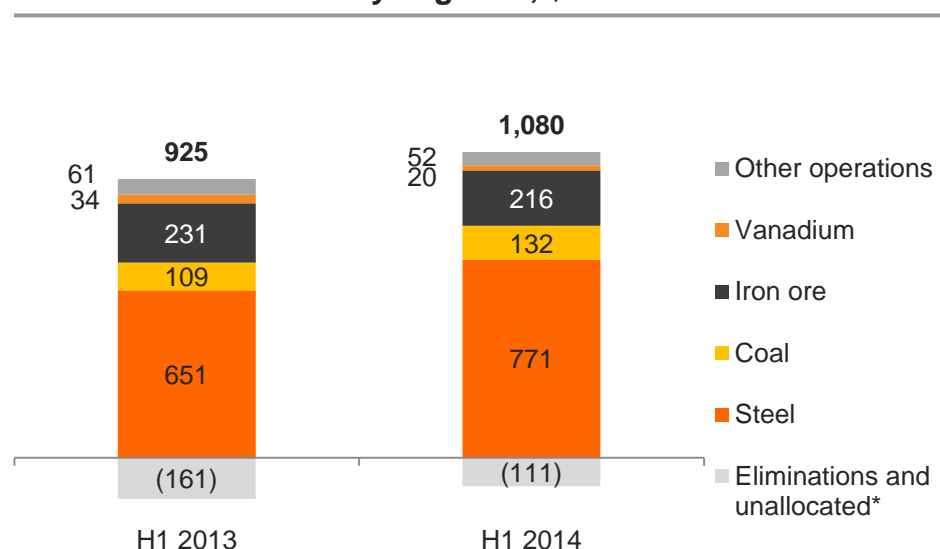
Consolidated revenue by segment, \$m



Revenue drivers, \$m



Consolidated EBITDA by segment, \$m



* Includes unallocated expenses and intersegment unrealised gains/(losses)

Analysis of cost of revenue

Item	H1 2014, \$m	% of revenue	H1 2013, \$m	% of revenue	Relative change	Comments on changes
Revenue	6,805		7,319		(7)%	
Cost of revenue	5,192	76%	5,886	80%	(12)%	
Raw materials, incl.	1,731	25%	1,819	25%	(5)%	
Iron ore	432	6%	371	5%	16%	Higher external purchases following disposals of iron ore assets
Coking coal and coke	272	4%	368	5%	(26)%	Lower prices
Scrap	636	9%	710	10%	(10)%	Lower prices and decreased consumption due to suspension of EVRAZ Claymont
Other	391	6%	370	5%	6%	
Semi-finished products	95	1%	217	3%	(56)%	Increase of slab internal consumption at EVRAZ North America and EVRAZ Vitkovice Steel
Auxiliary materials	393	6%	516	7%	(24)%	Effect of cost optimisation, primarily in Coal segment and rouble depreciation
Services	360	5%	351	5%	3%	
Goods for resale	276	4%	298	4%	(8)%	
Transportation	340	5%	437	6%	(22)%	Lower production volumes and rouble weakening partially offset by tariff increase
Staff costs	851	13%	988	13%	(14)%	Headcount reduction, asset disposal and optimisation, rouble depreciation
Depreciation	379	6%	487	7%	(22)%	Changes in accounting for the depletion of coal mining assets; revision of asset life of Russian and Ukrainian steel plants; rouble and hryvnia depreciation
Electricity	238	3%	258	4%	(8)%	Lower consumption due to asset optimisation and operational improvements
Natural gas	175	3%	225	3%	(22)%	Reduced consumption due to operational improvements at EVRAZ DMZ as well as asset disposals and suspensions
Other costs*	354	5%	290	4%	22%	Decrease in stock of WIP and finished goods

* Includes taxes, change in WIP and finished goods, certain items of energy costs

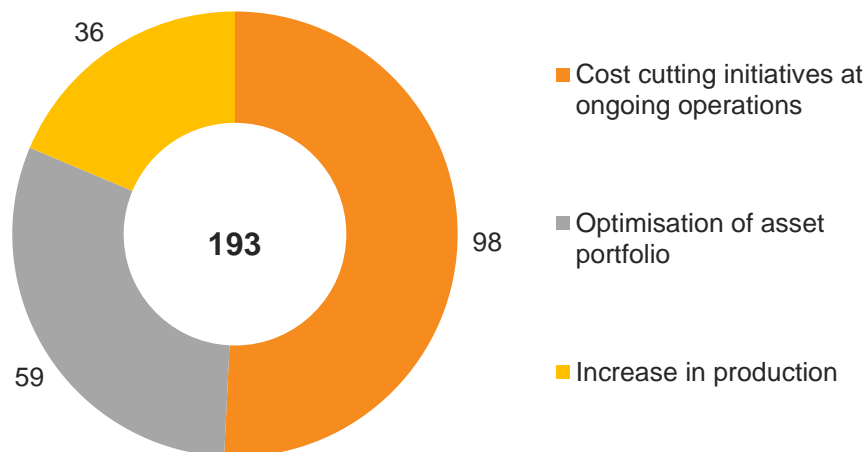
Note: See details on cost optimisation on slides 8 and 29

Source: Management accounts

Efficiency improvement plan: H1 2014 progress update

- Implementation of efficiency savings plan resulted in savings of \$193m*
- Total 2014 target is \$400m

Efficiency improvement, \$m



Cost cutting initiatives at ongoing operations: \$98m

Reduction of headcount and related G&A costs	\$33m
Optimisation of coal mining costs	\$20m
Improving yields, raw material and conversion costs in steel mills	\$40m
Cost optimisation at iron ore mines	\$5m

Optimisation of assets portfolio: \$59m

Mines shutdown and disposal at Evrazruda and Yuzhkuzbassugol	\$38m
Suspension of EVRAZ Claymont, disposal of Central Heat and Power Plant and shutdown of plate rolling mill at EVRAZ ZSMK	\$21m

Increase in production: \$36m

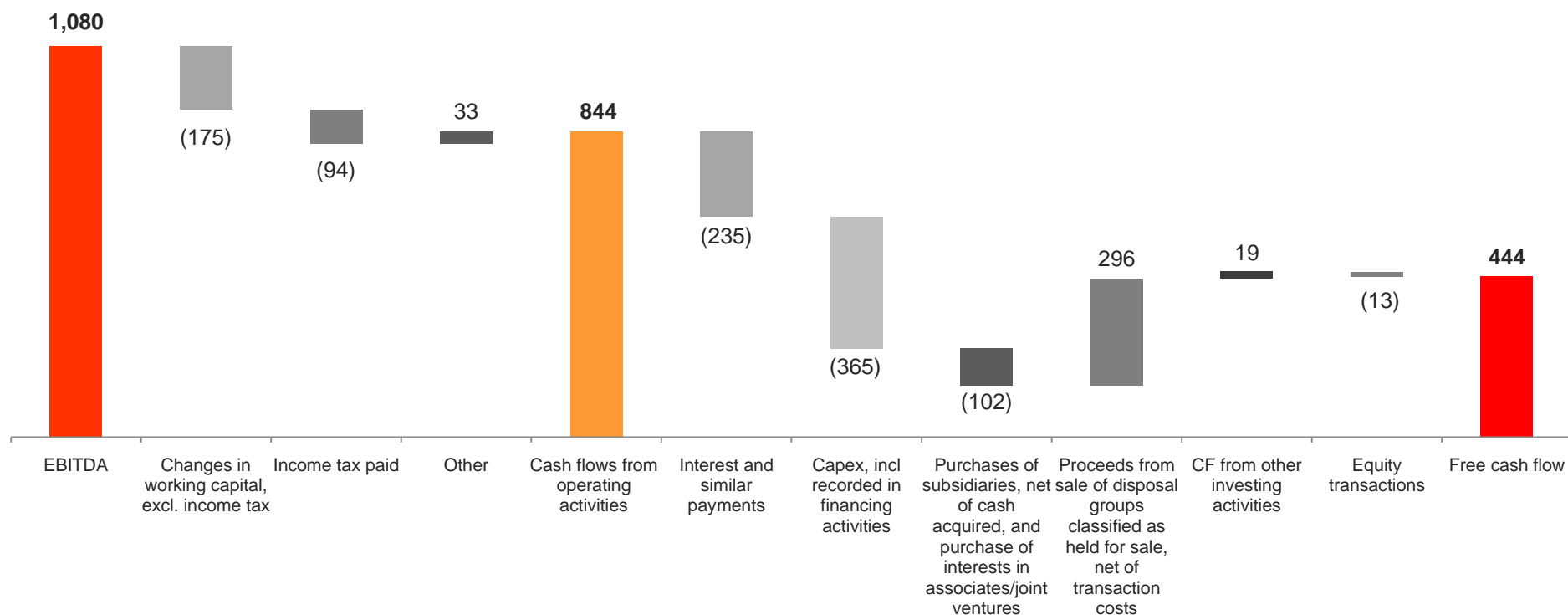
Growth in volumes at EVRAZ North America at ongoing assets	\$30m
Recovery of production at Rapsadskaya mine	\$6m

* Actual results excluding effect of forex rates

H1 2014 FCF generation

- Working capital increased by \$175m due to the repayment of a \$312m payable to Yuzhny GOK (supplier of sinter to EVRAZ DMZP) which was offset by other improvements
- Interest payments were \$235m compared to \$273m last year due to lower debt and refinancing at lower rates
- Capex reduced to \$365m from \$492m as a result of the ongoing capex optimisation programme
- Proceeds from disposals (mainly EVRAZ Vitkovice Steel) amounted to \$296m
- Strong cash flow of \$444m

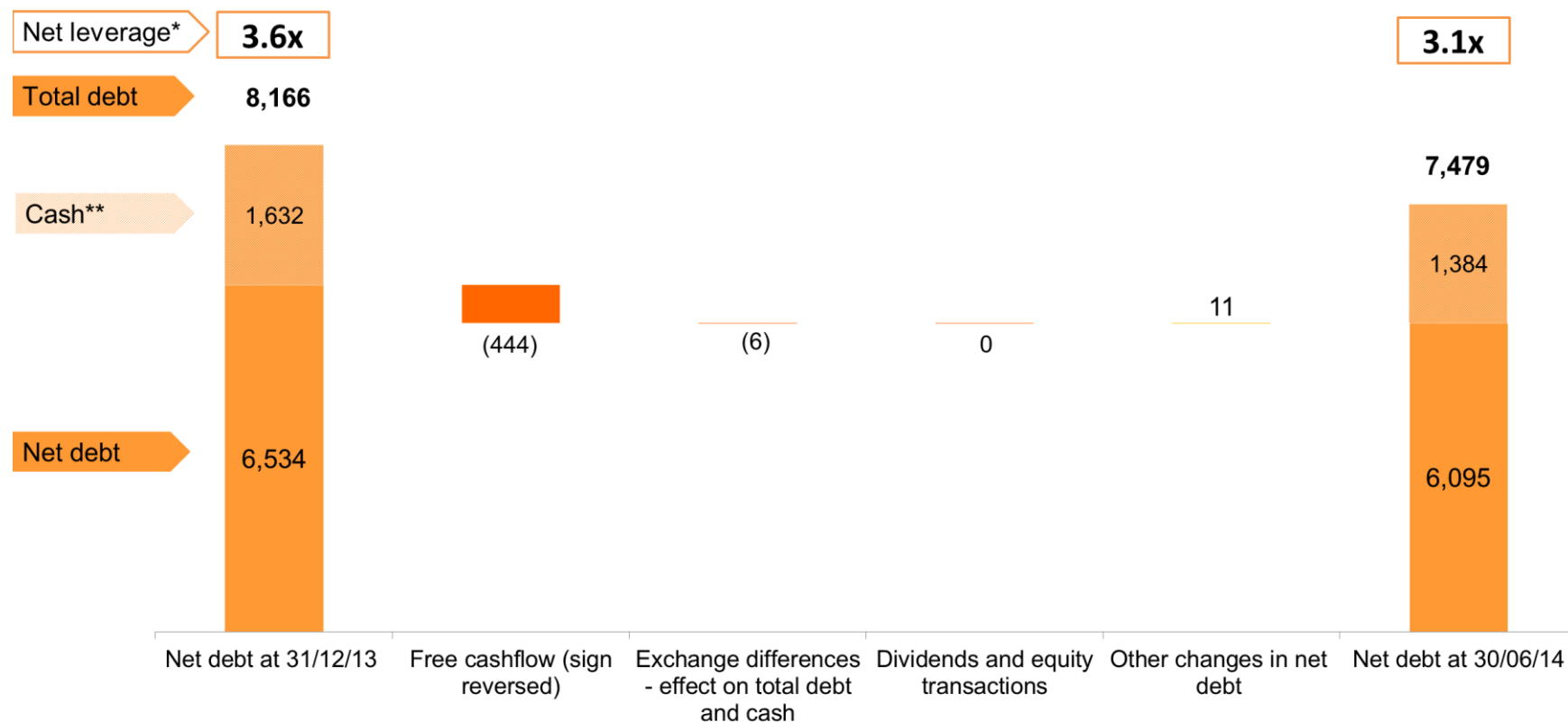
US\$ million



Liquidity and Financial Position

H1 2014 debt bridge and net leverage

US\$ million



* Net debt / LTM EBITDA. LTM EBITDA 31/12/2013 = \$1,821; 30/06/2014 = \$1,976

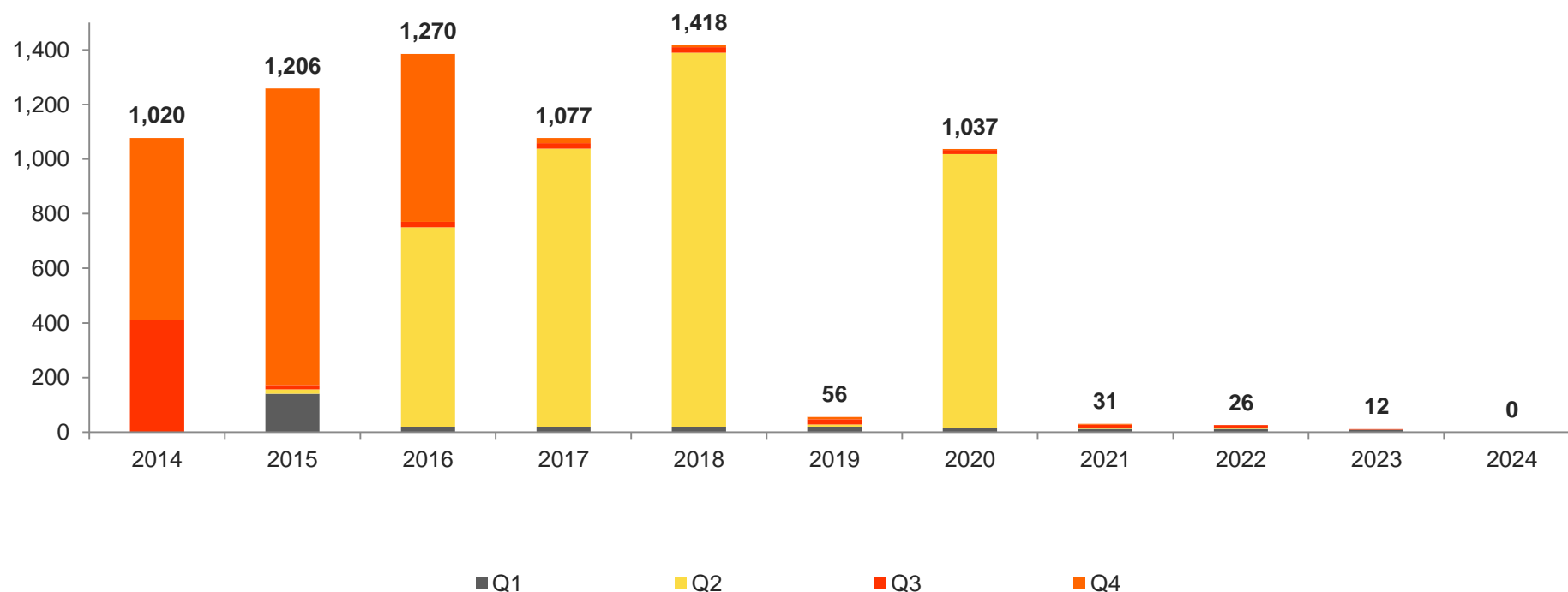
** Includes cash and cash equivalents, collateral under swaps, cash of subsidiaries classified as held for sale

Note. These calculations should not be considered for covenants purposes

Liquidity and debt maturity profile

- Cash and short-term deposits of \$1,353m as at 30 June 2014 compared to short-term debt of \$1,244m
- On 12 August 2014, EVRAZ signed a \$425 million syndicated pre-export financing facility, covering most refinancing needs until Q4 2015
- Debt currency composition: USD – 96% (incl. synthetic USD); RUB – 3%, other – 1%

Debt* maturities schedule (as at 30 June 2014), \$m

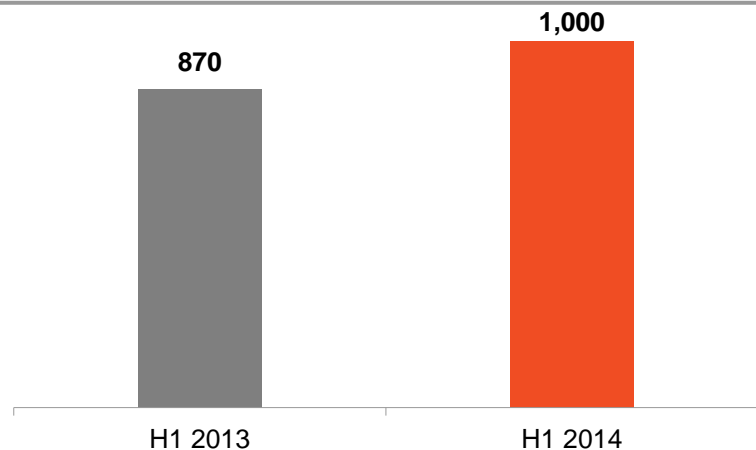


* Principal of loans and borrowings (excl. interest payments)

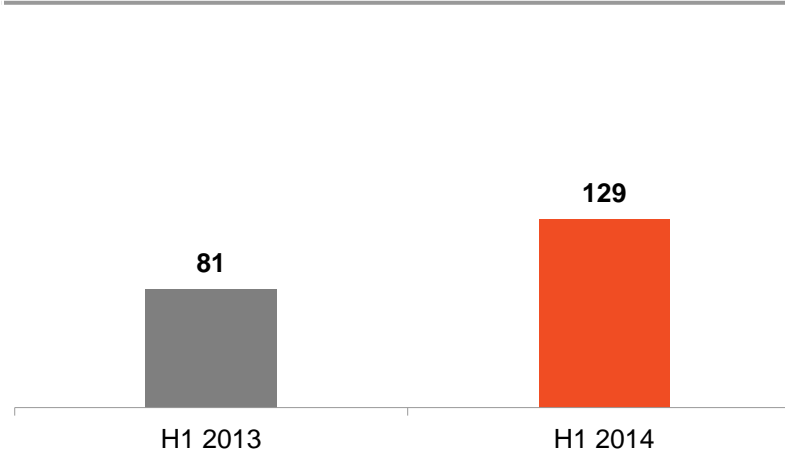
Segmental and Geographical Results

Performance by regions

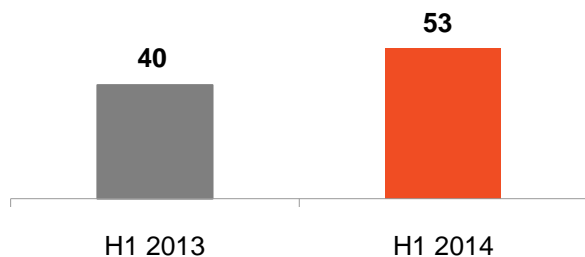
EBITDA, EVRAZ Russia, \$m



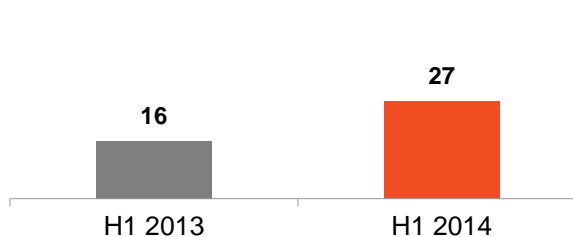
EBITDA, EVRAZ North America, \$m



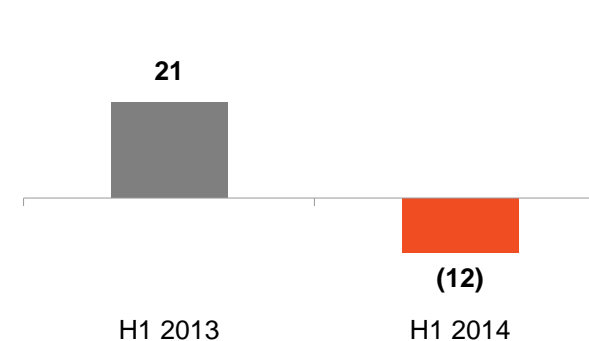
EBITDA, EVRAZ Ukraine, \$m



EBITDA, EVRAZ Europe, \$m



EBITDA, EVRAZ South Africa, \$m



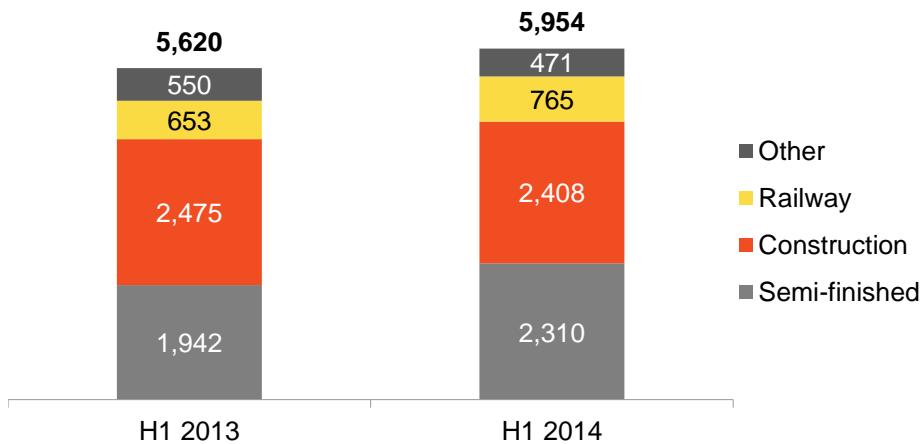
Note. (1) Consolidated EBITDA also includes Unallocated EBITDA of \$(100)m and \$(115)m and Other regions EBITDA of \$(1) and \$(2)m in H1 2013 and H1 2014 respectively

(2) EVRAZ North America includes EVRAZ Inc. NA, EVRAZ Inc. NA Canada, Stratcor; EVRAZ Ukraine includes EVRAZ DMZ, Sukha Balka and coking plants; EVRAZ Europe includes EVRAZ Palini e Bertoli, EVRAZ Vitkovice Steel (before its disposal in April 2014), Nikom and attributable trading margin

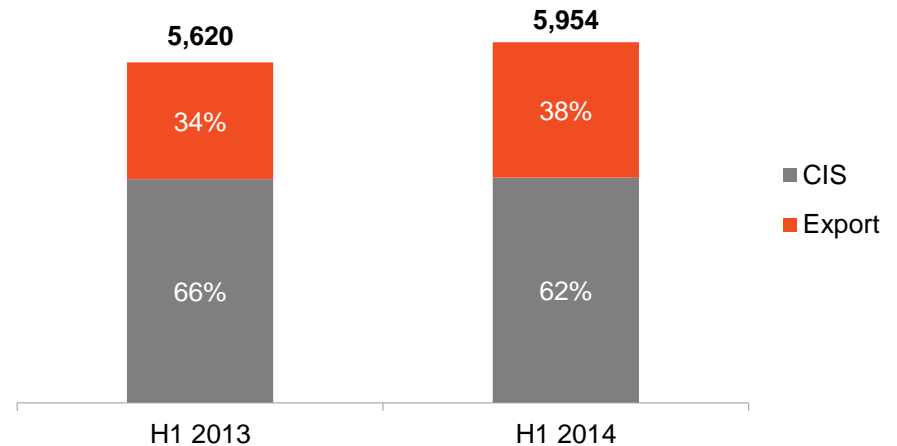
Steel: CIS

- Facilities operated at close to full economic capacity
- 19% growth in sales of semi-finished products driven by changes in product mix
- Sales volumes of construction products were broadly stable despite growing competition from other Russian producers, with revenues impacted by lower prices
- Sales of rails grew to 530kt from 390kt in H1 2013 as production is ramping up after completion of modernisation of the EVRAZ ZSMK rail mill in 2013
- Average cash cost of slabs declined to \$292/t from \$369/t in H1 2013

Steel product sales, kt



Steel products sales: CIS vs. export, kt



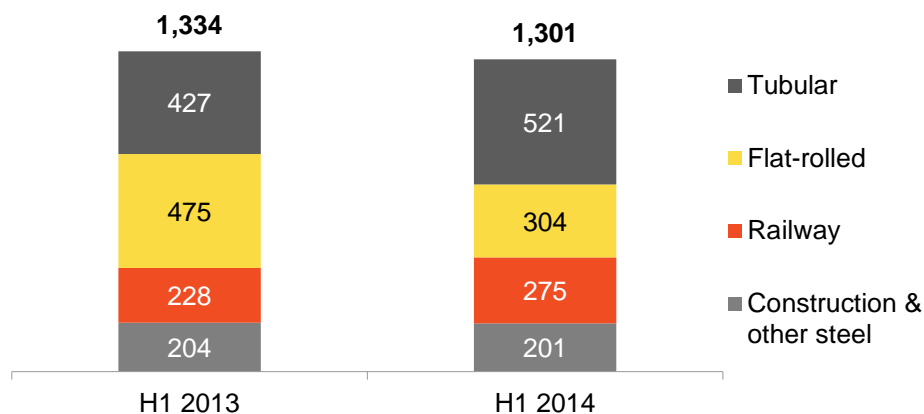
Steel products revenues

Products	Revenue, \$m		Revenue per tonne, \$	
	H1 2013	H1 2014	H1 2013	H1 2014
Semi-finished	1,011	1,176	521	509
Construction	1,808	1,567	731	651
Railway	608	634	931	829
Other	375	290	682	616
TOTAL	3,802	3,667	677	616

Steel: North America

- Stable sales volumes and higher revenue on the back of healthier economic indicators and outlook in the US
- Suspension of unprofitable EVRAZ Claymont operations resulted in a decrease in sales volumes of flat-rolled products but improved profitability of the flat-rolled division
- Strong performance of the Tubular product group benefiting from the oil & gas renaissance in North America and promising market fundamentals in large diameter pipe business
- Rail sales increased due to strong demand, supported by higher output post EVRAZ Pueblo rail mill upgrade and strong customer relationships

Steel product sales, kt



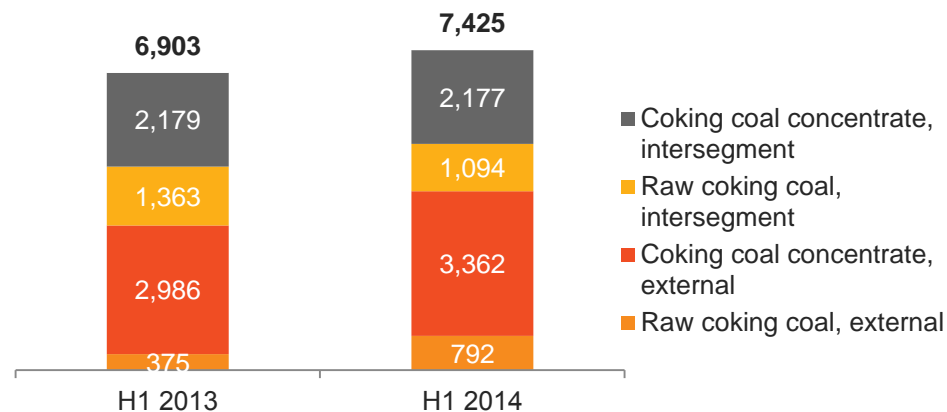
Steel products revenues

Products	Revenue, \$m		Revenue per tonne, \$	
	H1 2013	H1 2014	H1 2013	H1 2014
Construction and other steel products	177	163	868	811
Railway	227	271	996	986
Flat-rolled	436	304	918	1,000
Tubular	609	743	1,427	1,427
TOTAL	1,449	1,481	1,087	1,139

Coal

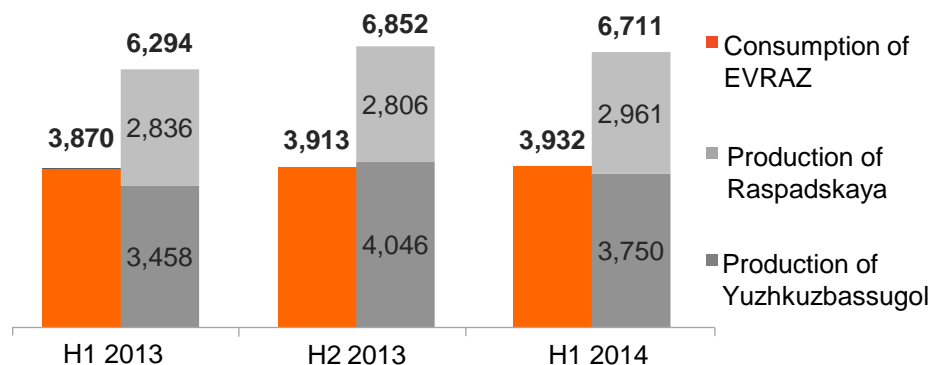
- Coal segment revenues (incl. steam coal sales) decreased by 8% to \$665m in H1 2014 vs. \$722m in H1 2013 due to lower prices, which offset the increase in coal volumes
- External coking coal sales volumes increased in H1 2014 by 24% as a result of ramp-up of the Rospadskaya mine
- In H1 2014 ca. 73% of coking coal consumption was satisfied by own operations compared with 72% in H1 2013
- Cash costs of washed coking coal decreased to \$55/t in H1 2014 vs. \$66/t in H1 2013

Coking coal product sales, kt

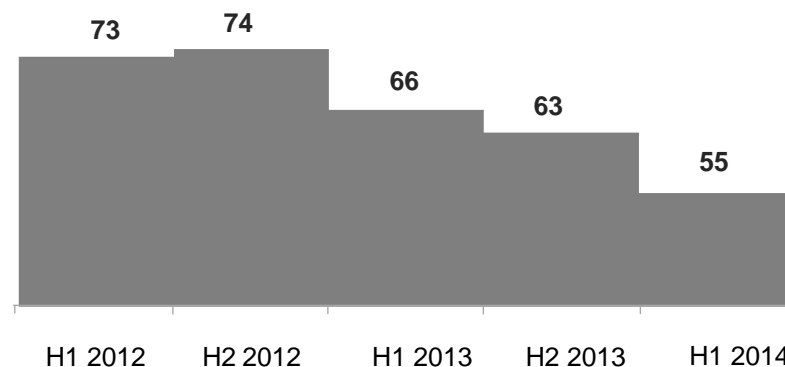


Washed coking coal (concentrate) self-coverage*, kt

SC*	163%	175%	171%
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Cash cost, Russian washed coking coal, \$/t**



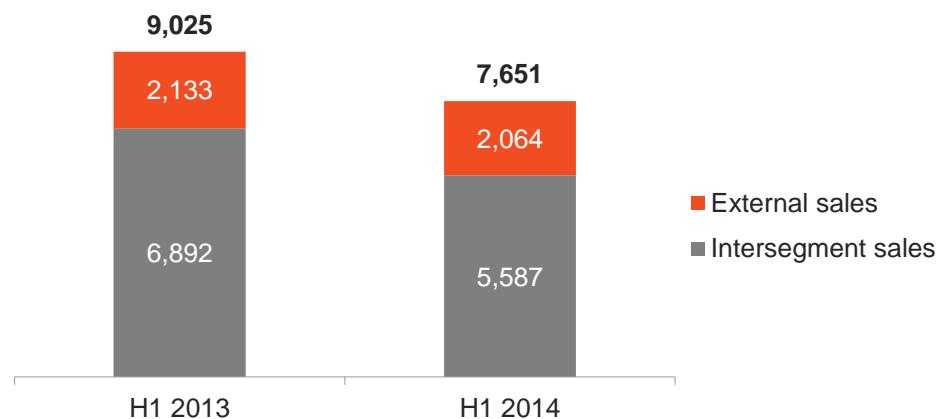
* Self-coverage, %= total production in washed coking coal equivalent divided by steel segment consumption (excluding consumed for coke for sale)

**The data in this chart is derived from the unaudited monthly management accounts of EVRAZ in respect of the indicated periods

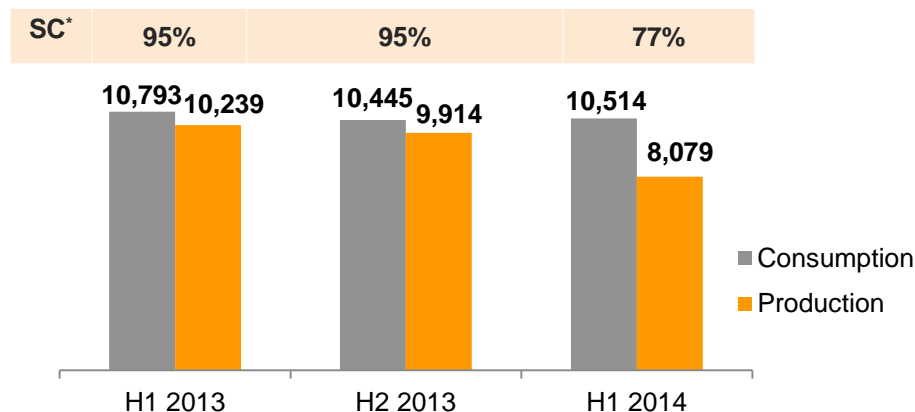
Iron ore

- Iron ore segment revenues decreased by 27% to \$659m in H1 2014 vs. \$900m in H1 2013 due to lower sales volumes for internal consumption as a result of EVRAZ VGOK and optimisation of Evrazruda's assets and lower prices
- ca. 77% of EVRAZ's iron ore consumption was satisfied by own operations vs. 95% in H1 2013
- Cash costs of iron ore products (Fe 58%) decreased from \$66/t in H1 2013 to \$52/t in H1 2014

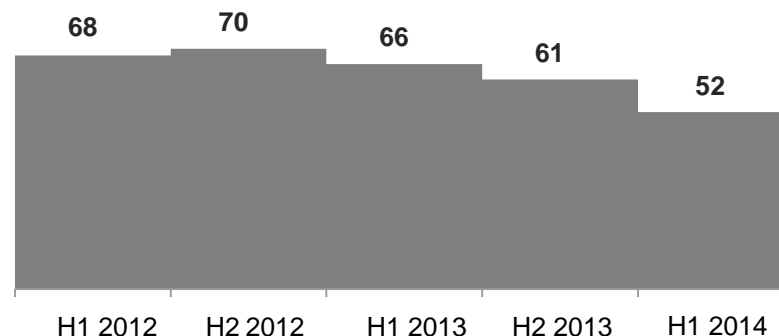
Iron ore product sales (excluding Mapochs*), kt



Iron ore self-coverage**, kt



Cash cost, Russian iron ore products (Fe 58%), \$/t***



* The results of Mapochs mine are accounted for in the Steel segment within EVRAZ Highveld

** Self-coverage, %= total production of iron ore products out of own mined iron ore divided by total steel segment consumption

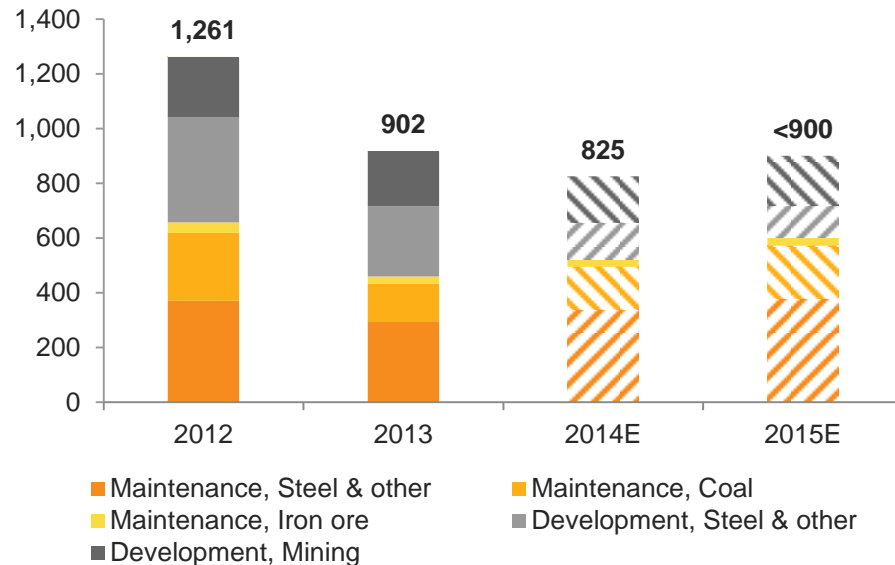
*** The data in this chart is derived from the unaudited monthly management accounts of EVRAZ in respect of the indicated periods

Capex and Investment Projects

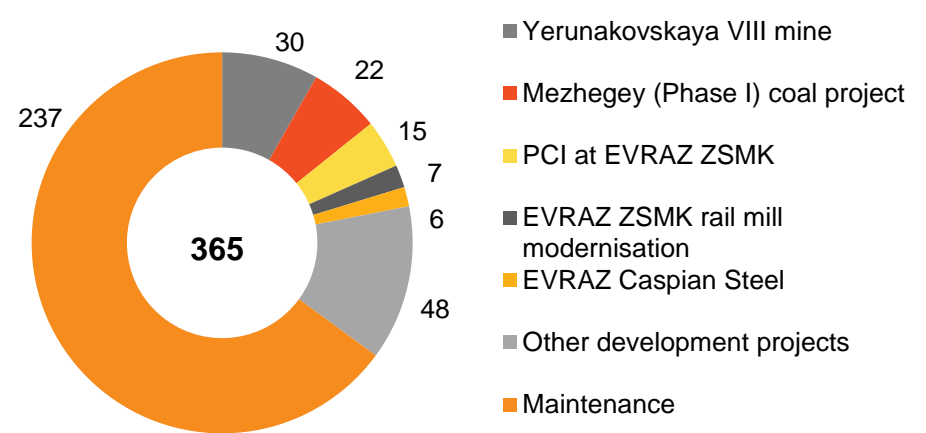
Capex

- No major capital spending in 2014 as key investment projects were completed in 2013
- Significantly increased capex flexibility going forward
- Capex is mostly channelled to maintenance
- Priority is given to cash cost reduction projects with projected IRR of >40%
- As a result, in H1 2014 total capital expenditures, including recorded in financing activities, amounted to \$365m, a \$127m reduction compared to H1 2013
- Projected capex for 2014 and 2015 not to exceed \$900m

Capex historic performance and outlook, \$m excl. VAT



H1 2014 capital expenditure breakdown by projects, \$m

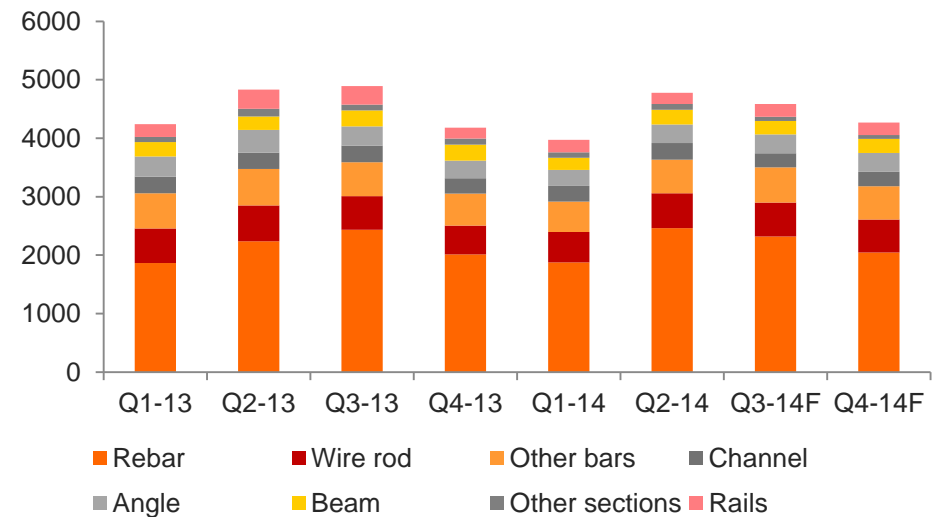


Summary

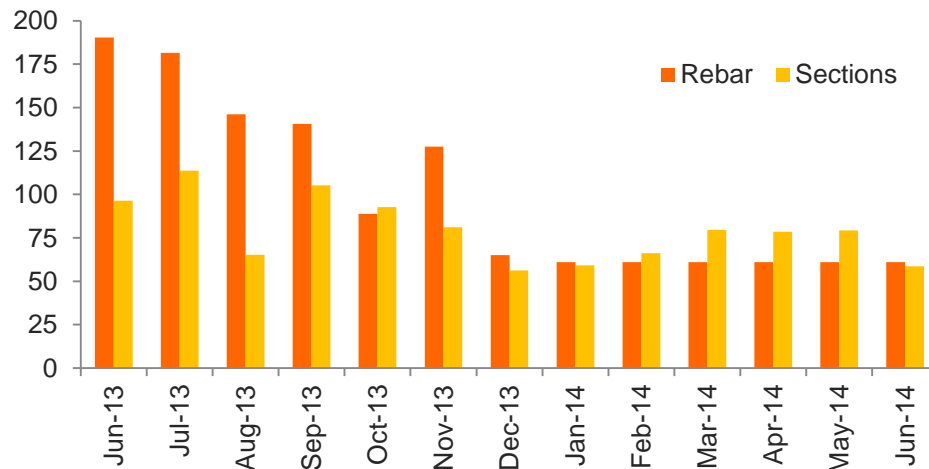
Current trading and market outlook

- Seasonal improvement in long steel consumption in Russia with domestic prices of rebar and sections increasing
- Improved market balance due to falling imports of construction products mostly from Ukraine
- EVRAZ is well placed to benefit from this trend as Russia's #1 leading producer of construction steel products
- EVRAZ's long product sales in Russia started to grow in March 2014, benefiting from a positive price trend
- Slab shortage in European markets because of Ukrainian plants shutdown provides more flexibility to redirect volumes to the export markets

Long products consumption, kt

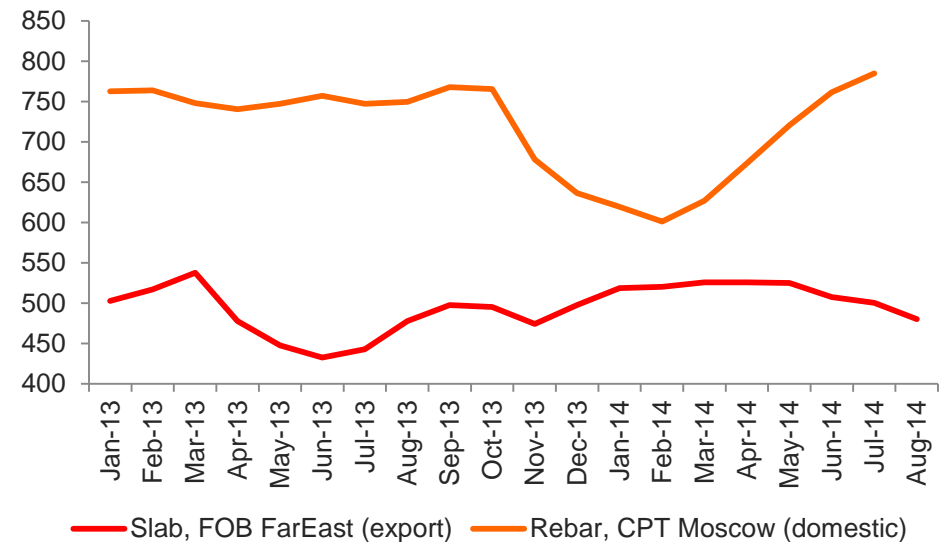


Rebar and sections import volumes, kt



Source: Metal Expert

Slab and rebar prices, \$/t



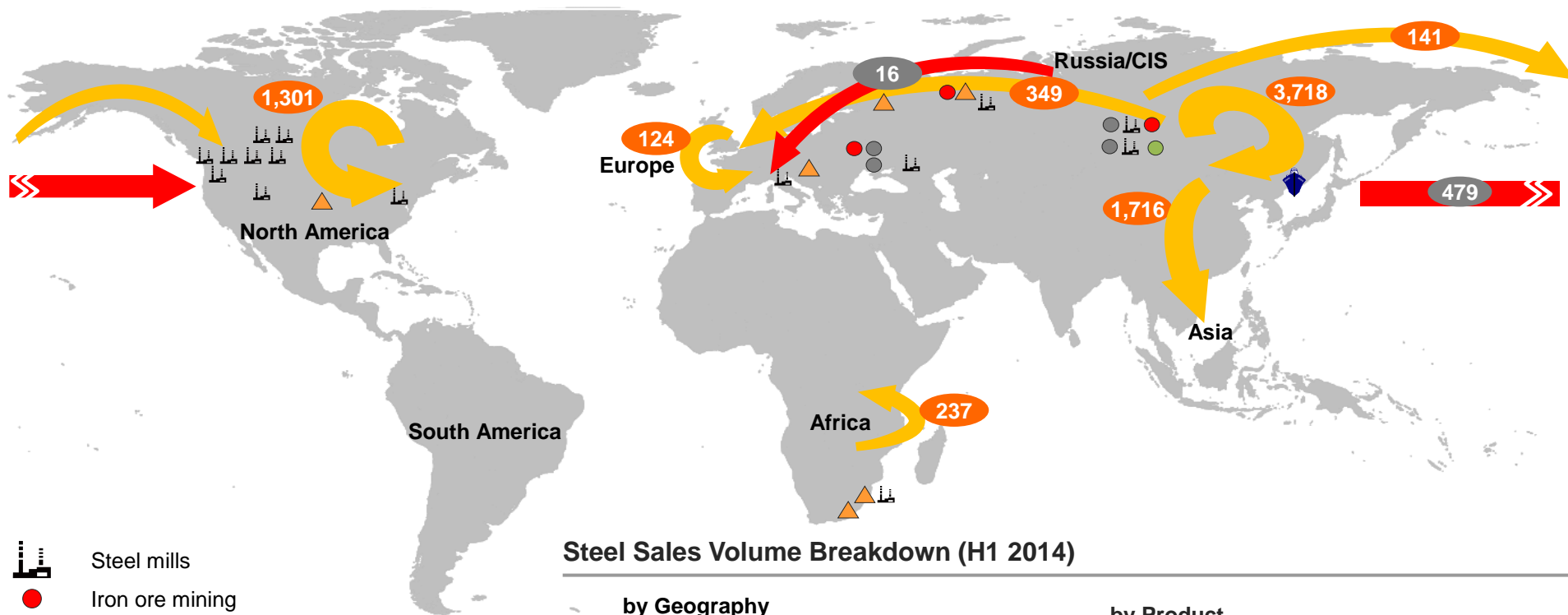
Summary

- H1 2014 sales volumes were broadly flat, while H1 2014 financial results reflected weaker steel and steel raw materials price environment
- EBITDA of \$1,080m and EBITDA margin of 15.9%
- Asset optimisation and cost efficiency actions brought \$193m of gains
- H1 2014 capex of \$365m, in line with cap on annual capex of \$900m and development capex spent on projects with projected IRR >40%
- Deleveraging on track to reach Net debt/EBITDA of <3x

Appendix

EVRAZ's Global Business

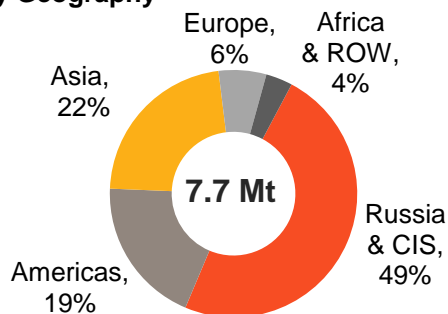
Global Vertically Integrated Steel, Mining and Vanadium Business with Strong Positions in Highly Attractive Markets



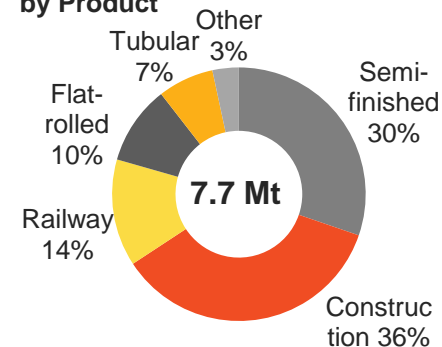
- Steel mills
- Iron ore mining
- Coal mining
- Vanadium
- Sea ports
- Mezhegey coal mine in development
- Third party steel products sales (Kt)*
- Internal supply of slabs and billets from Russian steel mills (Kt)

Steel Sales Volume Breakdown (H1 2014)

by Geography



by Product

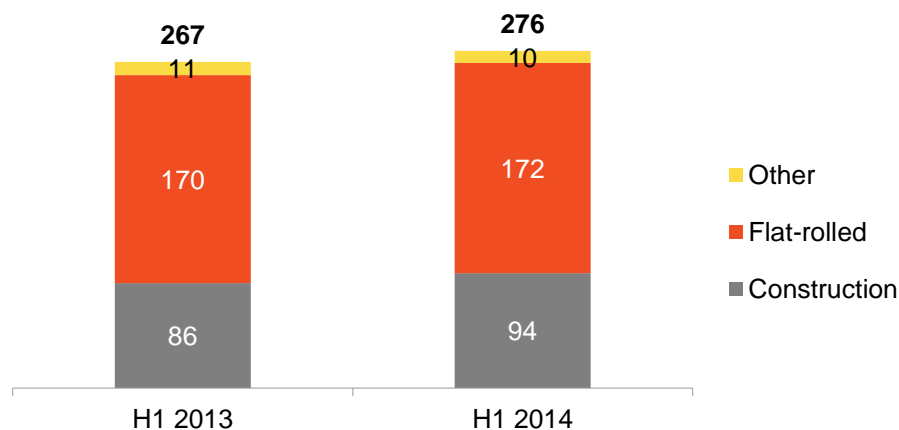


* Excluding routes with sales volumes below 35kt each, together totalling 67kt

Steel: South Africa

- Weak economic fundamentals and social unrest continue to impact results of EVRAZ Highveld Steel and Vanadium (“Highveld”)
- In August 2014, EVRAZ sold 34% of the issued share capital of Highveld to local strategic investor Macrovest 147 Proprietary Limited for approx. \$27m. Macrovest is to also refinance 50% of the outstanding working capital facility provided by EVRAZ plc
- EVRAZ retains 51% of Highveld’s shares

Steel product sales, kt



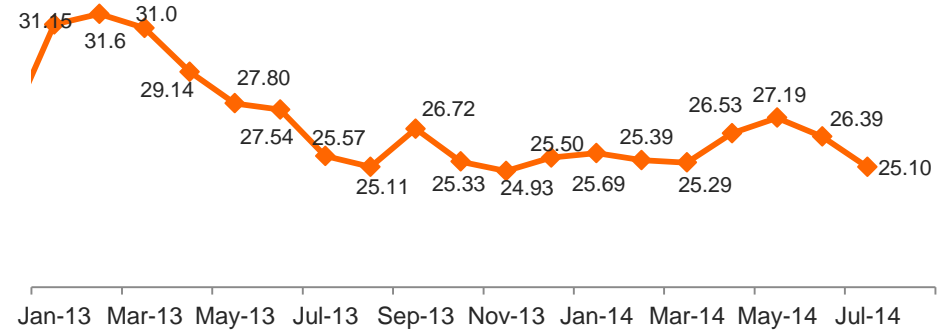
Steel products revenues

Products	Revenue, \$m		Revenue per tonne, \$	
	H1 2013	H1 2014	H1 2013	H1 2014
Construction	67	65	779	692
Flat-rolled	126	112	741	652
Other	9	7	818	700
TOTAL	202	184	757	667

Vanadium

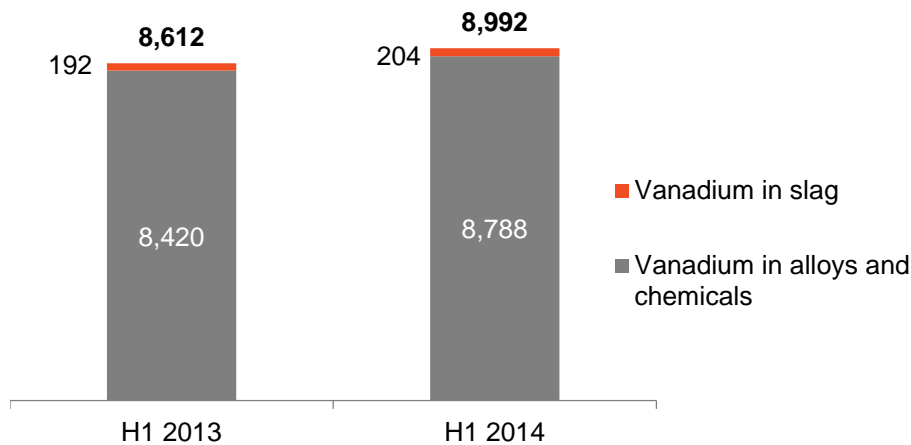
- Vanadium segment revenues decreased by 5% to \$255m in H1 2014 compared to \$268m in H1 2013 affected by lower prices, partly offset by increased sale volumes
- External sales volumes increased by 4%, mostly as a result of growth in sales of finished vanadium products
- Average prices were volatile in H1 2014 and on the decline in July-August

Ferrovanadium prices (FeV), \$/kg contained V

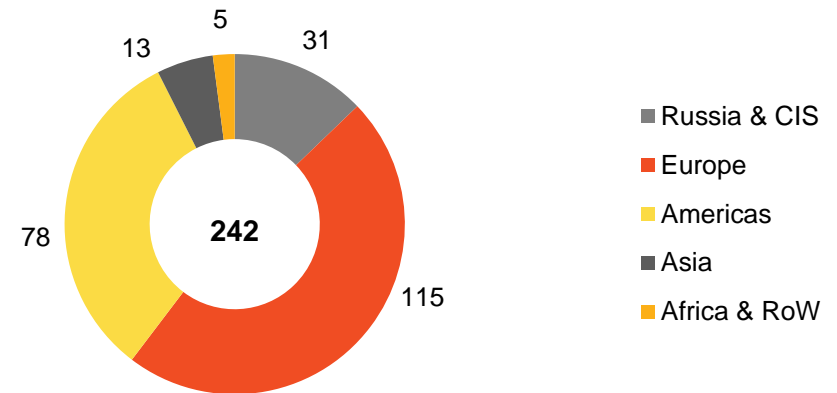


Source: LMB

Vanadium external product sales, t of V

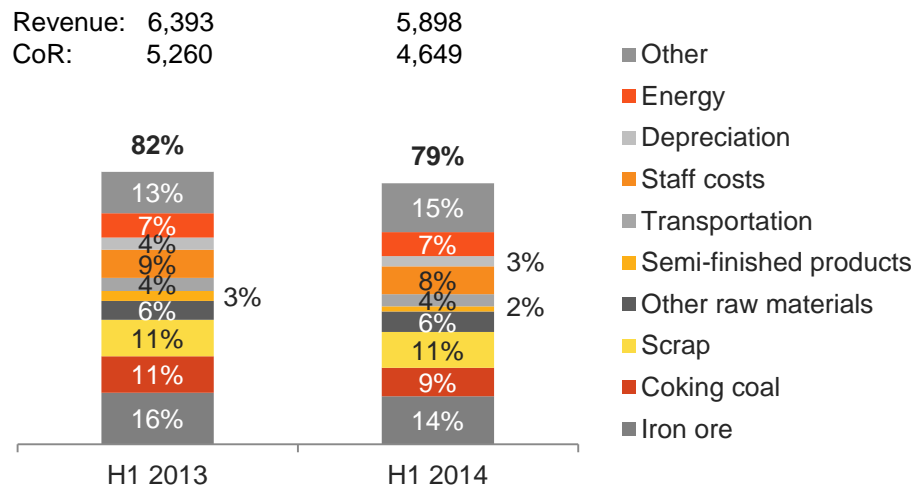


Vanadium product external sales by region, \$m

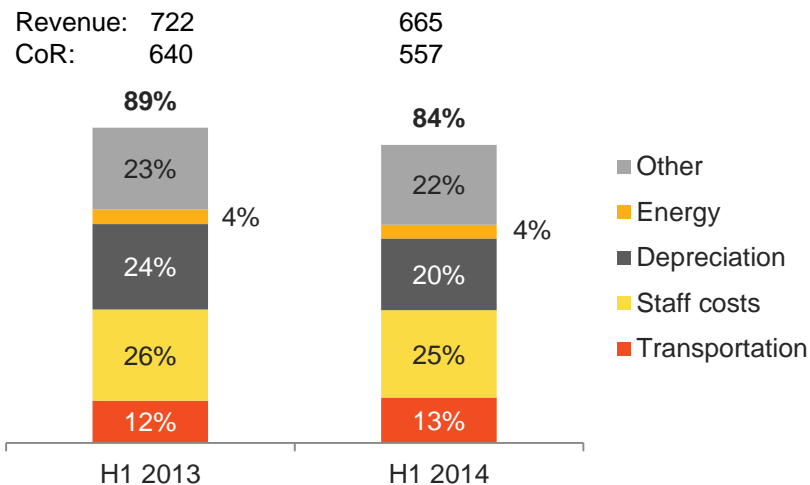


Cost structure by segment

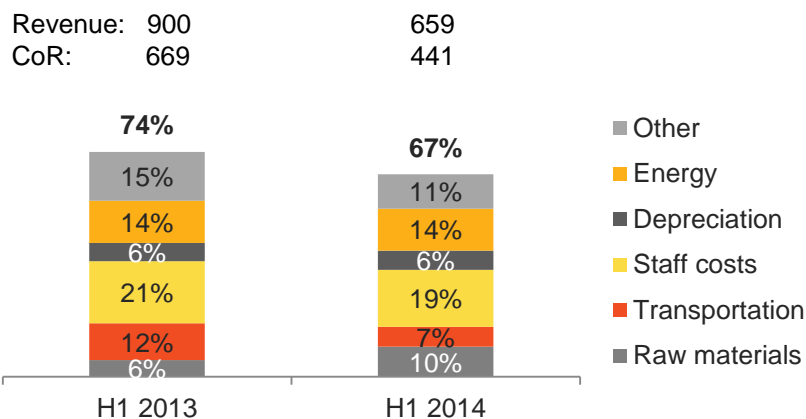
Cost structure of Steel segment, % of segment revenue



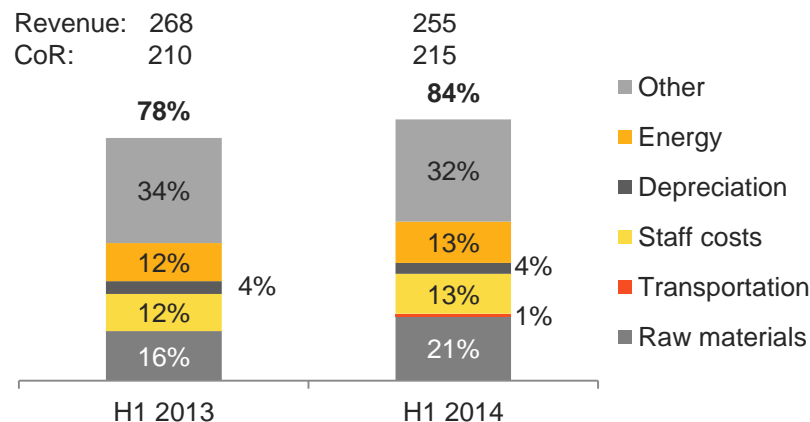
Cost structure of Coal segment, % of segment revenue



Cost structure of Iron ore segment, % of segment revenue



Cost structure of Vanadium segment, % of segment revenue



Note. Numbers may not add to totals due to rounding. Percent changes based on numbers prior to rounding

Efficiency improvement plan: update on progress

Initiative	H1 2014 achievements	H1 2014* vs. H1 2013 actual results, \$m
Restructuring of production assets	<ul style="list-style-type: none"> Shutdown and disposal of inefficient Russian iron ore, coal mines, workshop at ZSMK, Central Heat and Power Plant and mill at EVRAZ North America 	(59)
Optimisation in steelmaking	<ul style="list-style-type: none"> Decrease in EVRAZ North America's costs, including volume increase effect and improved yields TPG Decrease in overtime, fixed costs and quality claims at EVRAZ North America 	(36)
Staff cost optimisation	<ul style="list-style-type: none"> Reduction of headcount and related G&A costs at Russian, Ukraine and North America assets 	(33)
Optimisation of raw materials in steelmaking	<ul style="list-style-type: none"> Changes in iron and ferroalloys mix and improved coke yields at EVRAZ ZSMK. Decrease of coke consumption per tonne of pig iron at EVRAZ DMZ at the same production volumes 	(28)
Decrease in coal production expenses	<ul style="list-style-type: none"> Optimisation of tunneling works, maintenance, degassing and ventilation costs at Yuzhkuzbassugol And increasing volumes at Rospadskaya 	(24)
Decrease in iron ore production expenses	<ul style="list-style-type: none"> Lower mineral extraction and land tax rates at Evrazruda and decrease in prices for auxiliary materials at EVRAZ KGOK 	(5)
Decrease in repairs	<ul style="list-style-type: none"> Optimisation of repairs at EVRAZ ZSMK and EVRAZ NTMK steel mills 	(5)
Decrease in energy costs	<ul style="list-style-type: none"> Lower electricity consumption at EVRAZ DMZ and Yuzhkuzbassugol 	(3)
Total:		(193)

□ Operating cost savings plan is \$350m in 2014

□ Actual result in 1H 2014 is \$193m

□ G&A expenses to be reduced by \$100m on an annualised basis from 2015, with \$50m already to be achieved in 2014

* Actual results excluding effect of forex rates

EBITDA

US\$ million

Consolidated EBITDA reconciliation	30 June 2014	30 June 2013
Profit from operations	297	145
Add:		
Depreciation, depletion and amortisation	435	580
Impairment of assets	147	7
Loss on disposal of property, plant & equipment	21	14
Foreign exchange (gain) loss	180	179
Consolidated EBITDA	1,080	925

Free cash flow

US\$ million

Free cash flow calculation	30 June 2014
EBITDA	1,080
Changes in working capital, excl. income tax	(175)
Income tax paid	(94)
Other	33
Cash flows from operating activities	844
Net interest and similar payments	(235)
Capital expenditures, incl. recorded in financing activities	(365)
Purchases of subsidiaries (net of cash acquired) and interests in associates/joint ventures	(102)
Proceeds from sale of disposal groups classified as held for sale, net of transaction costs	296
Other cash flows from investing activities	19
Equity transactions	(13)
Free cash flow	444

Total debt

US\$ million

Total debt calculation	30 June 2014	31 December 2013
Long-term loans	5,960	6,041
Short-term loans and current portion of long-term loans	1,244	1,816
Add back: Unamortised debt issue costs and fair value adjustment to liabilities assumed in business combination	40	41
Nominal effect of cross-currency swaps on principal of rouble-denominated notes	230	186
Loans of assets classified as held for sale	-	76
Finance lease liabilities, including current portion	5	6
Total Debt	7,479	8,166

Net debt

US\$ million

Net debt calculation	30 June 2014	31 December 2013
Total Debt	7,479	8,166
Short-term bank deposits	-	-
Cash and cash equivalents	(1,353)	(1,604)
Cash of assets classified as held for sale	-	(7)
Collateral under swaps	(31)	(21)
Net Debt	6,095	6,534



London +44 207 832 8990
Moscow +7 495 232 1370
IR@evraz.com
www.evraz.com

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