



## Severstal reports 9M and Q3 2010 operational results

**Moscow, Russia - October 28, 2010** – OAO Severstal (LSE: SVST), one of the world's leading integrated steel and mining companies, today announces its operational results for the 9 months and Q3 2010.

### PRODUCTION OF HOT METAL AND CRUDE STEEL

Total output*	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Hot metal: total output</b>	<b>9 524 473</b>	<b>7 723 747</b>	<b>23%</b>	<b>3 038 349</b>	<b>3 402 987</b>	<b>-11%</b>
Russian Steel	6 418 509	5 189 534	24%	2 188 671	2 132 028	3%
North America	3 105 964	2 534 213	23%	849 678	1 270 959	-33%
<b>Crude steel: total output</b>	<b>12 878 117</b>	<b>10 917 152</b>	<b>18%</b>	<b>4 213 246</b>	<b>4 563 855</b>	<b>-8%</b>
Russian Steel	8 172 365	6 898 432	18%	2 856 327	2 739 890	4%
North America	4 705 752	4 018 720	17%	1 356 919	1 823 965	-26%

### CONSOLIDATED SALES (NET OF INTERCOMPANY SALES)

Sales volume*	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Coal:</b>	<b>5 652 988</b>	<b>3 541 900</b>	<b>60%</b>	<b>1 992 852</b>	<b>1 992 612</b>	<b>0%</b>
Coking coal	293 007	109 512	168%	164 811	116 843	41%
Coking coal concentrate	2 370 723	624 416	280%	886 209	854 748	4%
Steam coal	2 989 258	2 807 972	6%	941 833	1 021 020	-8%
<b>Iron ore</b>	<b>2 320 275</b>	<b>3 197 139</b>	<b>-27%</b>	<b>1 064 594</b>	<b>604 630</b>	<b>76%</b>
Iron ore pellets	2 320 275	3 084 350	-25%	1 064 594	604 630	76%
Iron ore concentrate	-	112 789	n.a.	-	-	n.a.
<b>Gold (oz tr.)</b>	<b>408 406</b>	<b>360 640</b>	<b>13%</b>	<b>148 412</b>	<b>137 356</b>	<b>8%</b>
<b>Semi-finished products</b>	<b>705 493</b>	<b>529 407</b>	<b>33%</b>	<b>297 547</b>	<b>338 686</b>	<b>-12%</b>
<b>Rolled products:</b>	<b>10 275 317</b>	<b>8 736 051</b>	<b>18%</b>	<b>3 321 934</b>	<b>3 726 502</b>	<b>-11%</b>
Hot-rolled strip and plate	5 423 957	4 394 599	23%	1 744 427	1 930 971	-10%
Cold-rolled sheet	2 266 462	1 890 363	20%	695 670	855 486	-19%
Galvanised and metallic coated sheet	1 786 123	1 639 003	9%	526 077	656 656	-20%
Color coated sheet	210 362	220 671	-5%	96 866	72 641	33%
Long products	588 415	591 414	-1%	258 895	210 748	23%
<b>Downstream products:</b>	<b>1 352 531</b>	<b>1 198 877</b>	<b>13%</b>	<b>457 742</b>	<b>499 554</b>	<b>-8%</b>
Metalware products	657 462	611 175	8%	230 789	236 016	-2%
Large diameter pipes	335 249	267 945	25%	102 814	131 334	-22%
Other tubes, pipes, formed shapes	359 820	319 757	13%	124 138	132 204	-6%

\* - metric tonnes unless otherwise stated.

## SEGMENT BREAKDOWN

### Severstal Resources\*

Sales volume**	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Coal:</b>	<b>8 604 927</b>	<b>6 336 756</b>	<b>36%</b>	<b>2 977 499</b>	<b>2 987 406</b>	<b>0%</b>
Coking coal, Vorkutaugol	293 007	109 512	168%	164 811	116 843	41%
Coking coal concentrate, including	5 322 662	3 419 272	56%	1 870 856	1 849 543	1%
Vorkutaugol	3 960 084	2 945 579	34%	1 399 637	1 351 709	4%
PBS Coals	1 362 578	473 693	188%	471 218	497 834	-5%
Steam coal, including	2 989 258	2 807 972	6%	941 833	1 021 020	-8%
Vorkutaugol	2 000 335	1 647 830	21%	561 134	682 486	-18%
PBS Coals	988 923	1 160 141	-15%	380 699	338 534	12%
<b>Iron ore:</b>	<b>10 208 519</b>	<b>9 847 076</b>	<b>4%</b>	<b>3 595 695</b>	<b>3 372 149</b>	<b>7%</b>
Iron ore pellets	7 175 579	6 023 652	19%	2 481 119	2 432 813	2%
Iron ore concentrate	3 032 940	3 823 424	-21%	1 114 576	939 337	19%
<b>Gold (oz tr.)</b>	<b>408 406</b>	<b>360 640</b>	<b>13%</b>	<b>148 412</b>	<b>137 356</b>	<b>8%</b>

### Severstal Russian Steel\*

Sales volume**	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Semi-finished products</b>	<b>809 211</b>	<b>518 606</b>	<b>56%</b>	<b>297 499</b>	<b>413 290</b>	<b>-28%</b>
<b>Rolled products:</b>	<b>5 740 654</b>	<b>4 898 917</b>	<b>17%</b>	<b>1 937 918</b>	<b>2 045 229</b>	<b>-5%</b>
Hot-rolled strip and plate	3 431 457	2 854 691	20%	1 074 006	1 161 747	-8%
Cold-rolled sheet	1 143 262	906 996	26%	370 479	457 149	-19%
Galvanised and metallic coated sheet	390 555	367 497	6%	140 308	153 216	-8%
Color coated sheet	179 138	178 319	0%	91 890	60 810	51%
Long products	596 242	591 414	1%	261 236	212 306	23%
<b>Downstream products:</b>	<b>1 273 472</b>	<b>1 099 480</b>	<b>16%</b>	<b>425 946</b>	<b>471 408</b>	<b>-10%</b>
Metalware products	577 926	510 740	13%	198 843	207 742	-4%
Large diameter pipes	335 249	268 522	25%	102 814	131 334	-22%
Other tubes, pipes, formed shapes	360 296	320 218	13%	124 288	132 333	-6%

### Severstal North America\*

Sales volume**	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Rolled products:</b>	<b>4 544 752</b>	<b>3 837 727</b>	<b>18%</b>	<b>1 386 734</b>	<b>1 684 502</b>	<b>-18%</b>
Hot-rolled strip and plate	1 993 387	1 540 501	29%	670 799	769 520	-13%
Cold-rolled sheet	1 124 573	983 368	14%	325 191	399 711	-19%
Galvanised and metallic coated sheet	1 395 568	1 271 506	10%	385 769	503 439	-23%
Color coated sheet	31 223	42 352	-26%	4 976	11 832	-58%
<b>Downstream products (Metalware)</b>	<b>81 286</b>	<b>101 616</b>	<b>-20%</b>	<b>32 586</b>	<b>28 802</b>	<b>13%</b>

\* - including intercompany sales. \*\* - metric tonnes unless otherwise stated.

## VOLUME WEIGHTED AVERAGE SELLING PRICES

### Consolidated sales

Sales prices (EXW), USD/tonne	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Coal</b>	<b>86</b>	<b>62</b>	<b>38%</b>	<b>94</b>	<b>93</b>	<b>1%</b>
Coking coal, Vorkutaugol	56	15	280%	72	37	95%
Coking coal concentrate, including	139	81	71%	150	150	0%
Vorkutaugol	139	78	78%	148	154	-4%
PBS Coals	138	103	34%	155	137	13%
Steam coal	42	41	3%	44	43	2%
Vorkutaugol	32	27	19%	32	32	0%
PBS Coals	63	60	4%	62	66	-6%
<b>Iron ore</b>	<b>85</b>	<b>40</b>	<b>112%</b>	<b>96</b>	<b>99</b>	<b>-3%</b>
Iron ore pellets	94	44	114%	105	111	-5%
Iron ore concentrate	-	35	n.a.	-	-	n.a.
<b>Gold (USD/oz tr.)</b>	<b>1 181</b>	<b>942</b>	<b>25%</b>	<b>1 238</b>	<b>1 194</b>	<b>4%</b>
<b>Semi-finished products</b>	<b>482</b>	<b>331</b>	<b>46%</b>	<b>507</b>	<b>510</b>	<b>-1%</b>
<b>Rolled products</b>	<b>704</b>	<b>567</b>	<b>24%</b>	<b>733</b>	<b>727</b>	<b>1%</b>
Hot-rolled strip and plate	604	464	30%	623	636	-2%
Cold-rolled sheet	704	584	21%	752	715	5%
Galvanised and metallic coated sheet	900	825	9%	915	916	0%
Color coated sheet	1 213	1 001	21%	1 172	1 276	-8%
Long products	789	438	80%	836	802	4%
<b>Downstream products</b>	<b>1 183</b>	<b>1 077</b>	<b>10%</b>	<b>1 199</b>	<b>1 205</b>	<b>0%</b>
Metalware products	1 072	969	11%	1 120	1 085	3%
Large diameter pipes	2 004	1 948	3%	1 992	2 010	-1%
Other tubes and pipes, formed shapes	690	556	24%	736	695	6%

### Severstal Resources

Sales prices (EXW), USD/tonne	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Coal</b>	<b>83</b>	<b>62</b>	<b>33%</b>	<b>91</b>	<b>89</b>	<b>2%</b>
Coking coal, Vorkutaugol	56	15	280%	72	37	95%
Coking coal concentrate	139	81	71%	150	150	0%
Vorkutaugol	139	78	78%	148	154	-4%
PBS Coals	138	103	34%	155	137	13%
Steam coal	42	41	3%	44	43	2%
Vorkutaugol	32	27	19%	32	32	0%
PBS Coals	63	60	4%	62	66	-6%
<b>Iron ore</b>	<b>85</b>	<b>40</b>	<b>112%</b>	<b>96</b>	<b>99</b>	<b>-3%</b>
Iron ore pellets	94	44	114%	105	111	-5%
Iron ore concentrate	66	34	94%	80	71	13%
<b>Gold (USD/oz tr.)</b>	<b>1 181</b>	<b>942</b>	<b>25%</b>	<b>1 238</b>	<b>1 194</b>	<b>4%</b>



## Severstal Russian Steel

Sales prices (EXW), USD/tonne	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Semi-finished products</b>	<b>459</b>	<b>323</b>	<b>42%</b>	<b>478</b>	<b>485</b>	<b>-1%</b>
<b>Rolled products</b>	<b>629</b>	<b>468</b>	<b>34%</b>	<b>670</b>	<b>649</b>	<b>3%</b>
Hot-rolled strip and plate	571	425	34%	596	596	0%
Cold-rolled sheet	642	475	35%	708	646	10%
Galvanised and metallic coated sheet	837	671	25%	865	844	2%
Color coated sheet	1 197	974	23%	1 161	1 258	-8%
Long products	602	438	37%	627	626	0%
<b>Downstream products</b>	<b>1 174</b>	<b>1 036</b>	<b>13%</b>	<b>1 187</b>	<b>1 198</b>	<b>-1%</b>
Metalware products	1 033	860	20%	1 079	1 046	3%
Large diameter pipes	2 004	1 948	3%	1 992	2 010	-1%
Other tubes and pipes, formed shapes	690	556	24%	736	695	6%

## Severstal North America

Sales prices (EXW), USD/tonne	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
<b>Rolled products:</b>	<b>782</b>	<b>693</b>	<b>13%</b>	<b>782</b>	<b>809</b>	<b>-3%</b>
Hot-rolled strip and plate	680	536	27%	680	718	-5%
Cold-rolled sheet	791	684	16%	817	819	0%
Galvanised and metallic coated sheet	921	870	6%	936	941	-1%
Color coated sheet	1 328	1 116	19%	1 386	1 384	0%
<b>Downstream products (Metalware)</b>	<b>1 422</b>	<b>1 515</b>	<b>-6%</b>	<b>1 430</b>	<b>1 469</b>	<b>-3%</b>



Note: As of Q2 2010, Severstal has been reporting its consolidated operational results without Lucchini sales volumes and average selling prices. On June 30, 2010 Severstal announced the sale of 50.8% of Lucchini S.p.A shares to a company controlled by Alexey Mordashov. Lucchini's operational results for 9M and Q3 2010 are provided below for information purposes only. Severstal currently owns 49.2% of Lucchini S.p.A.

## LUCCHINI

Total output*	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
Hot metal: total output	1 488 222	982 969	51%	408 023	575 728	-29%
Crude Steel: total output	1 878 989	1 211 371	55%	515 842	736 925	-30%

Sales volume, tonnes*	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
Semi-finished products	712 204	401 669	77%	170 306	234 812	-27%
Rolled long products	1 297 715	884 350	47%	363 330	485 308	-25%
Downstream products (Metalware)	39 367	31 636	24%	13 657	15 752	-13%

Sales prices (EXW), USD/tonne	9M 2010	9M 2009	Change, %	Q3 2010	Q2 2010	Change, %
Semi-finished products	506	462	9%	590	547	8%
Rolled long products	916	959	-4%	1 034	906	14%
Downstream products (Metalware)	981	1 018	-4%	1 041	950	10%

\* - including intercompany sales

Note: Semi-finished products include hot metal, pig iron, slabs, billets, ingots, steel casting and forgings.

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**OAO Severstal** is one of the world's leading integrated steel and mining companies. The company's shares are traded on the Russian Trading System (CHMF), MICEX (CHMF, RTS) and LSE (SVST). With assets in Russia, Ukraine, Kazakhstan, Italy, France, the USA and Africa, Severstal posted revenue of \$13.05 billion and EBITDA of \$844 million in 2009. The Company was also ranked 13th in Metal Bulletin's 2009 global ranking of Top Steelmakers, producing 16.8 million tonnes of crude steel. Severstal's mining assets in Russia and the USA mean that the Company is self sufficient in coking coal and iron ore in Russia and 50% self sufficient in coking coal in the USA.

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