



Severstal reports Q4 and FY 2011 operational results

Moscow, Russia – January 31, 2012 – OAO Severstal (LSE: SVST), one of the world's leading vertically integrated steel and mining companies, today announces its operational results for Q4 and 12 months 2011. On November 30, 2011, Severstal announced the separation of its gold business. The transaction was completed in January, 2012.

SUMMARY OF KEY PRODUCTION, SALES VOLUMES AND SELLING PRICES DATA

Production, MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Hot metal (total output):	2 618 165	2 629 011	0%	10 543 687	10 490 584	1%
Russian Steel	2 213 400	2 182 354	1%	8 815 059	8 689 308	1%
North America	404 765	446 657	-9%	1 728 628	1 801 276	-4%
Crude steel (total output):	3 761 692	4 010 369	-6%	15 293 407	14 724 677	4%
Russian Steel	2 788 605	2 881 165	-3%	11 354 746	11 085 171	2%
Severstal North America (SNA)	973 087	1 129 204	-14%	3 938 661	3 639 506	8%
Sales volume, MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Coking coal concentrate	1 876 736	1 981 637	-5%	7 591 670	7 262 414	5%
Iron ore pellets	2 617 272	2 865 831	-9%	10 051 406	9 797 203	3%
Iron ore concentrate	1 216 039	1 254 673	-3%	4 763 870	4 027 167	18%
Steel products*	3 630 444	4 137 768	-12%	14 824 074	14 437 555	3%
Rolled products (Russian Steel)	1 836 180	2 220 378	-17%	7 833 030	7 663 670	2%
Rolled products (SNA)	1 022 938	1 078 529	-5%	3 808 552	3 581 636	6%
Average price, \$/MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Coking coal concentrate	166	199	-17%	184	138	34%
Iron ore pellets	133	135	-1%	134	103	30%
Hot-rolled strip and plate (Russian Steel)	700	749	-7%	732	599	22%
Rolled products (SNA)	822	857	-4%	862	754	14%

*- Consolidated sales

SALES VOLUME BY SEGMENT

Severstal Resources

Sales volume, MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Coal:	2 691 567	2 667 160	1%	10 634 866	11 733 003	-9%
Coking coal concentrate, including	1 876 736	1 981 637	-5%	7 591 670	7 262 414	5%
Vorkutaugol	1 295 302	1 205 909	7%	5 127 440	5 361 814	-4%
PBS Coals	581 434	775 728	-25%	2 464 229	1 900 600	30%
Raw coking coal, Vorkutaugol	88 193	82 226	7%	289 556	574 752	-50%
Steam coal, including	726 638	603 297	20%	2 753 640	3 895 837	-29%
Vorkutaugol	649 505	463 206	40%	2 028 358	2 572 098	-21%
PBS Coals	77 134	140 091	-45%	725 283	1 323 739	-45%
Iron ore:	3 833 311	4 120 504	-7%	14 815 276	13 824 370	7%
Iron ore pellets	2 617 272	2 865 831	-9%	10 051 406	9 797 203	3%
Iron ore concentrate	1 216 039	1 254 673	-3%	4 763 870	4 027 167	18%

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Severstal Russian Steel

Sales volume, MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Semi-finished products	312 431	341 570	-9%	1 291 844	1 403 226	-8%
Rolled products:	1 836 180	2 220 378	-17%	7 833 030	7 663 670	2%
Hot-rolled strip and plate	1 075 974	1 260 698	-15%	4 615 060	4 569 341	1%
Cold-rolled sheet	345 551	366 928	-6%	1 396 173	1 540 614	-9%
Galvanised and metallic coated sheet	177 116	254 183	-30%	765 083	536 594	43%
Color coated sheet	54 082	73 535	-26%	240 589	243 716	-1%
Long products	183 456	265 033	-31%	816 126	773 405	6%
Downstream products:	458 896	500 954	-8%	1 902 821	1 747 411	9%
Metalware products	178 622	192 278	-7%	765 434	785 858	-3%
Large diameter pipes	92 481	141 579	-35%	501 483	471 185	6%
Other tubes, pipes, formed shapes	187 792	167 097	12%	635 903	490 368	30%

Severstal North America

Sales volume, MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Rolled products:	1 022 938	1 078 529	-5%	3 808 552	3 581 636	6%
Hot-rolled strip and plate	596 523	668 154	-11%	2 063 660	1 800 636	15%
Cold-rolled sheet	131 302	121 634	8%	519 385	652 727	-20%
Galvanised and metallic coated sheet	295 113	288 742	2%	1 225 507	1 128 273	9%

CONSOLIDATED SALES (NET OF INTERCOMPANY SALES)

Sales volume, MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Coal:	1 809 504	1 708 834	6%	7 036 755	7 679 159	-8%
Coking coal concentrate	994 673	1 023 311	-3%	3 993 559	3 208 709	24%
Raw coking coal	88 193	82 226	7%	289 556	574 682	-50%
Steam coal	726 638	603 297	20%	2 753 640	3 895 768	-29%
Iron ore:	1 565 845	1 832 064	-15%	5 625 915	3 561 123	58%
Iron ore pellets	1 565 845	1 731 441	-10%	5 322 831	3 561 123	49%
Iron ore concentrate	0	100 623	-	303 084	0	-
Semi-finished products	312 431	341 827	-9%	1 292 420	1 299 775	-1%
Rolled products:	2 859 117	3 295 581	-13%	11 630 620	11 393 093	2%
Hot-rolled strip and plate	1 672 496	1 928 796	-13%	6 678 539	6 402 876	4%
Cold-rolled sheet	476 854	488 562	-2%	1 915 558	2 252 064	-15%
Galvanised and metallic coated sheet	472 229	542 924	-13%	1 990 590	1 732 664	15%
Color coated sheet	54 082	73 535	-26%	240 589	243 716	-1%
Long products	183 456	261 763	-30%	805 345	761 773	6%
Downstream products:	458 896	500 359	-8%	1 901 034	1 744 687	9%
Metalware products	178 622	191 683	-7%	763 648	783 686	-3%
Large diameter pipes	92 481	141 579	-35%	501 483	471 185	6%
Other tubes, pipes, formed shapes	187 792	167 097	12%	635 903	489 816	30%

AVERAGE SELLING PRICES FOR CONSOLIDATED SALES

Sales price (EXW), \$/MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Coal:						
Coking coal concentrate	168	190	-11%	171	140	22%
Raw coking coal, Vorkutaugol	124	146	-15%	139	66	111%
Steam coal	40	43	-7%	45	43	5%
Iron ore:						
Iron ore pellets	139	133	4%	133	108	23%
Iron ore concentrate	0	101	-	100	0	-
Semi-finished products	549	612	-10%	592	489	21%
Rolled products:						
Hot-rolled strip and plate	713	758	-6%	747	619	21%
Cold-rolled sheet	822	879	-7%	866	705	23%
Galvanised and metallic coated sheet	993	1 048	-5%	1 006	885	14%
Color coated sheet	1 210	1 345	-10%	1 267	1 182	7%
Long products	690	757	-9%	736	617	19%
Downstream products:						
Metalware products	1 200	1 301	-8%	1 264	1 062	19%
Large diameter pipes	2 006	1 911	5%	2 007	2 040	-2%
Other tubes and pipes, formed shapes	819	883	-7%	868	710	22%

AVERAGE SELLING PRICES BY SEGMENT

Severstal Resources

Sales price (EXW), \$/MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Coal:						
Coking coal concentrate	166	199	-17%	184	138	34%
Vorkutaugol	167	210	-20%	193	143	35%
PBS Coals	162	182	-11%	166	122	36%
Raw coking coal, Vorkutaugol	124	146	-15%	139	66	111%
Steam coal	40	43	-7%	45	41	9%
Vorkutaugol	36	37	-1%	37	32	17%
PBS Coals	70	64	9%	66	59	12%
Iron ore:						
Iron ore pellets	133	135	-1%	134	103	30%
Iron ore concentrate	86	97	-12%	95	68	40%



Severstal Russian Steel

Sales price (EXW), \$/MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Semi-finished products	549	612	-10%	592	482	23%
Rolled products:						
Hot-rolled strip and plate	700	749	-7%	732	599	22%
Cold-rolled sheet	808	872	-7%	848	670	27%
Galvanised and metallic coated sheet	1 015	1 073	-5%	1 023	852	20%
Color coated sheet	1 210	1 345	-10%	1 267	1 182	7%
Long products	690	757	-9%	736	617	19%
Downstream products:						
Metalware products	1 200	1 301	-8%	1 264	1 063	19%
Large diameter pipes	2 006	1 911	5%	2 007	2 040	-2%
Other tubes and pipes, formed shapes	819	883	-7%	868	710	22%

Severstal North America

Sales price (EXW), \$/MT	Q4 2011	Q3 2011	Change, %	2011	2010	Change, %
Rolled products:	822	857	-4%	862	754	14%

Notes: 1) Segmental data include intercompany sales; 2) Semi-finished products include pig iron, slabs, billets, ingots, steel casting and forgings; 3) Metalware sales volumes and metalware average selling prices include Severstal Metiz, Cherepovets Steel Mill, Severstallat and Severstal Invest data

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OAO Severstal is one of the world's leading vertically integrated steel and steel related mining companies, with assets in Russia and the USA, in Ukraine, Latvia, Poland, Italy, Liberia and Brazil. Severstal is listed on MICEX and the company's GDRs are traded on the LSE. Severstal reported revenue of \$13,573 million and EBITDA of \$3,263 million in 2010. Severstal's crude steel production in 2010 reached 14.7 million tonnes. www.severstal.com

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