



MAGNITOGORSK IRON AND STEEL WORKS
Open Joint Stock Company
OAO MMK

EXTRACT FROM THE MINUTES OF THE MEETING

October 13, 2006

5

City of Magnitogorsk

Re: Adoption of decisions by absentee voting by
the Board of Directors of the Magnitogorsk Iron and Steel Works
Open Joint Stock Company ("the Company")

Pursuant to Article 68 of the Federal Law "On Joint Stock Companies", Article # 11.12 of the Company's Charter, Clause 4.5 and Section 7 of the Regulations on the Company's Board of Directors, Deputy Chairman of the Company's Board of Directors Andrei A.Morozov on October 5, 2006, resolved to have the following decisions to be adopted by absentee voting by the Board of Directors:

3. On determination of the buy-back price of the Company's shares upon shareholders' request

Regarding this third item of the agenda the following decision was adopted:

Pursuant to Subparagraph 7, paragraph 1, Article 65, and paragraph 3, Article 75 of the Federal Law "On Joint Stock Companies", the following price, based on the opinion of an independent appraiser, shall be determined for the buy-back of the Company's shares upon request of shareholders who voted against or did not take part in the voting on the issue of the agenda of the extraordinary meeting "On the Reorganization of the Company (by Merging ZAO RFZ):

- **RUR 18.51 (eighteen rubles fifty one kopecks) per ordinary share.**

Andrei A.Morozov, Deputy Chairman of the Board of Directors, OAO MMK