



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:

1. On calling an extraordinary general shareholders' meeting of the Company

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

1. Pursuant to Articles 50, 51, 54, 55 and 65 of the Federal Law "On Joint Stock Companies" and Paragraph 4.19 of "the Regulations on Additional Requirements for the Procedure of Preparing, Calling and Conducting General Shareholders' Meetings" approved by the Resolution of the Russian Federation Federal Committee for Securities Markets dated 31.05.2002, # 17/ps, an extraordinary general shareholders' meeting of the Company shall be called. It is hereby resolved that:

- the extraordinary shareholders' meeting shall be conducted by absentee voting;
- the deadline for receipt of voting ballots (delivery of ballots) shall be November 28, 2006;
- the postal address to which completed voting ballots are to be delivered shall be Ul.Zaveniaghina 9, Magnitogorsk, 455049, Magnitogorsk Branch of the STATUS Registrar Closed Joint Stock Company;
- the date and time of making the list of persons entitled to voting at the extraordinary general shareholders' meeting shall be October 13, 2006, 17.00.

2. Pursuant to Article 17, Subparagraph 2, 10.1, Paragraph 1, Article 48, Paragraph 3 of Article 49, Article 54, Subparagraph 3, Paragraph 1, Article 65 of the Federal Law "On Joint Stock Companies", the following agenda of the extraordinary meeting shall be adopted:

- 2.1. Payment of dividends on the Company's placed shares as at the end of 9 months of the 2006 financial year;
- 2.2. Reorganization of the Company by merging ZAO RFZ (Closed Joint Stock Company "Stock-Clearing Centre")

3. Based on Articles 52 and 54 of the Federal Law "On Joint Stock Companies", Paragraphs 3.4 and 3.5 of the Regulations on Additional Requirements for the Procedure of Preparing, Calling and Conducting General Shareholders' Meetings" approved by the Resolution of the Russian Federation Federal Committee for Securities Markets dated 31.05.2002, # 17/ps, Paragraph 5.3 of the Regulations on the General Shareholders' Meeting, it is hereby resolved to provide the following information to persons entitled to participation in the extraordinary shareholders' meeting of the Company:

- extract from the Minutes of the Meeting of the Company's Board of Directors regarding the issue of calling an extraordinary shareholders' meeting of the Company;
- draft agreement on merging ZAO RFZ with the Company (setting out the terms and conditions and the procedure of the Company's reorganization);
- annual reports and annual accounting statements of the Company for 2003, 2004 and 2005;
- accounting statements of the Company for 9 months of the 2006 financial year (balance sheet, profit and loss statement);
- extract from the Minutes of the Meeting of the Company's Board of Directors regarding the recommendation to the extraordinary shareholders' meeting on the size of dividends on the Company's shares and the procedure of payment thereof as at the end of 9 months of the 2006 financial year;
- draft decisions of the Company's extraordinary shareholders' meeting on the agenda's issues;
- copy of the report of an independent appraiser on the market value of the Company's shares which may be claimed for buy-back by the Company;
- calculation of the Company's net assets' value according to the accounting reports for the latest complete accounting period;
- extract from the Minutes of the Meeting of the Company's Board of Directors regarding the determination of the buy-back price of the Company's shares upon shareholders' requests.

Shareholders may review the above information after October 28, 2006, at the following addresses: Ul.Kirova 93, Magnitogorsk, Open Joint Stock Company "Magnitogorsk Iron and Steel Works"; Ul.Zaveniaghina 9, Magnitogorsk, Magnitogorsk Branch of the STATUS Registrar Closed Joint Stock Company; Ul.Kirova 70, Magnitogorsk, the Company's Shareholder Relations Department, open on weekdays from 09:30 till 17:30, with a lunch break from 12:00 till 13:00 local time.

4. Pursuant to Articles 52, 54, 60, and 76 of the Federal Law "On Joint Stock Companies", Paragraph 10.7 of the Company's Charter and Paragraph 5.1 of the Regulations on the Company's General Shareholders' Meeting, the Company's Corporate Secretary shall be instructed to send a notification of the extraordinary general shareholders' meeting and a voting ballot to each person indicated in the list of persons entitled to participation in such a meeting, by registered mail before October 28, 2006, and to publish such a notification in the Magnitogorski Rabochi and Magnitogorski Metall dailies.

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

