

QUARTERLY REPORT

Open Joint-Stock Company "Novolipetsk Steel"

The Issuer's code: 00102-A

for IV quarter of 2007

Domicile: Russian Federation

Postal address: 2, pl. Metallurgov, Lipetsk 398040 Russia

The information contained in this quarterly report is subject to disclosure in accordance with legislation on securities of the Russian Federation.

**Senior Vice-president –
General Director**

_____ **Vladimir P. Nastich**

(signature)

Date "11" February 2008

Chief Accountant

_____ **Alexander A. Sokolov**

(signature)

Date "11" February 2008

Seal

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Contents

Introduction.....	6
I. Brief information on members of the Issuer's Management bodies, data on bank accounts, auditor, appraiser and financial adviser of the Issuer as well as on other persons who signed this quarterly report.	7
1.1. Members of the Issuer's Management Bodies.....	7
1.2. Information on the Issuer's bank accounts.....	8
1.3. Information on the Issuer's Auditor (Auditors).	10
1.4. Information on Appraiser.....	11
1.5. Information on the Issuer's advisers.....	11
1.6. Information on other persons who signed this Quarterly Report.	12
II. Main information on the Issuer's financial performance.	13
2.1. Financial and economic indicators of the Issuer's performance.	13
2.2. The Issuer's market capitalization.	13
2.3. The Issuer's liabilities.	14
2.3.1. Accounts payable.....	14
2.3.2. The Issuer's credit history.	14
2.3.3. The Issuer's commitments related to security for third parties.	14
2.3.4. Other commitments of the Issuer.	15
2.4. Purposes of issue and use of funds gathered from securities distribution.	15
2.5. Risks related to acquisition of distributed equity securities.	15
2.5.1. Industry risks	15
2.5.2. Country and regional risks.....	17
2.5.3. Financial risks	19
2.5.4. Legal risks	19
2.5.5. Risks associated with the Issuer's activity.....	20
2.5.6. Bank risks	20
III. Detail information on the Issuer.....	20
3.1. Issuer's history and development.	20
3.1.1. Information on the Issuer's company name.....	20
3.1.2. Information on state registration of the Issuer.....	21
3.1.3. Information on foundation and development of the Issuer.....	21
3.1.4. Contact information.....	22
3.1.5. Taxpayer Identification Number.	22
3.1.6. The Issuer's branches and representative offices.	22
3.2. The Issuer's core activity.	22
3.2.1. The Issuer's sectoral affiliation.	22
3.2.2. The Issuer's core activity.	24
3.2.3. Materials, goods (raw materials) and suppliers of the Issuer.....	24
3.2.4. Sales markets of the Issuer's products (works, services).....	24
3.2.5. Information on the Issuer's licenses.	25
3.2.6. Joint ventures of the Issuer.	32
3.2.7. Additional requirements to Issuers being stock investment funds, insurance or credit companies, mortgage agencies.	33
3.2.8. Additional requirements to Issuers, which specialize in mining operations.	33
3.2.9. Additional requirements to the Issuers whose core activity is communication services.	38
3.3. The Issuer's prospects.	38

3.4. The Issuer's share in industrial, banking and financial groups, holdings, concerns and associations.....	39
3.5. Subsidiaries and affiliated companies of the Issuer.....	39
3.6. Composition, structure and value of the Issuer's fixed assets, information on plans of acquisition, change, retirement of fixed assets as well as on all events of the Issuer's fixed assets charge.....	51
3.6.1. Fixed assets.	51
IV. Information on the Issuer's financial performance.....	51
4.1. Issuer's financial performance results.....	51
4.1.1. Profit and loss.	51
4.1.2. Factors which influenced the Issuer's sales proceeds and income (losses) from the Issuer's core operations.	51
4.2. The Issuer's liquidity, adequacy of capital and current assets.	51
4.3. Amount and structure of the Issuer's capital and current assets.	52
4.3.1. Amount and structure of the Issuer's capital and current assets.....	52
4.3.2. The Issuer's financial investments.....	52
4.3.3. Intangible assets of the Issuer.	52
4.4. Information on policy and expenses of the Issuer in the field of technological progress, licenses and patents, new developments and research.	52
4.5. Analysis of trends in the Issuer's core activity.....	54
4.5.1. Analysis of factors and conditions that influence the Issuer's business.	54
4.5.2. Main competitors of the Issuer.	57
V. Detail information on members of the Issuer's authorities, financial performance control bodies, brief data on the Issuer's employees.	57
5.1. Information on structure and competence of the Issuer's authorities.....	57
5.2. Information on members of the Issuer's management authorities.	62
5.3. Information on fees, privileges and / or refund of expenses to each management body of the Issuer.....	75
5.4. Information on structure and competence of controlling authorities over the Issuer's economic activity.	75
5.5. Information on members of the authorities controlling the Issuer's financial performance.	77
5.6. Information on fees, privileges and / or expenses reimbursement to each body controlling the Issuer's financial performance.....	80
5.7. Information on staff and summarized data on education and list of personnel (employees) of the Issuer, as well as on changes in the number of personnel (employees) of the Issuer.	81
5.8. Information on any commitments of the Issuer to personnel (employees) related to the possibility of their shareholding in the Issuer's stockholders' capital (unit fund).	81
VI. Information on participants (shareholders) of the Issuer and interested-party transactions concluded by the Issuer.....	81
6.1. Information on the total number of the Issuer's shareholders (participants).	81
6.2. Information on the Issuer's shareholders owning not less than 5 per cent of its stockholders' capital (unit fund) or not less than 5 per cent of its common stock as well as information on shareholders owing not less than 20 per cent of its stockholders' capital (unit fund) or not less than 20 per cent of its common stock.	81
6.3. Information on the state stake or municipal share in stockholders' capital (unit fund) of the Issuer and availability of a special right ("golden share").	82
6.4. Data on limitations in participation in the authorized capital (unit trust)	

of the issuer.	83
6.5. Data on changes in participation of the issuer's shareholders (participants) owning not less than 5 % of its authorized capital (unit trust) or not less than 5% of its common shares.	83
6.6. Information on interested-party transactions concluded by the issuer. ..	86
6.7. Information on accounts receivable amount.	88
VII. Accounting of the issuer and other financial information.....	88
7.1. Annual accounting of the issuer.	88
7.2. Quarterly accounting of the issuer for the last completed reporting quarter.	88
7.3. Consolidated Financial Statements of the Issuer for the last completed financial year.	88
7.4. Information on the Issuer's accounting policy.	88
7.5. Information on total exports as well as on the share of exports in total sales.	88
7.6. Information on real estate value and material changes in the Issuer's property as of the last complete financial year closure.....	89
7.7. Information on the Issuer's participation in any legal procedures if this participation could have significantly affected its financial performance. ..	89
VIII. Additional information on the Issuer and its securities placed.....	89
8.1. Additional information on the Issuer.	89
8.1.1. Information on the amount, structure of the stockholders' capital (unit fund) of the Issuer.....	89
8.1.2. Information on changes in stockholders' capital amount (unit fund) of the Issuer.	90
8.1.3. Information on generation and use of the Issuer's reserve fund as well as other funds.	91
8.1.4. Information on procedure of convocation and conduction of the Issuer's supreme managerial body meeting.	91
8.1.5. Information on profit-making organizations, where the Issuer holds not less than 5 percent of stockholders' equity (unit fund) or not less than 5 percent of common stock.....	94
8.1.6. Information on material transactions of the Issuer.....	97
8.1.7. Information on the Issuer's credit ratings.....	98
8.2. Information on each category (type) of the Issuer's shares.....	99
8.3. Information on previous issues of the Issuer's securities except the Issuer's shares.....	100
8.3.1. Information on issues, the securities of which were paid off (cancelled).	100
8.3.2. Information on issues, the securities of which are still outstanding.	100
8.3.3. Information on default issues.	100
8.4. Information on a person (persons), providing (having provided) security for bond issue.	100
8.5. Security conditions for the Issuer's obligations in respect of bond issue.	100
8.6. Information on organizations, which register rights for the issuer's securities.	100
8.7. Information on legislative acts governing import and export of capital, which could affect payment of dividends, interest and other payments to non-residents.	101
8.8. Description of income taxation procedures regarding placed securities of the Issuer.	101
8.9. Information on announced (accrued) and paid dividends as well as return on	

the Issuer's bonds.....	102
8.10. Other information.....	107
8.11. Data on represented securities and the issuer of represented securities, title to which is certified by Russian depository receipts.....	107

Introduction

The obligation to disclose information in the form of a quarterly report according to the procedure set forth in the Regulations on Information Disclosure by Securities Issuers, approved by Decree of the Federal Financial Markets Service No. 06-117/113-Н dd. 10.10.2006, applies to Open Joint-Stock Company "Novolipetsk Steel" due to the following:

- a) Open Joint-Stock Company "Novolipetsk Steel" is a joint-stock company set up in the course of privatization of a state-owned enterprise, in accordance with a privatization plan approved in due course, which, on the date of its approval, represented the Company's offering prospectus providing for the possibility of the shares disposal to more than 500 acquirers;*
- b) With regard to the securities of Open Joint-Stock Company "Novolipetsk Steel", the offering prospectus has been registered.*

Open Joint-Stock Company "Novolipetsk Steel" is hereinafter in this Report referred to as "Issuer", "Company".

This quarterly report contains appraisal and forecasts made by the Issuer's authorized management bodies related to future events and / or actions, outlook of steel industry development and results of the Issuer's performance inclusive of the Issuer's plans, probability of certain events and actions. Investors shall not fully rely on appraisals and forecasts made by the Issuer's management bodies as actual performance data in the future may differ from the forecast ones due to many reasons. Acquisition of the Issuer's securities depends on risks described in this Quarterly Report.

Financial information included in the present quarterly report is based on the Issuer's financial statements compiled in accordance with Russian rules, and therefore, some discrepancy with the statements compiled as per international standards is possible.

In compiling the present quarterly report the Issuer followed solely the rules and regulations applied in the Russian Federation.

I. Brief information on members of the Issuer's Management bodies, data on bank accounts, auditor, appraiser and financial adviser of the Issuer as well as on other persons who signed this quarterly report.

1.1. Members of the Issuer's Management Bodies.

The Issuer's Management bodies:

a) General Shareholders' Meeting;

b) Board of Directors;

c) Collective executive body – Management Board;

d) Single executive body – President (Chairman of the Management Board).

Chairman of the Board of Directors:

Vladimir S. Lisin

Year of birth: *1956*

Deputy Chairman of the Board of Directors:

Vladimir N. Skorokhodov

Year of birth: *1951*

Members of the Board of Directors:

Oleg V. Bagrin

Year of birth: *1974*

Bruno Bolfo

Year of birth: *1941*

Nikolai A. Gagarin

Year of birth: *1950*

Dmitry A. Gindin

Year of birth: *1946*

Karl Doring

Year of birth: *1937*

Randolph Reynolds

Year of birth: *1941*

Igor P. Fyodorov

Year of birth: *1966*

The Issuer's Management Board:

President (Chairman of the Management Board)

Alexey A. Lapshin

Year of birth: *1947*

Members of the Management Board:

Galina A. Aglyamova

Year of birth: *1961*

Igor N. Anisimov

Year of birth: *1965*

Dmitry A. Baranov

Year of birth: *1968*

Alexander Yu. Gorshkov

Year of birth: *1961*

Yury I. Larin

Year of birth: *1952*

Vladimir P. Nastich

Year of birth: *1953*

Alexander N. Saprykin

Year of birth: *1967*

Stanislav E. Tsyrlin

Year of birth: *1968*

1.2. Information on the Issuer's bank accounts.

Information on NLMK's main bank accounts as of 31.12.2007

<i>#</i>	<i>Full (abbreviated) name, domicile, INN, BIC, correspondent account of credit institution</i>	<i>The Issuer's bank account</i>	<i>Account type</i>
<i>1</i>	<i>Closed joint-stock company "ABN AMRO Bank A.O."; "ABN AMRO Bank A.O."; Bldg 1, 17, ul. Bolshaya Nikitskaya 103009 Moscow; INN 7703120329; BIC 44525217; Correspondent account 30101810900000000217</i>	<i>4070281040000503775 1 4070284070000503775 1 4070297830000503775 1</i>	<i>settlement account USD running account EUR running account</i>

2	<p><i>Closed joint-stock company "Deutsche Bank"</i> OOO "Deutsche Bank"; 4, ul. Schepkina 129090 Moscow; INN 7702216772; BIC 44525101; Correspondent account 3010181010000000101</p>	<p>407028104000000013 2 407028402000000023 4 407029788000000001 4</p>	<p><i>settlement account</i> <i>USD running account</i> <i>EUR running account</i></p>
3	<p><i>Closed joint-stock company "UniCredit Bank";</i> CJSC UniCredit Bank; 9, Prechistenskaya nab., Moscow, 119034; INN 7710030411; BIC 44525545; Correspondent account 3010181030000000545</p>	<p>4070281050001023680 5 4070284010001023680 6 4070297850001023680 2</p>	<p><i>settlement account</i> <i>USD running account</i> <i>EUR running account</i></p>
4	<p><i>Bank of Foreign Trade (open joint-stock company) (outlet No. 6),</i> OAO Vneshtorgbank, (outlet No. 6) 43, ul. Vorontsovskaya, Moscow, 109044; INN 7702070139; BIC 44525187; Correspondent account 3010181070000000187</p>	<p>4070284010015000003 9 4070297870015000003 9 4070281000015000015 6</p>	<p><i>USD running account</i> <i>EUR running account</i> <i>settlement account</i></p>
5	<p><i>Joint-stock bank of natural gas industry "Gazprombank" (closed joint-stock company);</i> JSB "Gazprombank" (CJSC); bldg. 1, 16, ul. Nametkina, Moscow, 117420; INN 7744001497; BIC 44525823; Correspondent account: 3010181020000000823</p>	<p>4070281040000000253 1</p>	<p><i>settlement account</i></p>
6	<p><i>Joint-stock commercial bank "ROSBANK" (open joint-stock company);</i> OAO JSB «ROSBANK»; 11, ul M. Poryvaevoy 107078 Moscow; INN 7730060164; BIC 44525256; Correspondent account 3010181000000000256</p>	<p>4070281050000011472 7 4070284090000001472 7 4070297850000001472 7</p>	<p><i>settlement account</i> <i>USD running account</i> <i>EUR running account</i></p>
7	<p><i>Open joint-stock company Bank of social development and construction "Lipetskombank";</i> OJSC "Lipetskombank"; 8, ul. Internatsionalnaya 398600 Lipetsk; INN 4825005381; BIC 44206704; Correspondent account 3010181070000000704</p>	<p>4070281050000000077 2 4070281090000000077 0 4070281030000000030 9 4070281080000000031 7 4070284050000000005 6 4070297810000000005 6</p>	<p><i>settlement account</i> <i>settlement account</i> <i>settlement account</i> <i>settlement account</i> <i>USD running account</i> <i>EUR running account</i></p>

8	<i>Moscow branch of OJSC «Lipetskcombank»; Office 6, Room 6, Floor 1a, Bldg. 4, ul. Masterkova, Moscow, 115280; INN 4825005381; BIC 44579254; Correspondent account 3010181050000000254</i>	<i>4070281010200000001 5 4070284040200000001 5 4070297800200000001 5</i>	<i>settlement account USD running account EUR running account</i>
9	<i>Bank ZENIT (open joint-stock company); Bank ZENIT; 9, Banny pereulok 129110 Moscow; INN 7729405872; BIC 44525272; Correspondent account 3010181000000000272</i>	<i>4070281080000000239 3 4070284010000000239 3 4070297870000000239 3</i>	<i>settlement account USD running account EUR running account</i>
10	<i>Closed joint-stock company "BNP PARIBAS Bank "; CJSC " BNP PARIBAS Bank "; Bldg 2, 1, Bolshoy Gnezdnikovskiy pereulok, 125009, Moscow; INN 7744002405; BIC 44525185; Correspondent account 3010181010000000185</i>	<i>4070281050000030300 1 4070284010000030300 2 4070297830000030300 4</i>	<i>settlement account USD running account EUR running account</i>

1.3. Information on the Issuer's Auditor (Auditors).

The Auditor that audits accounting and financial statements, prepared under Russian accounting standards (RAS) as well as consolidated financial statements prepared under US GAAP:

Full name: *Closed joint-stock company «PricewaterhouseCoopers Audit»*
 Abbreviated name: *CJSC "PwC Audit"*
 Domicile: *Bldg 5, 52, Kosmodamianskaya naberezhnaya 115054 Moscow Russia*
 Tel: *(495)-967-60-00*
 Fax: *(495)-967-60-01*
 E-mail: *hotline@ru.pwc.com*

Auditor's license data:

License No: *E000376*
 Issue date: *20.05.2002*
 Validity: *till 20.05.2012*
 Licensor: *Russian Ministry of Finance*

Information on the Auditor's membership in collegiate organs, associations or other professional organizations:

The Auditor is the member of the following professional organizations (associations):

- Audit Chamber of Russia;*
- Institute of Professional Accountants & Auditors of Russia.*

Financial Statements for the following financial years have been audited by

the auditor:

Auditing of RAS financial statements: 2005, 2006.

Auditing of US GAAP financial statements: 2003, 2004, 2005, 2006.

Factors that can affect the Auditor's independence from the Issuer, including information on any material interests binding the Auditor (the Auditor's officers) with the Issuer (the Issuer's officers):

There are no factors that can affect the Auditor's independence from the Issuer or interests binding the Auditor (Auditor's officers) with the Issuer (the Issuer's officers), namely:

- *the Auditor (the Auditor's officers) does (do) not have any share in the Issuer's chartered capital;*
- *the Issuer did not grant any loans to the Auditor (the Auditor's officers);*
- *there is no close partnership (promotion of the Issuer's products (services), joint ventures, etc.), as well as kinship;*
- *there are no Issuer's officers being simultaneously the Auditor's officers.*

Procedure of Auditor appointment:

An Auditor is appointed by the General Shareholders' Meeting as advised by the Board of Directors. Recommendations on the Company's Auditor for the Board of Directors are prepared by the Audit Committee. Tender related to Auditor appointment can be organized. Main rules of the tender, if there is one, are determined by the Audit Committee.

Information on projects executed by the Auditor in the framework of special engagements:

The Auditor did not execute any projects in the framework of special engagements.

Procedure of Auditor fee determination:

The Company's Board of Directors shall determine the fee for Auditor's services and any other essential terms and conditions.

The actual amount of remuneration paid by the Issuer to the Auditor upon closure of each fiscal year for which the Auditor audited the Issuer's financial statements under RAS:

- *RUR 4 871 004,6 (USD 177 000), including VAT, for auditing of financial statements for the year ending on December 31, 2005.*
- *RUR 3 364 169,38 (USD 129 800), including VAT, for auditing of financial statements for the year ending on December 31, 2006.*

Information on deferred and late payments for the Auditor's services:

There are no deferred and late payments for the Auditor's services.

1.4. Information on Appraiser.

The Issuer did not enlist services of an Appraiser (Appraisers) regarding securities issue, information on which is presented in this Quarterly Report.

1.5. Information on the Issuer's advisers.

Financial Adviser who renders consulting services on securities market:

Full name: *Closed joint-stock company "Renaissance Capital"*

Abbreviated name: *CJSC "Renaissance Capital"*

Domicile: *4th floor, Usadba Center 22, Voznesensky pereulok Moscow 125009, Russia*

Tel: *(495)-258-77-77*

Fax: *(495)-258-77-78*

Web-site in the Internet used by the financial adviser to disclose information on the Issuer: *www.rencap.com*

Data on licenses, permitting professional activity in the securities market:

License of the securities market participant for brokerage

License No.: *177-05370-100000*

Issue date: *July 12, 2001*

Validity: *unlimited*

Licenser: *Federal Securities Market Committee*

License of the securities market participant for dealing

License No.: *177-05386-010000*

Issue date: *July 12, 2001*

Validity: *unlimited*

Licenser: *Federal Securities Market Committee*

Services rendered by the Advisor:

- *assistance to the Issuer in the prospectus preparation;*
- *verification of authenticity and completeness of all information in the Prospectus, with the exception of information, confirmed by the Auditor;*
- *attestation of the Prospectus as well as documentation that might be deemed necessary for the Issuer in order to arrange circulation of shares with traders;*
- *consultations on issues related to preparation of the Prospectus, any other documentation pertained to arrangement of shares circulation and the Issuer going through listing procedure;*

Services being rendered by the Advisor

- *consultations on issues related to the Issuer's information disclosure in the securities market and monitoring over discharge of the Issuer's liabilities pertaining to information disclosure in the securities market according to the requirements of the Federal Financial Markets Service.*

1.6. Information on other persons who signed this Quarterly Report.

Alexander A. Sokolov

Year of birth: *1961*

Place of employment: *OJSC NLMK*

Title: *Chief Accountant*

II. Main information on the Issuer's financial performance.

2.1. Financial and economic indicators of the Issuer's performance.

In this reporting period such information is not provided.

2.2. The Issuer's market capitalization.

The Issuer's total common shares outstanding – 5 993 227 240.

The value of NLMK capitalization is calculated in accordance with the Procedure of calculation of market price for issued securities as well as investment shares in unit investment trusts, admitted to circulation with trade institutors, approved by Resolution of Russian Central Bank Financial Committee (FKZB) No. 03-52/nc dd. 24. 12. 2003

Since November 23, 2004, NLMK's common stock has been listed in the system "Stock market of the Open Joint Company "Stock Exchange "Russian Trade System" (Exchange) (ticker symbol - NLMKG).

The value of NLMK's capitalization as per the Exchange data amounted to:

- as of 30. 12. 2005 – RUR 245 446 388 657;*
- as of 29. 12. 2006 - RUR 369 201 197 192.*

Since January 14, 2005 NLMK's common stock (ticker symbol – NLMK) has been listed on the Quote List "B" of Securities List ("Classical shares market") admitted to trading with Non-commercial Partnership "Stock Exchange "Russian Trade System" (Exchange).

The value of NLMK's capitalization as per the Exchange data amounted to:

- as of 30. 12. 2005 г. – RUR 256 375 577 920.*

The value of NLMK's capitalization as of 29. 12. 2006 on the basis of the Partnership data is not indicated, as in QIV 2006 there were not enough transactions in the Classical Market of NP RTS to calculate the market price of NLMK's common stock.

In accordance with the resolution of the Board of Directors of NP RTS dd. 12. 09. 2006, since January 1, 2007, trading in the Classical market was transferred from NP RTS to OAO RTS. As a result of this restructuring, the legal entity – OAO RTS – became the trade institutor in all RTS markets. Accordingly, starting from 2007 market price is to be calculated on the basis of transactions effected in all trading environments of OAO RTS (Classical market + Exchange market).

The value of NLMK's capitalization as per the Exchange data, amounted to:

- as of 28. 12. 2007 – RUR 591 710 366 489.*

Since April 6, 2006 NLMK's common stock has been traded in the International Interbank Stock Exchange (ticker symbol – NLMK, code ISIN– RU0009046452), included in the Unofficial List of IISE in accordance with the Listing Rules, admission to distribution and circulation of securities and the Rules of Securities Trading.

On July 21, 2006 the Board of Directors of ZAO Stock Exchange IISE made a decision to list NLMK's common stock on Quote List "B" of IISE. Since 9 August 2006 NLMK's common stock listed on IISE's Quote List "B" has been traded.

The value of NLMK's capitalization as per the Exchange data amounted to:

- *as of 29.12.2006 – RUR 378 831 893 840;*
- *as of 28.12.2007 – RUR 597 464 823 556.*

From November 5, 2003 to January 28, 2005 information on indicative quoting of the Issuer's common stock was presented on "RTS Board" (ticker symbol – nlmk), though as this information is not an official securities quotation, it cannot be used for calculation of the Company's market capitalization.

In December 2005 NLMK's common stock was admitted to trading on London Stock Exchange as Global Depositary Shares.

2.3. The Issuer's liabilities.

2.3.1. Accounts payable.

In this reporting period such information is not provided.

2.3.2. The Issuer's credit history.

Over the latest five completed financial years (2002 - 2006) the Issuer did not conclude any facility agreements or loan agreement, where the principal would make 5 or more percent of the Issuer's balance sheet assets.

In the reporting period of this fiscal year NLMK concluded a loan agreement; under this agreement, the principal exceeds 5 percent of the Company's balance sheet assets as of the closing date of the last complete reporting period, preceeding the conclusion of the above agreement.

Commitment	Creditor (Lender)	Principal, RUR	Credit (loan) period / maturity	Delay in the principal and/or interest repayment, period of delay, days
<i>Loan</i>	<i>OJSC Stoilensky GOK</i>	<i>10 900 000 000</i>	<i>from 23.11.2007 to 01.12.2009</i>	<i>none</i>

2.3.3. The Issuer's commitments related to security for third parties.

	<i>RUR thousand</i>
	<i>As of 31.12.2007</i>
<i>Total commitments related to security provided for third parties</i>	<i>2 862 948</i>

In FY2007 NLMK did not provide any security to third parties, including pledges or pawns, amounting to at least 5 percent of the Company's balance sheet assets.

2.3.4. Other commitments of the Issuer.

There were no other commitments of the Issuer as of the reporting quarter closure.

2.4. Purposes of issue and use of funds gathered from securities distribution.

The Company did not issue any securities distributed by subscription since the date of its registration. So the Company did not raise funds by securities distribution.

2.5. Risks related to acquisition of distributed equity securities.

Acquisition of NLMK's securities entails certain risks which could result in losses for shareholders. Negative impact on the Issuer's main activity and financial performance can be produced by the following risks:

- *industry risks;*
- *country and regional risks;*
- *financial risks;*
- *legal risks;*
- *risks related to the Issuer's activity.*

2.5.1. Industry risks

NLMK actively operates in domestic and international markets as metal products manufacturer and seller. Industry risk factors in this field include:

Industry risks related to raw materials market:

NLMK is one of the major consumers of metallurgical-grade raw materials in the domestic raw materials market. Raw materials suppliers are subject to risks depending on the specific nature of each segment of the raw materials market.

Industry risks in raw materials markets cover:

- *growth of prices for purchased materials due to unfavourable market conditions, increased raw & other materials shortages in the domestic market;*
- *breach of obligations on the part of materials suppliers – regarding the composition and quality of raw materials;*
- *breach of obligations on the part of materials suppliers related to deliveries cycle, up to full disruption of logistic support.*

In QIV the prices for coal concentrate continued to grow as a result of coking coal deficit in the market, which was caused by a number of accidents at coal mining enterprises (Yuzhkuzbassugol and Vorkutaugol). The trends in the coal concentrate market exert direct influence upon the situation in the coke market. Therefore, coke prices increased as well. This trend can result in further increase of the Issuer's material costs, until the situation in the coal and coke market stabilizes.

There were no significant price fluctuations with reference to other main raw materials.

Prices for the products and services of natural monopolies increase once a

year at most, usually from January 1. Therefore, it is anticipated that the Issuer's expenditures connected with the purchasing of main utilities (natural gas and electrical energy) will increase.

In order to mitigate the risks resulting from growing prices from main raw and other materials, NLMK's policy includes the acquisition of raw material assets or conclusion of long-term contracts with fixed prices. The Issuer's policy also includes the provision of self-sufficiency with regard to raw materials.

The main industry risks for logistical operations in the iron and steel industry are:

- risk of the failure to provide the rolling-stock, which can cause disruption of raw materials deliveries and finished products shipment;

- risk of increase in rates for raw materials & finished products transportation, which can cause the increase in transportation costs and therefore the deterioration of products competitiveness in certain markets.

After the increase in tariffs for cargo transportation in 2007 by circa 11-12% (depending on the rolling stock type, the increase ranged from 4% to 20%), in QIV 2007 the tariffs established by JSC Russian Railroads, as forecasted, did not change.

Previously, the forecast of the socioeconomic development in Russia provided for the increase in railroad tariffs by 7% in 2008, 6,8% - in 2009 and 6,5% - in 2010. The monopoly requested to adjust these figures upwards – up to 13,5%, 9% and 6,5%, respectively. When the forecast of the socioeconomic development in Russia in 2008-2010 was revised, Vice-Premier announced that it was necessary to revise the adjustment value for JSC Russian Railroads' tariffs from 7% to 11% in 2008. However, the increase of tariffs for imported and exported cargo transportation is not anticipated in 2008. In this case, to provide for the total increase in tariffs by 11%, the tariffs for domestic transportation should grow by 15%.

Therefore, in QIV 2007 the tariffs did not change. Starting from January 2008 the tariff growth index amounted to circa 15%, it will result in higher costs of NLMK's raw and other materials. Further increase in railroad tariffs is highly unlikely till the end of 2008.

In order to reduce the risks related to partial or full disruption of deliveries, NLMK cooperates with its subsidiary – Limited Liability Company "Independent Transport Company" (hereinafter – LLC NTK). LLC NTK purchased its own rolling stock, which reduces the risk of failure to provide the rolling-stock for the Issuer's shipments.

In order to mitigate the risks associated with the sharp increase in railroad tariffs, the Issuer, along with JSC Russian Railways, cooperates with its subsidiary LLC NTK and alternative forwarding companies. In this case, the cars from the common fleet of JSC Russian Railways, as well as those from private or rented rolling stock are used for transportation.

Furthermore, the Issuer is forming a reserve stock of main raw materials in order to guarantee the production cycle continuity. Main natural resources are supplied in accordance with approved schedules, which provide for balanced deliveries for continuous production of finished products.

Industry risks in sales markets:

The key macroeconomic risk in the global ferrous metals market in 2008 will stem from the the global economic growth rates. The actual global GDP will increase insignificantly: from 4,6 %, in 2007 to 4,8% in 2008. Slower dynamics of all main GDP components - consumer spendings, gross investment, government expenditures and export – will not allow to increase the apparent consumption of

ferrous metals by more than 6,8% (the level of 2007). However, the above growth rates are higher than the annual average of 1999-2007 and conform to the level of 2005, which was quite successful.

The cost-push inflation of ferrous metals producers, stimulated mainly by higher prices for metallurgical raw materials, may present the highest risk for the Issuer's competitiveness. The global price for iron ore on the basis of one-year contracts, usually revised in March, may grow by about 30%. The same trend will apply to scrap and pig iron. The anticipated increase will increase the production cost of rolled products by USD 40-50 / ton. The growth of global prices for coking coal may exceed 50% vs. 2007, which will additionally increase the finished flats cost by 25-30 USD/t. In most markets, the producers will be able to compensate the higher production cost at the expense of consumers.

The main logistical risks in the global ferrous metals market form under the influence of sea freight. The high freight rates established by the end of 2007 (e.g, ca. USD 100 / ton for transportation of steel flats from the Atlantic to the Pacific area) hinder the global trade and result in major increase of steel consumers' costs. The opportunity to reduce freight rates and minimize the risks might present itself at the beginning of the year due to larger fleet of Capesize ships (with capacity up to 170 thou t) and the stagnation of ore imports into China, which is evident since April 2007.

The combination of domestic price inflation, which to some extent caused by higher supply of money in the country, and strengthening ruble may result in higher costs of national producers, especially against the background of higher tariffs on monopolies' services. According to experts, it is a medium-term risk, and such conditions should prevail in Russia during the next to years in order to form a steady cost inflation trend in ferrous metallurgy. This risk will exert the weakest influence on the producers targeted mainly to the domestic market.

The risk of global recession of prices for ferrous metals in the beginning of 2008 is estimated as unlikely. The growth of prices is more probable, due to the following factors:

- producers' wish to shift the growth of costs to customers;*
- seasonal increase of orders;*
- isolation of domestic markets in conditions to high freight level;*
- weakening of USD, which facilitates the increase in export prices of the producers that have costs in this currency;*
- higher sectoral concentration provides for additional means of influence on consumers for producers.*

2.5.2. Country and regional risks

Country risks:

1. Limitations in sales markets

- *Limitations currently in force in sales markets:*
 - *anti-dumping duties: Argentine, Venezuela, Canada, Mexico, Peru, Thailand, Turkey,*
 - *price and quantity control: EU, USA*
- *Introduction of higher tariffs, quotas and other limitations in the Russian Federation and main export markets (in the short term (3 months) it is not anticipated). It is expected that an anti-dumping duty on hot-rolled flats will be introduced in Indonesia (preliminarily, at the rate of 8,95%), but*

this duty will not affect the Issuer's exports: in 2006-2007 NLMK did not export this product to Indonesia.

At present the number of limitations existing in sales markets goes down thanks to favourable market conditions and planned Russia's entry in WTO.

2. Risk of political situation deterioration

- Political situation deterioration in Russia and in main sales markets.*
- Possibility of emergency state announcement:*

- there is no risk of emergency state announcement in Russia in the short term, as well as in the distant future;
- the risk of emergency state announcement in main sales markets in the short term (3 months) is not anticipated.

• Probability of strikes (in the short, middle or long term it is not anticipated, as NLMK conducts its business in economically and socially stable regions and fully discharges its social obligations).

There is a possibility that employees of stevedoring companies may conduct a strike at Tuapse Commercial Seaport (OJSC TMTP), which is a part of NLMK Group and processes up to 25% of NLMK's export cargo.

3. Risk of military conflicts

• Risk of military conflicts in Russia (in the short, middle or long term it is not anticipated)

• In the short or middle term there is no risk of military conflicts in the main export markets.

Regional risks:

1. Reduction of the federal and regional budget (in the short or middle term it is not anticipated).

2. Disruption of interaction between the mining, iron & steel and transport segments (in the short or middle term it is not anticipated).

3. Reduction in sales in the domestic market because of lower demand for steel in Russia, due to the following reasons:

- Deterioration of competitiveness of Russian metal-consuming industries: automotive, agricultural engineering, etc. (it is possible in the long term after Russia's entry in WTO), if there are no investments in technical revamping and no governmental programs aimed at the development of Russian metal-consuming industries).

- Reduction of foreign investments due to the lower investment attraction of Russia (e.g. as a result of deterioration of political situation) - in the short or middle term it is not anticipated.

- Growth of steel imports in the Russian Federation (it is possible in the middle term, as well as due to the increase of exporting potential of other countries, mainly China).

Possible actions of NLMK: scheduled activities aimed at protection of the domestic market from unscrupulous competitiveness on the part of foreign suppliers of steel products, as well as unscheduled measures (in case of expansive growth of imports) with the use of trade protection means.

NLMK's production activity is conducted in the territory of the Russian Federation. Taking into account the current economic and political situation in Russia, the country risks are quite insignificant for NLMK.

There are no geographical risks for NLMK. NLMK and its subsidiaries have a efficient system of cooperation between the mining, iron & steel and transport segments, its main facilities are located within 1500 km from its main Russian consumers, close to major traffic arteries.

Risks associated with probable military conflicts, emergency states and stakes are practically nonexistent, as the Issuer conducts its business in economically and socially stable regions.

2.5.3. Financial risks

Currency risks

Being an export-oriented enterprise, the Issuer faces currency risks, which can affect its performance and result in reduction of liquidity of its assets.

A significant portion of NLMK's revenues (ca. 50%) falls on export sales. Taking into account the exchange rate dynamics in the previous years, the Issuer frames its exports program with regard to possible (forecast) dynamics of the main currencies. Actions are taken to diversify export proceeds currency structure, which enabled the Company to minimize the EUR/USD exchange rate fluctuations. While concluding foreign trade contracts, the Issuer balances bank currency positions: payments in foreign currency are covered by export earnings in the same currency. Regulation of currency positions is an efficient method of currency risks control.

NLMK proportionally allocates payments to long-term import contracts and uses letters of credit issued on un-covered basis under facilities for trade financing granted by banks for NLMK. Due to this, the Company can manage its cash flows in an efficient way.

As the most part of NLMK's expenses are in rubles, there is a risk of its business profitability reduction in case of significant ruble exchange rate fluctuations with respect to foreign currencies. In order to minimize these risks, the Company takes the following measures:

- foreign currency hedging by means of forward transactions with banks ;*
- depositing of surplus funds in rubles and foreign currency, which enables the Company to mitigate its dependence on exchange rate fluctuations while maintaining profitability.*

Practicality of such operations in this or that currency depends on prospective dynamics of its exchange rate in international currency markets, as well as interest rate levels.

Risk of interest rate development

In view of the fact that the percentage of external borrowed funds mobilized by the Issuer for financing of day-to-day operations and investment projects is insignificant, the risks associated with interest rate development have no significant influence on the Issuer's financial position.

2.5.4. Legal risks

There have not been any changes in the taxation legislation that could significantly affect NLMK's business.

The plenary assembly of the Supreme Arbitration Court of the Russian Federation dd. 18.12.2007 No.65 "On certain procedural matters emerging in the course of arbitration proceedings with reference to taxpayers' applications on VAT refund with regard to transactions taxable by zero-rated VAT" in its resolution provided explanations on observation of administrative (extrajudicial) VAT refund procedures by taxpayers.

According to the Presidium, the non-observance of this procedure shall be understood as a direct judicial recourse, by-passing the taxation body, as well

as submission of incomplete set of supporting documents. Moreover, this procedure will be considered as not observed if these documents were not submitted on a taxation body's request. If the supporting documents were submitted directly to the court (instead of the taxation body) without due cause, a taxpayer's demand to invalidate the resolution (omission) of a taxation body will not be satisfied. If these circumstances are revealed during the review of the application on VAT refund, this application will not be considered. In this case the taxpayer is entitled to address the taxation body again, and if the new resolution is not satisfactory for the taxpayer, the taxpayer is entitled to appeal to a court.

Therefore, if during the submission of tax declaration for VAT refund the Issuer does not submit all necessary documents as per the taxation body's request, as well as documents specified in Chapter 21 of the Tax Code of the Russian Federation, and the taxation body refuses to refund VAT, then if the Issuer appeals to court for protection of its right for VAT refund, there is a risk that the Issuer's application will not be considered because a taxation body did not receive the complete set of documents.

2.5.5. Risks associated with the Issuer's activity

Legal actions and licensing

There haven't been any changes in legal practice governing legal relations in the field of licensing, which could affect NLMK's business.

At the moment there are no legal actions, which could affect the Company's activities in the field of licensing.

There are no risks associated with prolongation of the Issuer's license for certain activities or utilization of objects, the utilization of which is restricted.

2.5.6. Bank risks

Such information is not provided as the Issuer is not a credit organization.

III. Detail information on the Issuer.

3.1. Issuer's history and development.

3.1.1. Information on the Issuer's company name.

Full name of the Issuer in Russian

Открытое акционерное общество "Новолипецкий металлургический комбинат"

Abbreviated name in Russian.

ОАО "НЛМК"

Full name of the Issuer in English

OJSC Novolipetsk Steel

Abbreviated name in English.

NLMK

The Company is entitled to use the trade marks "STINOL", "НЛМК" and "NLMK"

registered in accordance with the Russian Law (information on trade mark registration is given in clause 4.4.).

Information on changes in the Issuer's company name.

1. The Yu. V. Andropov Novolipetsk Iron & Steel Works honored with the Lenin Order and the October Revolution Order

NLMK

Introduced on: **14.03.1984**

Grounds for changes: *Decree of the Central Commission of the KPSS, Presidium of the Supreme Soviet of the USSR and Council of Ministers of the USSR "On perpetuation the memory of Yury V. Andropov".*

2. Novolipetsk Iron & Steel Corporation

NLMK

Introduced on: **28.01.1993**

Grounds for changes: *Decision of the Lipetsk Region State Property Management Commission No. 823 dd. December 31, 1992 "On reorganization of the Yu. V. Andropov Novolipetsk Iron & Steel Works into Novolipetsk Iron & Steel Corporation".*

3. Current name was introduced on 12.08.1998

Grounds for changes: *Decision made at Annual Shareholders' Meeting dd. August 1, 1998 (Minutes No. 9) on approval of the redrafted Company's Charter.*

3.1.2. Information on state registration of the Issuer.

State registration number: **5-Г**

State registration date: **28.01.1993**

Registrar: *Administration of Levoberezhny district of the city of Lipetsk*

Legal entity's state registration number: **1024800823123**

Registration date: **09.07.2002**

Registrar: *Inspection of Interdistrict Tax Inspectorate of Russia for Central district of Lipetsk*

3.1.3. Information on foundation and development of the Issuer.

According to the RF Presidential Decree No. 721 dd. 01.07.1992 "On measures aimed at conversion of state enterprises, voluntary associations of state enterprises into joint stock companies" state enterprise The Yu. V. Andropov Novolipetsk Iron & Steel Works honored with the Lenin Order and the October Revolution Order was reorganized into Novolipetsk Iron & Steel Corporation by resolution of Lipetsk Region State Property Management Commission No. 823 dd. 31.12.1992. The Company was registered by Decree of Head of Levoberezhny district of the city of Lipetsk No. 50 dd. 28.01.1993.

The Company was established for the unlimited time period.

The purpose of enterprise privatization was to increase efficiency of national economy by transition from planned economy to market economy. In transition to market economy the following decisions were made by the Company:

- on optimization of organizational structure and management system of*

production and auxiliary divisions;

- *on improvement of raw materials supply system, fuel procurement, product sales and marketing services;*
- *on development and approval of Technical Upgrade and Development Program.*

Today NLMK is a large state-of-the-art company with highly developed and coordinated production, the products of which are exported to many countries of the world.

NLMK's plans include steady increase of knowledge-intensive production, solution of various environmental problems at all upstream and downstream production stages, production of high-technology products which meet constantly growing demands of customers.

3.1.4. Contact information.

The Issuer's domicile: *Russian Federation*

Domicile of the Issuer's executive body:

2, pl. Metallurgov, Lipetsk 398040 Russia

The Issuer's phone, fax numbers, E-mail, web-site:

Tel: *(4742)-445-010*

Fax: *(4742)-441-111*

E-mail: *info@nlmk.ru*

Web-site with information on the Issuer and its securities issued and/or being issued: *www.nlmk.ru*

Domicile of the Issuer's department dealing with shareholders and investors - *Equity Management Department: 2, pl. Metallurgov, Lipetsk 398040 Russia*

Tel: *(4742)-444-989*

Fax: *(4742)-442-255*

E-mail: *sp-uak@nlmk.ru*

Web-site: *www.nlmk.ru/investor_centre/welcome_investor/*

3.1.5. Taxpayer Identification Number.

4823006703

3.1.6. The Issuer's branches and representative offices.

In the reporting period of the current year there were no changes with reference to the Issuer's branches and representative offices.

3.2. The Issuer's core activity.

3.2.1. The Issuer's sectoral affiliation.

Codes of the Issuer's activities within the sector according to All-Russian Code of Foreign-Economic Activity (OKVED):

<i>Code</i>	<i>Description</i>
<i>27.17</i>	<i>Production of cold rolled steel flats without and with protective coatings</i>
<i>23.10</i>	<i>Production of coke</i>
<i>24.14.2</i>	<i>Production of other organic chemical products which are not included in any other group of products</i>

24.15	<i>Production of fertilizers and nitrogen compounds</i>
27.11	<i>Production of pig iron and blast furnace ferroalloys</i>
27.14	<i>Production of steel</i>
27.15	<i>Production of semi-finished products (slabs) for further rolling</i>
27.16.2	<i>Production of hot rolled steel flats</i>
27.22	<i>Production of steel pipes and fittings</i>
27.33	<i>Production of roll-formed steel sections</i>
28.63	<i>Manufacture of locks and hinges</i>
28.71	<i>Production of metal drums and similar reservoirs</i>
29.51	<i>Manufacture of machinery and equipment for iron and steel industry</i>
31.62.9	<i>Services rendered for erection, repair and maintenance of other electric equipment which is not included in any other group of products</i>
34.30	<i>Production of parts and components for cars and car motors</i>
36.22.1.	<i>Production of technical items with the use of precious metals</i>
37.10.1	<i>Waste and ferrous scrap processing</i>
40.10	<i>Production, transmission and distribution of electric energy</i>
40.10.5	<i>Provision of electric mains serviceability</i>
40.20.2	<i>Distribution of gaseous fuel</i>
40.30	<i>Production, supply and distribution of steam and hot water (heat energy)</i>
45.21.1	<i>Civil works for buildings construction</i>
45.31	<i>Electric installation work</i>
51.70	<i>Other wholesale trade</i>
52.11	<i>Retail trade in non-specialized stores principally of foodstuffs, including beverages and tobacco products</i>
52.12	<i>Other retail trade in non-specialized stores</i>
52.31	<i>Retail trade of pharmaceutical products</i>
55.12	<i>Operation of hotels without restaurants</i>
55.23.1	<i>Operation of camps for children during holidays</i>
55.23.2	<i>Operation of holiday hotels, rest homes, etc.</i>
55.51	<i>Operation of canteens located on territory of plants and institutions</i>
60.10.2	<i>Operation of industrial railroad transport</i>
60.23	<i>Operation of other inland passenger transportation</i>
60.24	<i>Operation of freight transportation by truck</i>
63.11	<i>Logistics of cargo</i>
63.12	<i>Storage and warehousing</i>
63.21.1	<i>Other auxiliary operation of railroad transport</i>
64.20.1	<i>Operation of telephone communications and document transmittal communications</i>
70.32.1	<i>Management of housing stock</i>
74.20.1	<i>Architectural activity, engineering in industry and construction</i>
74.20.3	<i>Land measuring and mapping</i>
74.60	<i>Investigations and security services</i>
80.22.22	<i>Training in advance training (extension) schools for specialists having secondary vocational education</i>
80.30.3	<i>Training in advance training (extension) schools for specialists having higher vocational education</i>
85.11	<i>Operation of patient care institutions</i>
85.11.2	<i>Operation of sanatorium-and-spa institutions</i>
85.12	<i>Medical practice</i>
85.13	<i>Dental practice</i>
85.20	<i>Veterinary activity</i>

3.2.2. The Issuer's core activity.

In this reporting period such information is not provided.

3.2.3. Materials, goods (raw materials) and suppliers of the Issuer

In this reporting period such information is not provided.

3.2.4. Sales markets of the Issuer's products (works, services)

The global steel production in 2007 increased by 7,5%, up to 1 343,5 mln t¹. Despite the growth retardation (9% in 2006), this result is an all time high in the history of ferrous metallurgy, and 2007 was the fifth year at a stretch with growth rate exceeding 7%.

BRIC countries (Brazil, Russia, India and China) accounted for the main increase in ferrous metals demand. The group's share in the global steel output reached 48,2% (vs. 31% in 2001).

Once again, China's soaring economy was the major driving force for the increase in global steel demand: its consumption grew by 11,4%.

Indian market showed major ascension: the consumption grew by 13,7%.

In spite of lower growth rates, EU market is still one of the most attractive markets for imports due to high prices and euro strengthening.

The market of Turkey and Middle Eastern countries continues to grow. In Turkey the consumption growth was stimulated by the construction sector, implementing large-scale governmental projects. In the Middle East the demand for ferrous metals has been growing for a few years by now due to its booming construction industry.

The market of North America demonstrated stagnation, which was mainly due to the downswing in the housing construction sector.

Regarding the price situation in the global market, 2007 was more stable than previous years. At present steel prices are growing in the main emerging markets.

In 2007 NLMK's products were shipped to all most attractive areas of the world.

Major destinations of NLMK's shipments:

- 1) EU countries;*
- 2) Turkey and Middle East;*
- 3) South-East Asia;*
- 4) North America;*
- 5) CIS.*

Russian market is a priority destination for NLMK's flat products. Favourable macroeconomic situation and, primarily, the growth of consumers' expendable incomes stimulated the ferrous market expansion in Russia in 2007. The apparent consumption increased by more than 7%. Flats market grew by 12% and amounted to 19,2 mln t.² The bigger Russian market capacity allows for more

¹ Hereinafter, the source on steel production: IISI.

² According to "Metal Expert"

efficient sales due to more deliveries of higher-value-added products. A demonstrative example of this is the situation with coated flat products – 90% of their volume is shipped to domestic consumers.

The most important consumers of NLMK's products in the domestic market are such industries as the production of profiles and steel structures for civil construction, pipe industry, agricultural engineering and white goods production, electrical engineering. The continuing development of steel-consuming industries will provide for further stable demand for NLMK's products.

3.2.5. Information on the Issuer's licenses.

Licenses:

Number: *ЛПЦ 07811 БЭ*

Issue date: *17.08.2000*

Validity: *till 1.06.2010*

Licensor: *Lipetsk region natural resources committee*

Activity: *Draft of fresh underground water for the Company's production and potable water supply (Health center "Parus ")*

Possibility of license prolongation: *The license will be prolonged*

Number: *ЛПЦ 08883 БЭ*

Issue date: *18.05.2001*

Validity: *till 1.01.2011*

Licensor: *Lipetsk region natural resources committee*

Activity: *Draft of fresh underground water for the production and potable water supply of an enterprise (Health Center "Prometey")*

Possibility of license prolongation: *The license will be prolonged*

Number: *00993 ЦО-03-209-3283*

Issue date: *4.10.2006*

Validity: *till 5.10.2011*

Licensor: *Central interregional territorial district of State nuclear inspectorate (Gosatomnadzor) of Russia*

Activity: *Operation of radiation sources (products containing radioactive substances)*

Possibility of license prolongation: *The license will be prolonged*

Number: *ГС-1-48-02-26-0-4823006703-002825-5*

Issue date: *20.08.2007*

Validity: *till 20.08.2012*

Licensor: *Lipetsk branch of the Federal Licensing Center under the State Construction Office (Gosstroy) of Russia*

Activity: *Designing of buildings and structures of Responsibility levels I and II in accordance with the State standard*

Possibility of license prolongation: *The license will be prolonged*

Number: *ГС-1-48-02-27-0-4823006703-002478-2*

Issue date: *19.03.2007*

Validity: *till 19.03.2012*

Licenser: *Rosstroy*

Activity: *Construction of buildings and structures of Responsibility levels I and II*

Possibility of license prolongation: *The license will be prolonged*

Number: *004918 HBT No.00526-K*

Issue date: *18.04.2003*

Validity: *till 18.04.2008*

Licenser: *Federal Service of geodesy and cartography of Russia. Nizhnevolzhsk territorial inspection of geodesic inspectorate*

Activity: *Map-making activity*

Possibility of license prolongation: *The license will be prolonged*

Number: *004917 HBT No.00525-T*

Issue date: *18.04.2003*

Validity: *till 18.04.2008*

Licenser: *Federal Service of geodesy and cartography of Russia. Nizhnevolzhsk territorial inspection of geodesic inspectorate*

Activity: *Geodesic activity*

Possibility of license prolongation: *The license will be prolonged*

Number: *Д 293036 Registration No. 37*

Issue date: *23.05.2003*

Validity: *till 23.05.2008*

Licenser: *Health Department of the Lipetsk region Administration*

Activity: *Medical activity in the Health Center "Prometey". Address: Lipetsk, camp "Prometey".*

Possibility of license prolongation: *The license will be prolonged*

Number: *ЛПЦ Registration No. 54085 BЭ*

Issue date: *20.05.2003*

Validity: *till 1.03.2012*

Licenser: *Lipetsk region natural resources committee*

Activity: *Draft of fresh underground water for industrial purposes and potable water supply (the city of Lipetsk and village Borinskoye of the Lipetsk district, Lipetsk region, the RF)*

Possibility of license prolongation: *The license will be prolonged*

Number: *MK No.002125 Registration No.585*

Issue date: *11.06.2003*

Validity: *till 11.06.2008*

Licenser: *Ministry of Culture. The State department for cultural heritage protection in the Lipetsk region.*

Activity: *Activity aimed at restoration of cultural heritage objects (historical and cultural monuments)*

Possibility of license prolongation: *The license will be prolonged*

Number: *Б 318290 Registration No. 178*

Issue date: *9.07.2003*

Validity: *till 9.07.2008*

Licensor: *Department of Federal security service in the Lipetsk region*

Activity: *Operations with the use of State secret information*

Possibility of license prolongation: *The license will be prolonged*

Number: *Д 293062 Registration No. 75*

Issue date: *25.08.2003*

Validity: *till 25.08.2008*

Licensor: *Health Department of the Lipetsk region Administration*

Activity: *Medical activity under Appendix No. 1 (Health Center "Parus")*

Possibility of license prolongation: *The license will be prolonged*

Number: *Д 382503 Registration No. 50012615*

Issue date: *3.09.2003*

Validity: *till 2.09.2008*

Licensor: *Ministry of Energy of the Russian Federation.*

Activity: *Electric mains operation (excluding the cases when this activity is performed for the own needs of a legal entity or an individual entrepreneur)*

Possibility of license prolongation: *The license will not be prolonged (the activity is not subject to licensing)*

Number: *Д 382502 Registration No. 60012614*

Issue date: *3.09.2003*

Validity: *till 2.09.2008*

Licensor: *Ministry of Energy of the Russian Federation.*

Activity: *Heat networks operation (excluding the cases when this activity is performed for the own needs of a legal entity or an individual entrepreneur)*

Possibility of license prolongation: *The license will not be prolonged (the activity is not subject to licensing)*

Number: *ГЦЭН No. 002340 ГЦЭН. 1. 34. 012*

Issue date: *9.10.2003*

Validity: *till 9.10.2008*

Licensor: *Ministry of Health of the Russian Federation*

Activity: *Use of infectious disease pathogens. Operations with microorganisms of the 3^d – 4th group of pathogenicity and helminths*

Possibility of license prolongation: *The license will not be prolonged, as this business unit of NLMK will be transformed into an independent legal entity.*

Number: *Д 411485 Registration No. 30014386*

Issue date: *10.10.2003*

Validity: *till 9.10.2008*

Licensor: *Ministry of Energy of the Russian Federation*

Activity: *Storage of oil, gas and products of their processing*

Possibility of license prolongation: *The license will not be prolonged (the activity is not subject to licensing)*

Number: *0008679 Registration No. 2/04818*

Issue date: *24.10.2003*

Validity: *till 24.10.2008*

Licensor: *Central Office of the State Fire Service under EMERCOM of the Russian*

Federation

Activity: ***Erection, repair and servicing of devices which provide fire safety of buildings***

Possibility of license prolongation: ***The license will be prolonged***

Number: ***012545 Registration No. 48M03/0042/П***

Issue date: ***05.12.2003***

Validity: ***till 5.12.2008***

Licensor: ***Central Office of natural resources and environmental protection under the Ministry of Natural Resources of Russia in the Lipetsk region.***

Activity: ***Handling of dangerous wastes***

Possibility of license prolongation: ***The license will be prolonged***

Number: ***Д 475342 Registration No. 592***

Issue date: ***16.11.2006***

Validity: ***till 16.11.2011***

Licensor: ***Consumer Market Department under the Administration of the Lipetsk region***

Activity: ***Retail sales of alcoholic spirits***

Possibility of license prolongation: ***The license will be prolonged***

Number: ***Д 413045 Registration No. 30017363***

Issue date: ***23.12.2003***

Validity: ***till 22.12.2008***

Licensor: ***Ministry of Energy of the Russian Federation***

Activity: ***Storage of oil, gas and products of their processing***

Possibility of license prolongation: ***The license will not be prolonged (the activity is not subject to licensing)***

Number: ***Б 013868 Registration No. 00-ЭВ-002192***

Issue date: ***29.01.2004***

Validity: ***till 29.01.2009***

Licensor: ***Federal Inspectorate of Mining and Industry of Russia***

Activity: ***Operation of explosive production facilities***

Possibility of license prolongation: ***The license will be prolonged***

Number: ***Б 013818 Registration No. 00-ЭХ-002233***

Issue date: ***04.02.2004***

Validity: ***till 04.02.2009***

Licensor: ***Federal Inspectorate of Mining and Industry of Russia***

Activity: ***Operation of chemically dangerous production facilities***

Possibility of license prolongation: ***The license will be prolonged***

Number: ***Д №00397 Registration No. 001119-Р***

Issue date: ***27.02.2004***

Validity: ***till 27.02.2009***

Licensor: ***State Standard (Gosstandart) of Russia***

Activity: ***Repair of measuring devices***

Possibility of license prolongation: ***The license will be prolonged***

Number: ***А 0653 ПРД No. 02313***

Issue date: *01.03.2004*
Validity: *till 01.03.2009*
Licensor: *Ministry of communications*
Activity: *Railway handling*
Possibility of license prolongation: *The license will be prolonged*

Number: *Д 339099 Registration No. 135*
Issue date: *17.03.2004*
Validity: *till 17.03.2009*
Licensor: *Pharmacy and Medical Equipment Committee under the Administration of the Lipetsk Region.*
Activity: *Activity related to circulation of psychotropic agents in List III according to Federal Law "On drugs u psychotropic agents" under the extract from the Register to the license*
Possibility of license prolongation: *The license will not be prolonged, as this business unit of NLMK will be transformed into an independent legal entity.*

Number: *0012022 Registration No. 3/00212*
Issue date: *30.03.2004*
Validity: *till 30.03.2009*
Licensor: *Central Office of the State Fire Service under EMERCOM of the Russian Federation*
Activity: *Operation of fire-hazardous facilities*
Possibility of license prolongation: *The license will be prolonged.*

Number: *0012485 Registration # 2/06892*
Issue date: *30.03.2004*
Validity: *till 30.03.2009*
Licensor: *Central Office of the State Fire Service under EMERCOM of the Russian Federation*
Activity: *Erection, repair and servicing of fire safety devices for buildings and structures*
Possibility of license prolongation: Possibility of license prolongation: *The license will be prolonged*

Number: *Д 235444 Registration No. 28*
Issue date: *13.05.2004*
Validity: *till 13.05.2009*
Licensor: *Consumer Market Department under the Administration of the Lipetsk Region*
Activity: *Public demonstration of audio-visual pieces in cinemas of Health Center "Sukhoborye" and Health Center "Prometey" located at: village Sukhoborye, Lipetsk*
Possibility of license prolongation: *The license will be prolonged*

Number: *0160002030*
Issue date: *09.06.2004*
Validity: *till 09.06.2009*
Licensor: *State Central Inspection of assay surveillance*
Activity: *Production of technical items (production tools) with use of precious metals inclusive of platinum-ware in the order established by statutory acts of the Russian Federation*

Possibility of license prolongation: *The license will be prolonged*

Number: *Б 339904 Registration No. 1423M*

Issue date: *07.06.2004*

Validity: *till 09.07.2008*

Licensor: Department of the *Federal Security Service in the Lipetsk region*

Activity: *Measures and services aimed at protection of State secret*

Possibility of license prolongation: *The license will be prolonged*

Number: *Д 235702 Registration No. 44*

Issue date: *03.09.2004*

Validity: *till 03.09.2009*

Licensor: *Consumer Market Department under the Administration of the Lipetsk Region*

Activity: *Procurement, preparation and sales of ferrous scrap at the address: 2, pl. Metallurgov, Lipetsk (territory of NLMK)*

Possibility of license prolongation: *The license will be prolonged*

Number: *А 013562 Registration No. 34-ХВ-001027(Г)*

Issue date: *25.10.2004*

Validity: *till 25.10.2009*

Licensor: *Federal Ecologic, Technologic and Nuclear Supervision Service (Rostekhnadzor)*

Activity: *Storage of industrial explosives (handling, inspection test, packing, stock-taking, storing of industrial explosives and their testing during storage)*

Possibility of license prolongation: *The license will be prolonged*

Number: *МГ No. 006673 МКГ- 48-113421*

Issue date: *25.01.2005*

Validity: *till 24.01.2009*

Licensor: *Lipetsk regional branch of the Russian Transport Inspection*

Activity: *Permit for cargo transportation by trucks*

Possibility of license prolongation: *The license will be prolonged*

Number: *МII No. 008115 МКII-48-113422*

Issue date: *25.01.2005*

Validity: *till 24.01.2009*

Licensor: *Lipetsk regional branch of the Russian Transport Inspection*

Activity: *Permit for commercial international transportation of passengers by motor vehicles*

Possibility of license prolongation: *The license will be prolonged*

Number: *BA No. 012044 ICC-48-113416*

Issue date: *11.01.2005*

Validity: *till 10.01.2010*

Licensor: *Lipetsk regional branch of the Russian Transport Inspection*

Activity: *Commercial transportation of passengers by motor vehicles*

Possibility of license prolongation: *The license will not be prolonged (the activity is not subject to licensing)*

Number: *BA No. 012042 ICC-48-113414*

Issue date: *11.01.2005*

Validity: *till 10.01.2010*

Licensor: *Lipetsk regional branch of the Russian Transport Inspection*

Activity: *Cargo transportation by motor vehicles with the capacity over 3.5 tons*

Possibility of license prolongation: *The license will not be prolonged (the activity is not subject to licensing)*

Number: *BA No.012043 ACC-48-113415*

Issue date: *11.01.2005*

Validity: *till 10.01.2010*

Licensor: *Lipetsk regional branch of the Russian Transport Inspection*

Activity: *Transportation of passengers by motor vehicles equipped for more than 8 people*

Possibility of license prolongation: *The license will be prolonged*

Number: *A No.025805 ИБ-13-000003(B)*

Issue date: *24.02.2005*

Validity: *till 23.02.2010*

Licensor: *Federal service on environmental, technological and atomic supervision (Rostekhnadzor)*

Activity: *Operations with industrial explosives*

Possibility of license prolongation: *The license will be prolonged*

Number: *KEM Reg. No. 13269 ТЭ*

Issue date: *30.08.2005*

Validity: *till 20.08.2025*

Licensor: *Ministry of Natural Resources of Russia, Federal agency of subsoil usage*

Activity: *Right of subsoil usage (exploration and extraction of coal at Zhernovsky-1 area of Zhernovsky coal field)*

Possibility of license prolongation: *The license will be prolonged*

Number: *77.99.15.002.И.001157.09.05*

Issue date: *21.09.2005*

Validity: *till 21.09.2010*

Licensor: *Federal supervisory service for consumer protection and human welfare*

Activity: *Usage of ionizing radiation (generating) sources in geographically isolated facilities*

Possibility of license prolongation: *The license will be prolonged*

Number: *ТС 4801312 ДА 000802*

Issue date: *08.02.2005*

Validity: *till 08.02.2010*

Licensor: *Federal transport supervisory service, Ministry of Transport of the Russian Federation*

Activity: *Maintenance and repair of railway equipment*

Possibility of license prolongation: *The license will be prolonged*

Number: *ПС 4801305 ДА 000801*

Issue date: *08.02.2005*

Validity: *till 08.02.2010*

Licensor: *Federal transport supervisory service, Ministry of Transport of the*

Russian Federation

Activity: ***Maintenance and repair of railway rolling stock***

Possibility of license prolongation: ***The license will not be prolonged (the activity is not subject to licensing)***

Number: ***ПГ 4801314 ДА 000071***

Issue date: ***08.02.2005***

Validity: ***till 08.02.2010***

Licensor: ***Federal transport supervisory service, Ministry of Transport of the Russian Federation***

Activity: ***Transportation of goods by railway transport***

Possibility of license prolongation: ***The license will be prolonged***

Number: ***P/2005/0069/100/Л 1690034***

Issue date: ***09.11.2005***

Validity: ***till 09.11.2010***

Licensor: ***Federal service for hydrometeorology and environmental monitoring***

Activity: ***Activity in the field of hydrometeorology and related areas***

Possibility of license prolongation: ***The license will be prolonged***

Number: ***ЛПЦ 00189 БРЭЗХ No. 007163***

Issue date: ***30.11.2005***

Validity: ***till 01.12.2008***

Licensor: ***Donskoy basin administration under the Federal Water Resources Agency***

Activity: ***Water consumption (industrial water consumption, waste water discharge, usage of river Voronezh waterways)***

Possibility of license prolongation: ***The license will not be prolonged. Licensing was replaced by a resolution (permit for water consumption) by the RF Water Code in force.***

Number: ***ЛПЦ 00182 БОИВХ No. 007183***

Issue date: ***23.06.2006***

Validity: ***till 01.07.2008***

Licensor: ***Donskoy basin administration under the Federal Water Resources Agency***

Activity: ***Water consumption (waste water discharge - Lebazhye lake)***

Possibility of license prolongation: ***The license will not be prolonged. Licensing was replaced by a resolution (permit for water consumption) by the RF Water Code in force.***

Number: ***A 182699 № 1413***

Issue date: ***30.08.2006***

Validity: ***till 30.08.2009***

Licensor: ***Department of Education and Science under the Administration of the Lipetsk Region***

Activity: ***Education***

Possibility of license prolongation: ***The license will be prolonged***

3.2.6. Joint ventures of the Issuer.

As of the reporting period closure, NLMK does not have any joint ventures with other companies.

3.2.7. Additional requirements to Issuers being stock investment funds, insurance or credit companies, mortgage agencies.

The information is not presented as the Issuer is not a stock investment fund, insurance company, credit company or a mortgage agency

3.2.8. Additional requirements to Issuers, which specialize in mining operations.

The information on NLMK's subsidiaries and affiliated companies, which specialize in mining operations, is provided.

I. Studenovsk Joint Stock Mining Company (OJSC Stagdok)

a) Mineral reserves:

According to the obtained license, OJSC Stagdok has the right for Sitov area subsoil of Sokol-Sitov fluxed limestone field located in the Lipetsk region (3 km north of Lipetsk and 0.5 km west of village Voskresenovka of the Lipetsk region).

The license for subsoil use: series ЛПЦ No. 54036 ТЭ

Issue date: May 30, 2002.

Expiry date: 31.12.2028.

The basis for licensing:

- supplementary exploration and revaluation of reserves in the period of 1995-2000;*
- change of field contour.*

The subsoil area given for use has a mining lease status. The maximum depth of the area is +106 meters subject to mandatory preservation of protective pillar of 2 meters capacity above the groundwater level.

Sitov area of Sokol-Sitov field with limestone reserves of 200,901 thousand tons as of 01.01.2000, inclusive of 34,095 thousand tons of quality A, 166,806 thousand tons of quality C1, confirmed by (taking into account supplementary exploration and revaluation of the field) the Territorial Mining Reserves Commission (Minutes No. 51 dd. June 29, 2000).

In QIV 2007 the limestone extraction volume amounted to 1121,9 thousand tons.

As of 01.01.2008 the reserve residue of Sitov area constitutes 167593.1 thousand tons, inclusive of 1410,1 thousand tons of quality A and 166,183 thousand tons of quality C1.

Within the given mining lease the company has the right for geological survey for conversion of limestone reserves from low industrial grades to high grades.

Main liabilities of the Company.

1. To extract limestone with observation of the following conditions:

- to define annual extraction volume of limestone on the basis of mining operations plan;*
- to coordinate the plan of mining operations, norms for losses and impoverishment with State engineering supervision bodies on the annual basis.*

2. To effect payments for subsoil use according to the existing norms:

- 6% of the product selling price for the right to extract fluxed limestone;*
- 5.5% of the product selling price for the right to extract construction quality limestone.*

The Company must make double payments for mineral loss infringement, effect tax and other mandatory payments to the budget in time and in full.

3. To present statistical reports under form 5-2p to the Federal Geological Administration "Geological Fund of the Central regions of Russia" by January 15 every year.

4. To present statistical reports under form 70-TII, 71-TII to bodies stated in these forms by January 25 annually.

5. In the course of the field use OJSC Stagdok must constantly monitor groundwater through the existing observation network.

The liabilities described in the license are fulfilled by the company in accordance with established procedure.

b). Extraction and processing of minerals:

Main facilities and equipment used for extraction and processing of fluxed limestone at Sokol-Sitov field are crushers and mills, shovels, BELAZ trucks, drilling rigs, bulldozers, diesel locomotives.

c). Sales:

Limestone from Sitov area can be used as raw material for the products conforming to the following requirements:

- TU 0750-005-00186855-97 "Limestone of industrial grade. Specifications";

- TU 0750-004-00186855-95 "Limestone of industrial grade extracted by Studenovsk Joint-Stock Company. Specifications".

Crushed limestone for construction, limestone of industrial grade are not covered by "Product mix subject to mandatory certification according to the Russian Law" approved by Decree No. 64 dd. 30.07.2002 of the RF State Standard (Gosstandart RF).

II. Open Joint-Stock Company Dolomite (OJSC Dolomite)

a) Mineral reserves:

Under the obtained license, OJSC Dolomite has the right to use subsoil for dolomite extraction in Bigildin and Prikarjerny areas of Dankov field.

Mineral resources are metallurgical dolomite, construction grade crushed rock and limestone (dolomite) flour.

As of 01.01.2008 the areas for which licenses were granted had 393 609 thousand tons of balance sheet reserves of dolomite, inclusive of 242 429 thousand tons in Bigildin area and 151 180 thousand tons in Prikarjerny area. Dankov field contains (all areas) 662 086 thousand tons of dolomite balance sheet reserves in total.

In 2007 extraction volume amounted to 3 458 thousand tons.

Reserve evaluation method was approved by Protocol No. 873 dd. September 26, 2003 of the State Mineral Reserves Committee (GKZ).

License No. JIIIQ 54112 TЭ for subsoil use was obtained by OJSC Dolomite for the purpose of dolomite extraction at Bigildin and Prikarjerny areas of Dankov field in order to manufacture metallurgical raw materials and construction materials. Subsoil areas have the mining lease status.

The license was granted on: October 1, 2003.

Expiry date: 01.01.2029.

The basis for licensing was renewal of the valid license due to change of legal entity's (subsoil user's) name.

Validity of the licenses can be prolonged upon initiative of the subsoil user.

Allocated subsoil areas are located 3-7 km north-east of Dankov and railway station with the same name – Dankov UVJD, 95 km north-west of Lipetsk. The relief is relatively plain with ravine gully type network. The area of Bigildin area is 528 hectares, of Prikarjerny one – 316 hectares, total area is

844 hectares. The areas are located on cropland that can be used for agricultural purposes. Minerals in the field are overlapped by argillaceous sand and off-grade carbonate deposits. The average capacity of stripping is 17.5 meters and one of productive strata– 23.0 meters. Dolomites are flooded down to 1 – 3 meters in the bottom part of the cut. The depth of exploitation is up to 40 meters.

Liabilities of the Company:

1. To pay tax on dolomite extraction for construction materials in the amount of 5.5% of the extracted mineral value;

2. To pay tax on dolomite extraction for metallurgical raw materials in the amount of 6.0% of the mineral value.

3. To effect double payments for mineral loss infringement.

4. To present reports under forms 5-ГР, 70-ТII, 71-ТII to controlling bodies on the annual basis.

5. To renew documents for the mining leases in areas under mining in Gostekhnadzor of the Russian Federation in Verkhne - Donskoy region before 01.05.2005.

6. To write off dolomite reserves accounted by the State in the field areas within the mining lease at the time of operations completion and perform complete reclamation of dislocated soils.

7. To prepare the annual mining development plan for the forthcoming year and to coordinate it with Gostekhnadzor of the Russian Federation in Verkhne-Donskoy region before December 15.

8. Two years prior to license expiry date a project of mining opening final liquidation and dislocated soil reclamation shall be developed and approved.

All the above liabilities are fulfilled within established deadlines.

b) Mineral processing:

Electric full-rotary excavators manufactured by UZTM of ЭКГ –5а and ЭКГ –4, 6Б type with 5 m³ and 4.6 m³ bucket capacity respectively and max. digging height of 10.3 m which corresponds to height of common quarry face and stripping capacity are used for dolomite extraction in open-cut mine. Drill works are done by roller-bit drilling rig of СБШ – 250МН type. Borehole diameter is 250 mm at drilling depth of 10-12 meters. Ore is crushed by jaw crushers with simple movement of jaw of grade ШДП 3x12 and ШДП 15x21 with receiving hole of 900 mm x 1200 mm and 1500 mm x 2100 mm respectively and capacity of 180 m³/h and 550 m³/h respectively. The material is additionally crushed in cone secondary crushers of КСД –1750ГР and КСД –2200ГР of 200 m³/h and 500 m³/h capacity respectively. Material is classified by fractions by vibrating screens of ГвИ, ГвС, ГвТ types.

Screened material is transported by belt conveyors of horizontal and inclined type with belt width of B 800 mm, B 1000 mm and B 1200 mm, of capacity which is correspondent to capacities of main production lines, i.e. jaw and cone crushers.

c) Product sales:

Permissions for dolomite products sales and export quotas allocated by the Federal Law are not provided for.

III. Open Joint-Stock Company Stoilensky GOK (OJSC Stoilensky GOK)

a) Mineral reserves:

1) According to the obtained license, OJSC Stoilensky GOK has the right for

quarry operation at the Stoilensk iron ore and nonmetallics field.

The field was explored by Belgorod geological surveillance expedition.

State Mineral Reserves Commission with the Ecology and Natural Resources Ministry of the Russian Federation approved the following reserves for quarry operations (500 meters to bedding rock) (Minutes No. 1, No. 2 dd. January 24, 1992):

- high grade iron ore;*
- magnetite quartzite;*
- oxidized quartzite;*
- clay and loam;*
- chalk;*
- marl;*
- sand;*
- decayed slate;*
- crystalline slate;*
- quartzitic sandstone;*
- granite gneiss.*

The balance sheet reserves remainder as of 01.01.2008:

- high grade iron ore of category B+C1 – 54,517 thousand tons; of category C2 – 11,991 thousand tons;*
- magnetite quartzite of category B+C1 – 4,885,135 thousand tons; of category C2 – 1,563,565 thousand tons.*

Extraction volume from the beginning of field excavation till 01.01.2008 accounted for:

- high grade iron ore – 107,878 thousand tons;*
- magnetite quartzite – 371,307 thousand tons.*

Annual design capacity of the Company on high grade iron ore excavation is 1000 thousand tons, magnetite quartzite – 25440 thousand tons.

Stoilensky GOK was granted the license of series БЕЖ №13030 ТЭ for subsoil usage – excavation of iron ore, ferruginous quartzite of Stoilensky field, as well as associated nonmetallics located in stripping and special dumps; the license was registered by Natural Resources Ministry of Russia under No. 3955 dd. 24.03.2005. Marketable products produced by iron ore processing are sintering ore and iron ore concentrate. Nonmetallic by-products and finished products from their processing are used in-house or in other companies.

Issue date of the license: March 24, 2005.

License expiry date: January 1, 2016. (Validity of the license can be prolonged upon initiative of the subsoil user as well as in other cases set forth in the Federal Act "On subsoils").

The license was granted on the basis of application and licensing documents submitted by OJSC Stoilensky GOK.

Under terms and conditions of the license and within its validity, OJSC Stoilensky GOK shall:

- effect payments for extraction of minerals and for the use of land lots;*
- observe the rules of safe operation, environmental protection, mineral resources conservation, subsoil protection.*

Under special conditions of the license, OJSC Stoilensky GOK is liable to:

- additionally coordinate payment terms or procedures for subsoil use with the issuing bodies - in case existing legislation changes;*
- should any unknown mineral types and associated valuable components be found at the moment of license granting, the issuing bodies are entitled to call for state appraisal of geological materials and review the conditions of subsoil use;*
- prepare reports on fulfillment of subsoil use conditions under this*

license for the previous year not later than on January 15 of the year following the reporting one;

- renew the license due to change of the company's name or status.

The obligations stated in the license are fulfilled by the Company according to the established procedure.

2) Under license of series БЕЛ No. 50162 ВЭ, OJSC Stoilensky GOK is entitled to extract drainage groundwater in order to dewater the quarry of Stoilensk ferruginous quartzite field.

Issue date of the license: 13.01.2003.

License expiry date: 01.11.2012.

The license was granted on the basis of Application and licensing documents submitted by OJSC Stoilensky GOK.

Drainage groundwater reserves of Stoilensk field were approved according to Turonian Maastricht, Alb-senoman aquiferous stratum and Archean Proterozoic aquiferous complex in the amount of 126,7 thousand m³ /day under category A+B (Minutes No. 1291 GKZ dd. November 24, 2006)

Turonian Maastricht aquiferous stratum refers to top interstitial weathering zone of marl-chalk stratum with 60-90 meters capacity of the same age. The stratum is free-flow, static level is at 25-50 meters depth. The stratum around the quarry is fully drained.

Alb-senoman aquiferous stratum refers to medium sands of the same age located at 90-110 meters depth overlapped by sand-clay deposits of quaternary age and chalk – marl rocks. The stratum is free-flow, depth is 63-94 meters. Decrease of groundwater level in area of drained contour is 40-45 meters.

Archean Proterozoic aquiferous stratum of 150 m capacity refers to cracked area of crystalline rock, confining bed of which lies at the depth of 120-140 meters. Aquiferous stratum is under pressure, piezometric level is at the depth of 75-100 meters, the quarry is drained.

OJSC Stoilensky GOK drains groundwater through 127 draining rise wells and 12 filters drilled from ring-type horizontal quarry system of 28 km total length. Underground water intake includes 20 rise upward boreholes and mine drainage from shaft No. 3.

Mine drainage in 2007 on the whole accounted for 43 018 753 m³, including household and potable water 3 626 327 m³.

Area of water intake belongs to Don river basin.

The subsoil user is permitted to take groundwater continuously in order to drain the quarry with the decrease of groundwater level to the drainage working and in quantity providing for safe mining operations.

In the subsoil user's territory there is a network of observation wells by which the subsoil user monitors groundwater and studies hydrodynamic and hydrochemical conditions of groundwater in the affected zone.

According to the license terms and conditions OJSC Stoilensk GOK shall effect payments for the use of water bodies in accordance with the existing legislation of the Russian Federation, as well as legislative instruments and regulations of the Government and Administration of the Belgorod region.

The liabilities stated in the license are fulfilled by the Company according to the established procedure.

b) Minerals processing:

1. Main technologies used:

The field is excavated, i. e. opened by a network of trenches. Excavation system includes external refuse disposal. Quarry depth is 345 meters. Loose deposits are being opened by rotor complex and cyclic excavators. Rock stripping, high grade ore and ferruginous quartzite are extracted by cyclic excavators with preliminary opening by drilling-and-blasting operations. Ore mass is taken out of

the quarry by trucks, railway and conveyor belts.

High grade ore processing includes three stages of crushing and screening with separation of sintering ore. Processing of ferruginous quartzite (magnetite) takes three stages of crushing with closed final stage, four stages of milling, magnetic separation, desliming, dehydration of concentrate in vacuum filters. Hydrotransportation of processing tailings is forced/gravity-flowing type. Water recycling is used.

2. The following equipment is used:

2.1. Mining operations:

- drilling rigs СБШ –250 МНА-32;*
- charge machine "Akvatol", МЗ-4;*
- cyclic excavators ЭКГ-10, ЭКГ-10Р, ЭКГ-8И, ЭКГ-8УС, ЭКГ-4,6 (4У, 5У), ЭШ10/70, ЭШ6/45;*
- rotor complex КУ-800.*

2.2. Transportation of mining mass:

- dump trucks BELAZ 75131, 75746, 7555;*
- electric locomotives ОПЭ-1, НП-1, locomotives ЧМЭ-3, ТЭМ-2, М-62;*
- boxcars 2BC-105;*
- mobile conveyor in rotor complex КУ-800.*

2.3 Crushing and beneficiation equipment:

- crushers – ШКД 2100/1500, ДМРнЭ14, 5/13, ККД 1500/180, КСД 3000Т, КМД 3000Т2-ДП, Hydrocone H8800 (SANDVIK) ;*
- screens ГИСТ-72, ГИТ-52Н, LF3060D;*
- classifiers 2КСН 3, 0x17, 2;*
- mills МШЦУ5, 5x65, МШЦ 5, 5x6, 5;*
- separators ПБМ-П-120/300, ПБМ-ПП-150/200, ПБМ-ПП-120/300;*
- deslimers МД-12;*
- vacuum filters ДШ 100/2, 5, ДТВО-100/2, 58У, ДОО-100/2, 5;*
- pumps ГРК, ГРТ 1250/71, ГРК 1600/56, 350 ММС "Weir Minerals"*
- stationary, reverse, mobile belt conveyors.*

c) Sales

Finished products (sintering ore and iron ore concentrate) are sold on the basis of agreements concluded with customers.

No authorization of state bodies is required for the sales of these products.

3.2.9. Additional requirements to the Issuers whose core activity is communication services.

The information is not submitted due to the fact that the Issuer does not render communication services.

3.3. The Issuer's prospects.

In recent years NLMK has been one of the most efficient steelmakers in Russia and in the world.

In accordance with the approved "Sustainable Development Strategy for 2007-2011", NLMK continues to strengthen its vertical integration aimed at self-

sufficiency in main raw materials and, therefore, cost reduction.

The key element of NLMK's production strategy is a large-scale Technical Upgrade & Development Program, which was launched in 2000. In 2008 NLMK will continue implementing its 2nd stage (2007-2011), the fundamentals of which were approved by NLMK's Board of Directors in 2006; in particular, projects-in-progress and new projects will be implemented.

The main objective of the Technical Upgrade & Development Program is a balanced growth of the Company at all stages of production chain. In line with the strategy chosen, the Company intends to make the best use of its main competitive advantage – low-cost production of high-quality steel.

In the framework of all NLMK's investment projects, it intends to pay major attention to labor safety and industrial ecology. Therefore, in 2008 will continue to construct and revamp environmental facilities, to implement energy-saving and low-waste technologies.

3.4. The Issuer's share in industrial, banking and financial groups, holdings, concerns and associations.

Since 29.11.2007 NLMK has been a member of Automatic Identification Association "UNISCAN/GS1 RUS"

Automatic Identification Association "UNISCAN/GS1 RUS" is a Russia-based voluntary non-governmental organization consisting of companies that use the standards of GS1 commodity numbering and barcoding standards.

3.5. Subsidiaries and affiliated companies of the Issuer.

1. Full name: *Limited-Liability Company Lipetsk Insurance Company Chance*

Abbreviated name: *LLC LSO Chance*

Domicile: *30, ul. Nedelina, Lipetsk 398059 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50 % of the equity*

The Issuer's share in subsidiary's equity: *100 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *insurance activity.*

Importance for the Issuer: *production process servicing.*

Information on the personal structure of the Company's Board:

The Board is not provided for by the Company Charter.

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

Director – Elena I. Vlasova, year of birth – 1961, doesn't hold any share in the Issuer's equity.

2. Full name: *Limited-Liability Company Steel*

Abbreviated name: *LLC Steel*

Domicile: *1, ul. Lenin, Uglich, Yaroslavl region 152620 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50 % of the equity*

The Issuer's share in subsidiary's equity: *100 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *supply of raw & other materials, scrap for iron and steel industry.*

Importance for the Issuer: *production process servicing.*

Information on the personal structure of the Company's Board:

The Board is not provided for by the Company Charter.

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

General Director – Oleg A. Schetnikov, year of birth – 1963, doesn't hold any share in the Issuer's equity.

3. Full name: *Limited-Liability Company Novolipetskoye*

Abbreviated name: *LLC Novolipetskoye*

Domicile: *Village Tyushevka, Lipetsk region, 398052 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50 % of the equity*

The Issuer's share in subsidiary's equity: *100 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *production and processing of agricultural products.*

Importance for the Issuer: *insignificant influence.*

Information on the personal structure of the Company's Board:

Chairman: *Elena P. Ukolova, year of birth – 1980, doesn't hold any share in the Issuer's equity;*

Members:

1. *Elena P. Ukolova, year of birth – 1980, doesn't hold any share in the Issuer's equity;*

2. *Valery A. Mamyshev, year of birth – 1941, share in the Issuer's equity: 0.00017% share in the Issuer's common stock: 0.00017%*

3. *Grigory I. Putilin, year of birth - 1974, doesn't hold any share in the Issuer's equity;*

4. *Elena S. Meyer, year of birth - 1980, doesn't hold any share in the Issuer's equity.*

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

Director – Vladimir N. Semenov, year of birth – 1958, doesn't hold any share in the Issuer's equity.

4. Full name: *Limited-Liability Company Karamyshevskoye*

Abbreviated name: *LLC Karamyshevskoye*

Domicile: *1, ul. Tsentralnaya, village Karamyshevo, Gryazi district, Lipetsk region 399077 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50 % of the equity,*

The Issuer's share in subsidiary's equity: *100 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *production and processing of agricultural products.*

Importance for the Issuer: *insignificant influence.*

Information on the personal structure of the Company's Board:

Chairman: *Alexey M. Postnikov, year of birth – 1980, doesn't hold any share in the Issuer's equity.*

Members:

1. *Olga D. Grechishkina, year of birth – 1964, doesn't hold any share in the Issuer's equity.*

2. *Elena S. Meyer, year of birth – 1980, doesn't hold any share in the Issuer's equity;*

3. *Natalia V. Panova, year of birth - 1981, doesn't hold any share in the Issuer's equity;*

4. **Viktoriya A. Kuryanova, year of birth – 1979, doesn't hold any share in the Issuer's equity.**

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

Director – Vladimir V. Yelizarov, year of birth – 1948, doesn't hold any share in the Issuer's equity.

5. Full name: **Limited-Liability Company Trade House NLMK**

Abbreviated name: **LLC Trade House NLMK**

Domicile: **bldg. B, 1/15, Kotelnicheskaya naberezhnaya, Moscow 109240 Russia**

The basis for recognition of subsidiary status with respect to the Issuer: **the Issuer holds over 50% of the equity**

The Issuer's share in subsidiary's equity: **100 %**

The subsidiary's share in the Issuer's equity: **no**

Core activity of the subsidiary: **domestic and export trading of ferrous and non-ferrous metals.**

Importance for the Issuer: **production process servicing.**

Information on the personal structure of the Company's Board:

Chairman: Victor P. Kirilenko, year of birth – 1957, doesn't hold any share in the Issuer's equity

Members:

1. **Andrey A. Smirnov, year of birth – 1961,**

share in the Issuer's equity: 0.00018%,

share in the Issuer's common stock: 0.00018%;

2. **Alexander I. Kravchenko, year of birth – 1955,**

share in the Issuer's equity: 0.00018%,

share in the Issuer's common stock: 0.00018%;

3. **Pavel V. Gorodilov, year of birth – 1957,**

share in the Issuer's equity: 0.00022%,

share in the Issuer's common stock: 0.00022%;

4. **Andrey V. Mikhalev, year of birth – 1977, doesn't hold any share in the Issuer's equity.**

5. **Igor A. Matsak, year of birth – 1970, doesn't hold any share in the Issuer's equity.**

6. **Dmitry V. Mukhortov, year of birth – 1973, doesn't hold any share in the Issuer's equity.**

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

General Director – Maria A. Kovalenko, year of birth – 1976, doesn't hold any share in the Issuer's equity.

6. Full name: **Limited Liability Company Vtorchermet NLMK**

Abbreviated name: **LLC Vtorchermet NLMK**

Domicile: **2, Pl. Metallurgov, 398040, Lipetsk, Russia**

The basis for recognition of subsidiary status with respect to the Issuer: **the Issuer holds over 50% of the equity**

The Issuer's share in subsidiary's equity: **100 %**

The subsidiary's share in the Issuer's equity: **no**

Core activity of the subsidiary: **purchasing, processing and selling of ferrous and non-ferrous scrap.**

Importance for the Issuer: **production process servicing.**

Information on the personal structure of the Company's Board:

Chairman: not elected

Members:

1. *Konstantin V. Lashkevich, year of birth – 1977, doesn't hold any share in the Issuer's equity;*
2. *Savely N. Shin, year of birth – 1953, doesn't hold any share in the Issuer's equity;*
3. *Maxim G. Ponomarev, year of birth – 1973, doesn't hold any share in the Issuer's equity;*
4. *Grigory I. Putilin, year of birth – 1974, doesn't hold any share in the Issuer's equity;*
5. *Alexander S. Korotayev, year of birth – 1960, share in the Issuer's equity: 0.00023%, share in the Issuer's common stock: 0.00023%;*

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

Director General – Savely N. Shin, year of birth – 1953, doesn't hold any share in the Issuer's equity.

7. Full name: *Kuzbass Asset Holdings Limited*

Domicile: *Offices 41/42, Victoria House, 26, Main Street, Gibraltar*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of the voting shares;*

The Issuer's share in subsidiary's equity: *100 %*

The Issuer's share of subsidiary's common stock: *100 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *trading, commissioning, stock, broker and investment operations.*

Importance for the Issuer: *production process servicing.*

Information on the Company's single executive body:

Director – Marat P. Degoyev, year of birth – 1967, doesn't hold any share in the Issuer's equity.

8. Full name: *Limited Liability Company "Independent Transport Company"*

Abbreviated name: *LLC "NTK"*

Domicile: *32A, Leninsky prospect, Moscow 119991 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of the equity*

The Issuer's share in subsidiary's equity: *100 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *cargo transportation and other forwarding services.*

Importance for the Issuer: *production process servicing.*

Information on the personal structure of the Company's Board:

Chairman: Viktor P. Kirilenko, year of birth – 1957, doesn't hold any share in the Issuer's equity.

Members:

1. *Oleg Yu. Bukin, year of birth – 1966, doesn't hold any share in the Issuer's equity;*

2. *Alexander I. Kravchenko, year of birth – 1955, share in the Issuer's equity: 0.00018%, share in the Issuer's common stock: 0.00018%;*

3. *Dmitry V. Mukhortov, year of birth – 1973, doesn't hold any share in the Issuer's equity;*

4. *Valery A. Loskutov, year of birth – 1969, share in the Issuer's equity: 0.00012%, share in the Issuer's common stock: 0.00012%.*

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

Director General - Oleg Yu. Bukin, year of birth – 1966, doesn't hold any share in the Issuer's equity.

9. Full name: **Limited Liability Company VIZ-Stal**

Abbreviated name: **LLC VIZ-Stal**

Domicile: **28, yl. Kirova, Ekaterinburg 620219 Russia**

The basis for recognition of subsidiary status with respect to the Issuer: **the Issuer holds over 50 % of the equity,**

The Issuer's share in subsidiary's equity: **100 %**

The subsidiary's share in the Issuer's equity: **no**

Core activity of the subsidiary: **production and sales of electrical steel**

Importance for the Issuer: **production of high value-added steel products.**

Information on the personal structure of the Company's Board:

Chairman: Valery V. Schevelev, year of birth - 1967, doesn't hold any share in the Issuer's equity

Members:

1. Mikhail B. Tsyrlin, year of birth - 1938, doesn't hold any share in the Issuer's equity;

**2. Yuri I. Larin, year of birth – 1952,
share in the Issuer's equity: 0.00017%,
share in the Issuer's common stock: 0.00017%.**

**3. Valery A. Loskutov, year of birth – 1969,
share in the Issuer's equity: 0.00012%,
share in the Issuer's common stock: 0.00012%.**

4. Evgeny A. Ovcharov, year of birth – 1977, doesn't hold any share in the Issuer's equity;

**5. Igor N. Anisimov, year of birth – 1965,
share in the Issuer's equity: 0.00017%,
share in the Issuer's common stock: 0.00017%.**

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

Director General – Alexander V. Demakov, year of birth - 1945, doesn't hold any share in the Issuer's equity.

10. Full name: **Subsidiary "Holiday Hotel Novolipetsky Metallurg" of Open Joint Stock Company "Novolipetsk Steel"**

Abbreviated name: **no**

Domicile: **25, per. Chekhov, village Morskoye, the city of Sudak, Crimea Autonomy, 334886 Ukraine**

The basis for recognition of subsidiary status with respect to the Issuer: **the Issuer holds over 50% of the equity**

The Issuer's share in subsidiary's equity: **100 %**

The subsidiary's share in the Issuer's equity: **no**

Core activity of the subsidiary: **recreational activities, services for holiday-makers, treatment and health-improving services.**

Importance for the Issuer: **insignificant influence.**

Information on the personal structure of the Company's Board:

The Board is not provided for by the Company Charter.

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

Director – Svetlana V. Mineyeva, year of birth - 1971, doesn't hold any share in the Issuer's equity

11. Full name: **NLMK International B.V.**

Domicile: *Netherlands, Amsterdam*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of the equity*

The Issuer's share in subsidiary's equity: *100 %*

The Issuer's share of subsidiary's common stock: *100 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *holding company, holding of shares of the production and trading subsidiaries, management of subsidiaries, organization of their financing*

Importance for the Issuer: *management of NLMK's foreign assets*

Information on the personal structure of the Company's Board of Managing Directors:

Managing Directors:

1. *Galina A. Aglyamova, year of birth - 1961, share in the Issuer's equity: 0.00017%, share in the Issuer's common stock: 0.00017%;*
2. *Dmitry A. Baranov, year of birth 1968, doesn't hold any share in the Issuer's equity;*
3. *Alexey A. Lapshin, year of birth 1947, doesn't hold any share in the Issuer's equity;*
4. *Maria A. Starostina, year of birth 1974, doesn't hold any share in the Issuer's equity;*

12. Full name: *Limited-Liability Company Larmet*

Abbreviated name: *LLC Larmet*

Domicile: *44/28, ul. Studencheskaya, Moscow 121165 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of the equity,*

The Issuer's share in subsidiary's equity: *99.98 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *wholesale trade of steel and steel products*

Importance for the Issuer: *production process servicing.*

Information on the personal structure of the Company's Board:

The Board is not provided for by the Company Charter.

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by Company Charter.

Information on the Company's single executive body:

General Director – Pavel V. Lizogub, year of birth – 1966, doesn't hold any share in the Issuer's equity.

13. Full name: *Limited-Liability Company VIMET*

Abbreviated name: *LLC VIMET*

Domicile: *2, pl. Metallurgov, Lipetsk, 398040 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of the equity,*

The Issuer's share in subsidiary's equity: *99.97 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *wholesale delivery of steel-making raw materials, wholesale delivery of steel products.*

Importance for the Issuer: *production process servicing.*

Information on the personal structure of the Company's Board:

The Board is not provided for by the Company Charter.

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

General Director – Viktor P. Kirilenko, year of birth – 1957, doesn't hold any share in the Issuer's equity.

14. Full name: **Open Joint Stock Company Stoilensky GOK**

Abbreviated name: **OJSC Stoilensky GOK**

Domicile: **Russian Federation**

The basis for recognition of subsidiary status with respect to the Issuer: **the Issuer holds over 50% of the Company's voting shares;**

The Issuer's share in subsidiary's equity: **96.98 %**

The Issuer's share of common stock of the subsidiary: **96.98 %**

The subsidiary's share in the Issuer's equity: **no**

Core activity of the subsidiary: **strip mining and dressing of ferrous and other ore.**

Importance for the Issuer: **significant influence, production process servicing.**

Information on the personal structure of the Company's Board:

Chairman: Alexander N. Saprykin, year of birth – 1967, doesn't hold any share in the Issuer's equity.

Members:

1. Galina A. Aglyamova , year of birth – 1961,

share in the Issuer's equity: 0.00017%,

share in the Issuer's common stock: 0.00017%;

2. Alexander Y. Gorshkov, year of birth – 1961, doesn't hold any share in the Issuer's equity;

3. Viktor P. Kirilenko, year of birth – 1957, doesn't hold any share in the Issuer's equity;

4. Alexander I. Kravchenko, year of birth – 1955,

share in the Issuer's equity: 0.00018%,

share in the Issuer's common stock: 0.00018%;

5. Denis E. Samsikov , year of birth – 1973, doesn't hold any share in the Issuer's equity;

6. Maxim G. Ponomarev, year of birth – 1973, doesn't hold any share in the Issuer's equity;

6. Alexander G. Starchenko, year of birth – 1968, doesn't hold any share in the Issuer's equity;

8. Georgy E. Isayenko, year of birth – 1961, doesn't hold any share in the Issuer's equity.

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

General Director – Alexander Y. Gorshkov, year of birth – 1961, doesn't hold any share in the Issuer's equity.

15. Full name: **Open joint-stock company Altai-koks**

Abbreviated name: **OJSC Altai-koks**

Domicile: **Zarinsk, Altai Territory 659107 Russia**

The basis for recognition of subsidiary status with respect to the Issuer: **the Issuer holds over 50% of the company's voting shares**

The Issuer's share in subsidiary's equity: **94.15 %**

The Issuer's share of common stock of the subsidiary: **94.15 %**

The subsidiary's share in the Issuer's equity: **no**

Core activity of the subsidiary: **production and sales of coke and by-products.**

Importance for the Issuer: **significant influence, production process servicing.**

Information on the personal structure of the Company's Board:

Chairman: Alexander G. Starchenko, year of birth – 1968, doesn't hold any share in the Issuer's equity

Members:

1. Valery A. Loskutov, year of birth – 1969,

share in the Issuer's equity: 0.00012%,

- share in the Issuer's common stock: 0.00012%;*
2. *Igor N. Anisimov, year of birth – 1965,
share in the Issuer's equity: 0.0017%,
share in the Issuer's common stock: 0.0017%;*
 3. *Denis E. Samsikov, year of birth – 1973, doesn't hold any share in the Issuer's equity;*
 4. *Vyacheslav P. Fyodorov, year of birth – 1966, doesn't hold any share in the Issuer's equity;*
 5. *Evgeny A. Ovcharov, year of birth – 1977, doesn't hold any share in the Issuer's equity;*
 6. *Evgeny N. Ponomarev, year of birth – 1966,
share in the Issuer's equity: 0.00005%,
share in the Issuer's common stock: 0.00005%;*
 7. *Pavel V. Lizogub, year of birth – 1966, doesn't hold any share in the Issuer's equity;*
 8. *Alexander Y. Zarapin, year of birth – 1962, doesn't hold any share in the Issuer's equity.*

Information on the staff of the Company's corporate executive body (Management Board):

1. *Pavel V. Lizogub, year of birth – 1966, doesn't hold any share in the Issuer's equity;*
2. *Victor I. Pirogov, year of birth – 1951, doesn't hold any share in the Issuer's equity;*
3. *Evgeny N. Ponomarev, year of birth – 1966,
share in the Issuer's equity: 0.00005%,
share in the Issuer's common stock: 0.00005%;*
4. *Rudolf R. Kantsler, year of birth – 1952, doesn't hold any share in the Issuer's equity;*
5. *Vasily V. Kochkin, year of birth – 1948, doesn't hold any share in the Issuer's equity;*
6. *Gairat R. Mukushev, year of birth – 1961, doesn't hold any share in the Issuer's equity;*
7. *Victor Ya. Shtro, year of birth – 1953, doesn't hold any share in the Issuer's equity.*

Information on the Company's single executive body:

General Director – Pavel V. Lizogub, year of birth – 1966, doesn't hold any share in the Issuer's equity.

16. Full name: *Open Joint Stock Company Dolomite*

Abbreviated name: *OJSC Dolomite*

Domicile: *1, ul. Sverdlova, Dankov, Lipetsk region 399854 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of the company's voting shares;*

The Issuer's share in subsidiary's equity: *92.74 %*

The Issuer's share of common stock of the subsidiary: *92.74%*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *extraction and processing of dolomite.*

Importance for the Issuer: *significant influence, production process servicing.*

Information on the personal structure of the Company's Board:

Chairman: *Alexander N. Saprykin, year of birth - 1967, doesn't hold any share in the Issuer's equity*

Members:

1. *Alexey I. Berdnikov, year of birth - 1973, doesn't hold any share in the Issuer's equity;*
2. *Konstantin V. Lashkevich, year of birth – 1977, doesn't hold any share in the Issuer's equity;*

3. *Georgy E. Isayenko, year of birth – 1961, doesn't hold any share in the Issuer's equity;*
4. *Andrey V. Mikhalev, year of birth – 1977, doesn't hold any share in the Issuer's equity;*
5. *Alexey L. Myazin, year of birth – 1977, doesn't hold any share in the Issuer's equity;*
6. *Alexander I. Tatyatin, year of birth – 1979, doesn't hold any share in the Issuer's equity.*

Information on the staff of the Company's corporate executive body (Management Board): *The corporate executive body has not been formed.*

Information on the Company's single executive body:

General Director – Valery A. Vyalov, year of birth – 1957, doesn't hold any share in the Issuer's equity.

17. Full name: *Open Joint Stock Company Studenovsk Joint Stock Mining Company*

Abbreviated name: *OJSC Stagdok*

Domicile: *4, ul Gaidara, Lipetsk 398008 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50 % of the subsidiary's voting shares*

The Issuer's share in subsidiary's equity: *88.62 %*

The Issuer's share of common stock of the subsidiary: *88.62 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *production of flux limestone for steel-making process, production of industrial limestone for sugar industry, production of lime-bearing materials and crushed rock for construction and road works.*

Importance for the Issuer: *significant influence, production process servicing.*

Information on the personal structure of the Company's Board:

Chairman: Alexander N. Saprykin, year of birth - 1967, doesn't hold any share in the Issuer's equity

Members:

1. Georgy E. Isayenko, year of birth – 1961, doesn't hold any share in the Issuer's equity;

2. Konstantin V. Lashkevich, year of birth – 1977, doesn't hold any share in the Issuer's equity;

3. Grigory I. Putilin, year of birth - 1974, doesn't hold any share in the Issuer's equity;

4. Alexander Y. Ledenev, year of birth - 1969, doesn't hold any share in the Issuer's equity;

5. Oleg V. Skorokhodov, year of birth - 1974, doesn't hold any share in the Issuer's equity;

6. Denis E. Samsikov, year of birth – 1973, doesn't hold any share in the Issuer's equity.

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

General Director – Viktor S. Bondar, year of birth – 1941, doesn't hold any share in the Issuer's equity.

18. Full name: *Limited-Liability Company Vtormetsnab NLMK*

Abbreviated name: *LLC Vtormetsnab NLMK*

Domicile: *2, pl. Metallurgov, Lipetsk 398040 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50 % of the company's equity*

The Issuer's share in subsidiary's equity: *70.00 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *storage, processing and sales of ferrous scrap*

Importance for the Issuer: *production process servicing.*

Information on the personal structure of the Company's Board:

Chairman: *not elected*

Members:

1. *Alexander S. Korotayev, year of birth – 1960, share in the Issuer's equity: 0.00023%, share in the Issuer's common stock: 0.00023%;*
2. *Grigory I. Putilin, year of birth – 1974, doesn't hold any share in the Issuer's equity;*
3. *Andrey V. Mikhalev, year of birth – 1977, doesn't hold any share in the Issuer's equity;*
4. *Igor A. Frolov, year of birth – 1967, doesn't hold any share in the Issuer's equity;*
5. *Konstantin V. Lashkevich, year of birth – 1977, doesn't hold any share in the Issuer's equity;*
6. *Savely N. Shin, year of birth – 1953, doesn't hold any share in the Issuer's equity;*
7. *Irina V. Vetkina, year of birth – 1971, doesn't hold any share in the Issuer's equity.*

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

General Director – Vladimir A. Stasenko, year of birth – 1969, doesn't hold any share in the Issuer's equity.

19. Full name: *Open Joint Stock Company Tuapse Commercial Seaport*

Abbreviated name: *OJSC TMTP*

Domicile: *2, ul. Morskoy Boulevard, Tuapse, Krasnodarsky krai 352800 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of voting shares*

The Issuer's share in subsidiary's equity: *69.41 %*

The Issuer's share of common stock of the subsidiary: *69.41 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *cargo handling, servicing of national and foreign vessels.*

Importance for the Issuer: *production process servicing.*

Information on the personal structure of the Company's Board:

Chairman: *Oleg Y. Bukin, year of birth – 1966, doesn't hold any share in the Issuer's equity.*

Members:

1. *Vladimir N. Ampilogov, year of birth – 1950, doesn't hold any share in the Issuer's equity;*
2. *Alexander I. Kravchenko, year of birth – 1955, share in the Issuer's equity: 0.00018%, share in the Issuer's common stock: 0.00018%;*
3. *Dmitry V. Mukhortov, year of birth – 1973, doesn't hold any share in the Issuer's equity;*
4. *Victor P. Kirilenko, year of birth – 1957, doesn't hold any share in the Issuer's equity;*
5. *Alexey S. Smolyansky, year of birth – 1974, doesn't hold any share in the Issuer's equity;*
6. *Evgeny G. Trunin, year of birth – 1960, doesn't hold any share in the Issuer's equity;*
7. *Sergey V. Chelyadin, year of birth – 1965, doesn't hold any share in the Issuer's equity;*
8. *Nikolai A. Gagarin, year of birth – 1950, doesn't hold any share in the Issuer's equity;*

Information on the staff of the Company's corporate executive body (the Management):

1. *Sergey V. Kozlov, year of birth – 1963, doesn't hold any share in the Issuer's equity;*

2. *Olga G. Yermolayeva, year of birth – 1953, doesn't hold any share in the Issuer's equity;*

3. *Yuri A. Khilov, year of birth – 1948, doesn't hold any share in the Issuer's equity;*

4. *Alexander L. Silin, year of birth – 1958, doesn't hold any share in the Issuer's equity;*

5. *Sergey A. Sinitsyn, year of birth – 1960, doesn't hold any share in the Issuer's equity;*

Information on the Company's single executive body:

General Director – Sergey V. Kozlov, year of birth – 1963, doesn't hold any share in the Issuer's equity.

20. Full name: *Open Joint-Stock Company North Oil and Gas Company*

Abbreviated name: *OJSC Severneftegas*

Domicile: *bldg. 1, 14, pl. Spartakovskaya, Moscow 105082 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of voting shares*

The Issuer's share in subsidiary's equity: *62.00 %*

The Issuer's share of common stock of the subsidiary: *62.00 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *exploration of oil and gas fields.*

Importance for the Issuer: *insignificant influence.*

Information on the personal structure of the Company's Board:

Chairman: Dmitry V. Nikiforov, year of birth – 1963, doesn't hold any share in the Issuer's equity.

Members:

1. *Ivan F. Glumov, year of birth – 1936, doesn't hold any share in the Issuer's equity;*

2. *Valery A. Loskutov, year of birth – 1969,*

share in the Issuer's equity: 0.00012%,

share in the Issuer's common stock: 0.00012%;

3. *Grigory I. Putilin, year of birth – 1974, doesn't hold any share in the Issuer's equity;*

4. *Alexander G. Vedernikov, year of birth – 1967, doesn't hold any share in the Issuer's equity;*

5. *Sergey I. Sai, year of birth – 1953, doesn't hold any share in the Issuer's equity.*

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

General Director – Ivan F. Glumov, year of birth – 1936, doesn't hold any share in the Issuer's equity.

21. Full name: *Open Joint-Stock Company Lipetsky Gipromez*

Abbreviated name: *OJSC Lipetsky Gipromez*

Domicile: *1, ul. Kalinina, Lipetsk 398600 Russia*

The basis for recognition of affiliated company status with respect to the Issuer: *the Issuer holds over 50% of the company's voting shares*

The Issuer's share in affiliated company's equity: *57.57 %*

The Issuer's share of common stock of the affiliated: *57.57 %*

The affiliated company's share in the Issuer's equity: *no*

Core activity of the affiliated company: *development of design documentation.*

Importance for the Issuer: *production process servicing.*

Information on the personal structure of the Company's Board:

Chairman: Yuri I. Larin, year of birth – 1952,

share in the Issuer's equity:0.00017%
share in the Issuer's common stock: 0.00017%.

Members:

- 1. Valery G. Khaibullin, year of birth – 1951, doesn't hold any share in the Issuer's equity;*
- 2. Alexey V. Barkov, year of birth – 1956,
share in the Issuer's equity:0.00017%
share in the Issuer's common stock: 0.00017%.*
- 3. Sergey F. Nevzorov, year of birth – 1951, doesn't hold any share in the Issuer's equity;*
- 4. Igor N. Anisimov, year of birth – 1965,
share in the Issuer's equity:0.00017%
share in the Issuer's common stock: 0.00017%.*
- 5. Vladimir A. Tretyakov, year of birth – 1960, doesn't hold any share in the Issuer's equity;*
- 6. Vladimir V. Loginov, year of birth – 1967,
share in the Issuer's equity: 0.000018%,
share in the Issuer's common stock: 0.000018%.*

Information on the staff of the Company's corporate executive body:

- 1. Irina P. Morkovina, year of birth – 1959, doesn't hold any share in the Issuer's equity;*
- 2. Nikolai I. Nikolayev, year of birth – 1957, doesn't hold any share in the Issuer's equity;*
- 3. Anatoly V. Boldyrev, year of birth – 1961,
share in the Issuer's equity:0.00017%
share in the Issuer's common stock: 0.00017%.*
- 4. Pavel I. Bobylev, year of birth – 1965, doesn't hold any share in the Issuer's equity;*
- 5. Nina P. Makarova, year of birth – 1953, doesn't hold any share in the Issuer's equity;*
- 6. Vitaly I. Tonkogolos, year of birth – 1958, doesn't hold any share in the Issuer's equity;*
- 7. Valery G. Haybullin, year of birth – 1951, doesn't hold any share in the Issuer's equity.*

Information on the Company's single executive body:

General Director – Valery G. Haybullin, year of birth – 1951, doesn't hold any share in the Issuer's equity.

22. Full name: *Open Joint-Stock Company Maxi-Group*

Abbreviated name: *OJSC Maxi-Group*

Domicile: *4, ul. Lesnaya, Troitsk, Moscovskaya obl., 142190, Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 50% of the subsidiary's voting shares*

The Issuer's share in subsidiary's equity: *50,00005 %*

The Issuer's share in the subsidiary's common stock: *50,00005 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *consulting in the sphere of corporate financial management*

Importance for the Issuer: *production process servicing, expansion of presence in the Russian market*

Information on the personal structure of the Company's Board:

Chairman: *Sergey A. Mironov, year of birth – 1960, doesn't hold any share in the Issuer's equity.*

Members:

- 1. Dr. Franz Mueller, year of birth - 1933, doesn't hold any share in the Issuer's equity;*
- 2. Alexander N. Loginovskikh, year of birth - 1954, doesn't hold any share in the Issuer's equity;*

3. *Sergey M. Zakharov, year of birth - 1964, doesn't hold any share in the Issuer's equity;*

4. *Nikolai V. Maksimov, year of birth - 1957, doesn't hold any share in the Issuer's equity;*

5. *Pavel M. Kurdupov, year of birth - 1956, doesn't hold any share in the Issuer's equity;*

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

General Director – Alexander N. Loginovskikh, year of birth - 1954, doesn't hold any share in the Issuer's equity.

23. Full name: *Limited-Liability Company Neptun*

Abbreviated name: *LLC Neptun*

Domicile: *office No. 35, 1-v, ul. Adm. Makarova, Lipetsk 398005 Russia*

The basis for recognition of subsidiary status with respect to the Issuer: *the Issuer holds over 20 % of the equity*

The Issuer's share in subsidiary's equity: *25 %*

The subsidiary's share in the Issuer's equity: *no*

Core activity of the subsidiary: *sport facilities, medical activity, organization of festivals, concerts and other entertainment.*

Importance for the Issuer: *insignificant influence.*

Information on the personal structure of the Company's Board:

The Board is not provided for by the Company Charter.

Information on the staff of the Company's corporate executive body:

The corporate executive body is not provided for by the Company Charter.

Information on the Company's single executive body:

Director – Margarita G. Bekasova, year of birth – 1965, doesn't hold any share in the Issuer's equity.

3.6. Composition, structure and value of the Issuer's fixed assets, information on plans of acquisition, change, retirement of fixed assets as well as on all events of the Issuer's fixed assets charge.

3.6.1. Fixed assets.

In this reporting period such information is not provided.

IV. Information on the Issuer's financial performance.

4.1. Issuer's financial performance results.

4.1.1. Profit and loss.

In this reporting period such information is not provided.

4.1.2. Factors which influenced the Issuer's sales proceeds and income (losses) from the Issuer's core operations.

In this reporting period such information is not provided.

4.2. The Issuer's liquidity, adequacy of capital and current assets.

In this reporting period such information is not provided.

4.3. Amount and structure of the Issuer's capital and current assets.

4.3.1. Amount and structure of the Issuer's capital and current assets.

In this reporting period such information is not provided.

4.3.2. The Issuer's financial investments.

In this reporting period such information is not provided.

4.3.3. Intangible assets of the Issuer.

In this reporting period such information is not provided.

4.4. Information on policy and expenses of the Issuer in the field of technological progress, licenses and patents, new developments and research.

The Issuer's policy in the field of technological progress has been governed by its quality management policy.

One of the policy guidelines is the acquisition of intellectual property rights by means of patent protection of new technical solutions developed at NLMK.

In QIV 2007 eight patents for inventions were obtained (the list of patents is presented in the table below).

List of patents for inventions obtained in QIV 2007.

No.	Description of invention	Issue date	Validity of patent
1.	Method and equipment for thyristor control (options)	10. 10. 2007	20 years
2.	Method and equipment for three-phase converter thyristor control (options)	10. 10. 2007	20 years
3.	Method and equipment for reversible converter thyristor control for power supply of AC motor armature circuit (options)	10. 10. 2007	20 years
4.	Device for accommodation amplitude determination at a subject's workplace	10. 11. 2007	20 years
5.	Method of paint application on steel strip	20. 12. 2007	20 years
6.	Method of paint application on steel strip	20. 12. 2007	20 years
7.	Method of cold strip mill work roll operation	20. 12. 2007	20 years
8.	Method and equipment for reversible converter thyristor control for power supply of AC motor armature circuit (options)	27. 12. 2007	20 years

List of Certificates for trade marks of NLMK valid as of 31. 12. 2007

No.	Description	Issue date	Validity
1	<i>Pictorial trademark</i>	<i>20. 04. 1975</i>	<i>till 14. 10. 2014</i>
2	<i>Trademark "STINOL"</i>	<i>17. 06. 1991</i>	<i>till 11. 10. 2010</i>
3	<i>Pictorial trademark</i>	<i>17. 06. 1991</i>	<i>till 11. 10. 2010</i>
4	<i>Trademark "STINOL"</i>	<i>16. 10. 1992</i>	<i>till 20. 12. 2011</i>
5	<i>Pictorial trademark</i>	<i>16. 10. 1992</i>	<i>till 20. 12. 2011</i>
6	<i>Trademark "STINOL"</i>	<i>07. 05. 1999</i>	<i>till 17. 06. 2007</i>
7	<i>Pictorial trademark</i>	<i>16. 10. 1998</i>	<i>till 17. 06. 2007</i>
8	<i>Trademark "STINOL"</i>	<i>13. 07. 2001</i>	<i>till 03. 04. 2010</i>
9	<i>Trademark "СТИНОЛ"</i>	<i>13. 07. 2001</i>	<i>till 03. 04. 2010</i>
10	<i>Pictorial trademark</i>	<i>27. 05. 2002</i>	<i>till 03. 04. 2010</i>
11	<i>Trademark "СТИНОЛ"</i>	<i>04. 10. 2002</i>	<i>till 11. 08. 2010</i>
12	<i>Trademark "STINOL"</i>	<i>17. 06. 2003</i>	<i>till 11. 08. 2010</i>
13	<i>Trademark "LIPSTAL"</i>	<i>06. 08. 2002</i>	<i>till 24. 10. 2010</i>
14	<i>Trademark "ЛИПМЕТ"</i>	<i>17. 09. 2002</i>	<i>till 23. 10. 2010</i>
15	<i>Trademark "ЛИПСТАЛЬ"</i>	<i>20. 09. 2002</i>	<i>till 24. 10. 2010</i>
16	<i>Trademark "NOVOLIP"</i>	<i>02. 10. 2002</i>	<i>till 30. 10. 2010</i>
17	<i>Trademark "НОВОЛИП"</i>	<i>02. 10. 2002</i>	<i>till 30. 10. 2010</i>
18	<i>Trademark "LIPMET"</i>	<i>22. 11. 2002</i>	<i>till 24. 10. 2010</i>
19	<i>Trademark "НОВОМЕТ"</i>	<i>05. 07. 2004</i>	<i>till 30. 10. 2010</i>
20	<i>Trademark "NOVOMET"</i>	<i>05. 07. 2004</i>	<i>till 30. 10. 2010</i>
21	<i>Trademark "НЛМК"</i>	<i>19. 07. 2005</i>	<i>till 18 . 03. 2014</i>
22	<i>Trademark "NLMK"</i>	<i>20. 12. 2005</i>	<i>till 18 . 03. 2014</i>

Constant control over prompt payment of all patent fees for inventions and utility models, over prolongation of trade mark registration validity, over submission of applications for trade mark registration in case of the Company's product mix diversification are the main actions aimed at prevention of forfeiture of NLMK's rights for intellectual property.

NLMK's expenses for R&D for QIV 2007 constituted RUR 3 960 thousand, including expenses for obtaining of patents and licenses in the amount of RUR 1 thousand.

4.5. Analysis of trends in the Issuer's core activity

In 2007 the output of main ferrous metallurgy products in Russia changed in the following way: steel output increased by 2,2%, finished flats – by 2,4%, coke with 6% moisture – by 3,5%, pig iron output decreased by 1,6%.*

The decrease of pig iron production in 2007 was associated with emergencies at major steelmaking enterprises. At OJSC MMK there was an unscheduled blowout of Blast Furnace No. 10 for scale removal (decrease of pig iron production by 2,5% as compared to 2006). Furthermore, blast furnaces of OJSC West-Siberian Steelworks and OJSC Novokuznetsk Steelworks showed unsatisfactory performance (lower hot metal output by 11,8% and 18,7%, respectively). OJSC NLMK's Blast Furnace No. 6 experienced a process disorder. Loss of production at BF-6 was partially compensated by higher production of blast furnaces of BF Shop No. 1, as a result hot metal output remained at the level of 2006 (+0,1%).

Generally, the changes in the output of coke with 6% moisture and finished flats at NLMK in 2007 vs. 2006 corresponded to the trends in the sector (increase by 4% and by 0,7%, respectively). Steel output was an exception, in contrast to the sectoral trend, it showed a minor decrease (-0,8%).

In 2007 the top three Russian steel producers (OJSC MMK, OJSC Severstal and OJSC NLMK) demonstrated different trends in the output of main products. In spite of this, the share of these companies in the sectoral production volume increased: regrading hot metal – from 52% to 53%, regarding steel – from 46% to 47%, from finished flats – c 51% do 53%.

Major Russian ferrous steelmakers demonstrated better economic indicators in 2007 than in 2006. Prices for steel products were the main factor that influenced financial performance of steel producers in the course of the analyzed period.

In the reporting year the industry's output of commercial products increased by 25% as compared to the previous year. OJSC Severstal demonstrated the growth of commercial products output (in money terms) by 21%, OJSC MMK – by 18%, OJSC NLMK – by 12%.

In January-November 2007 the Russian iron & steel industry's net financial result grew by 15%, in this regard OJSC MMK increased its income before tax by 34%, OJSC Severstal - by 23%; OJSC NLMK reduced the net financial result (-28% vs. 11 months of 2006), mainly due to lower additional income from sales of assets than in January-November 2006. In 11 months of 2007 the share of major Russian steelmakers' income before taxes in the industry's net financial result distributed in the following way: OJSC MMK – 23%, OJSC Severstal – 20%, OJSC NLMK – 19%.

** - the information is based on information and analyzes provided by CHERMET, RUSMET,*

- information about NLMK is based on the Company's materials.

4.5.1. Analysis of factors and conditions that influence the Issuer's business.

Main factors that influence the Issuer's business are related to the following areas of the Issuer's activity: purchasing of raw materials for production, sales of finished products, logistic arrangements, etc.

Iron ore

Soaring global demand for iron & steel products in the recent years resulted in shortages in iron ore markets. The rapid growth of global demand for iron ore came as a surprise to the biggest suppliers. The shortage of iron ore materials resulted in depletion of stocks and upsurge in prices. In order to restore market equilibrium, leading producers of iron ore plan to expand capacities and boost production. However, experts say that in the near future there won't be any significant changes in the iron ore market – prices will remain high throughout 2007.

Russia is the fifth biggest producer of iron ore raw materials in the world, second (after the Ukraine) in terms of explored iron ore reserves, and, along with Brazil, the leader in terms of Fe content in the explored iron ore reserves. Generally, Russian iron ore demonstrates average quality (35-40% Fe), though the ore extracted in the territory of Kursk Magnetic Anomaly contains about 40-60% of Fe.

The three biggest Russian iron-ore enterprises (Lebedynsky GOK, Mikhailovsky GOK and Stoilensky GOK) account for more than half of iron ore materials produced in Russia, which is indicative of high level of concentration in the industry.

The major part of the iron ore extracted in Russia is the standard quality ore with average Fe content at the level of 35-40%. Such ore needs beneficiation, which is associated with significant costs. Moreover, deep-mining enterprises bear additional costs due to the complexity of the process. OJSC Stoilensky GOK is not subject to these factors, as this company uses open-pit mining to extract ore, and Fe content is 52% (among 12 enterprises producing about 96% of Russian iron ore, only Mikhailovsky GOK and Stoilensky GOK extract high-grade iron ore).

At present Russian mining & processing enterprises are protected from competition on the part of transnational corporations due to high tariffs for transportation as well as the lack of adequate port infrastructure. Furthermore, thanks to participation in vertically integrated holdings, most Russian mining & processing enterprises have a stable distribution network as well as good investment perspectives.

In QIV 2007 NLMK's purchasing prices for iron-ore concentrate grew by 8,7% as compared to those in QIV 2006 (taking into account higher railroad tariffs).

Coking coal

At the end 2007 the supply of some coal grades remained in moderate deficit, which once again caused an increase in spot quotations. Moreover, despite the current mitigation of competition with consumers in the energy and agricultural sectors, the rail shortage for coal transportation still exists, which aggravates the existing deficit. We anticipate that the supply of coking coal will remain limited for the next two months, as "Ulyanovskaya" and "Yubileynaya" mine will reach their design capacities only in QI 2008, after that the coking coal market is expected to stabilize to some extent.

The increase of NLMK's purchasing prices for coking coal in QIV 2007 against the level of QIV 2006 was 25,6% (taking into account higher railroad tariffs).

Coke

The trends in the global coke market continue to influence the domestic coke supplies in a positive way. Thus, export price for Chinese coke at the end of 2007 was 380 \$/t FOB. It is anticipated that the export price will increase, taking into account the increase of the Chinese coke export duty from 15% to 30%,

as well as the planned reduction of the external supply quota. However, the growth of Russian coke supplies to external consumers will remain limited due to high consumption in the domestic market.

The domestic coke market is relatively in balance. High coke consumption was caused by high utilization of ironmaking capacities (e.g., in November 2007 the average daily hot metal output was 143 thousand tons). However, the domestic coke supply is stable.

In QIV 2007 the growth of NLMK's purchasing prices for coke against QIV 2006 was 92,7% (taking into account higher railroad tariffs), which resulted from the growth of purchasing prices for coking coal, as well as considerable growth of global spot prices for coke. However, in the course of the analyzed period the Company maintained stable supplies of coke.

Survey of transportation services market

For transportation of its cargoes, NLMK uses mainly railway transportation. Therefore, most significant factors related to NLMK's cargoes transportation, which influence the Company's business, are dependent on the business of the natural monopoly JSC Russian Railways.

In January 2007 the tariffs for international railway freight service increased by 11-12% on the average (depending on type of rolling stock, type of cargo, railcar ownership the increase ranged from 4% to 20%). In QIV 2007 railroad tariffs, in accordance with the forecast, did not increase.

Therefore, in 2007 there was no growth of freight service tariffs.

Sales of metal products

The global market of ferrous metals in 2007 was characterized by slower growth of ferrous metals apparent consumption: down to 6,8% vs. 8,8% in 2006, which was mainly caused by the slackening of global economy and industrial production. BRIC countries (Brazil, Russia, India and China) accounted for 77% of the increase in ferrous metals demand. China's soaring economy was the major driving force for the increase in global steel demand, steel output in China grew by 16,7%.

In 27 EU countries the apparent consumption of ferrous metals increased by 4,0% vs. 11,4% in 2006. The reduction of consumption growth was caused by economic growth retardation, в первую очередь, in particular in EU-13.

In EU non-member states the growth of consumption was much higher: 7,8%. In Turkey the demand increased by 4%. Like in 2006, the consumption growth was stimulated by the construction sector, implementing large-scale governmental projects.

The market of North America demonstrated stagnation, which was mainly due to the downswing in the housing construction sector. Apparent consumption went down almost by 5%.

Regarding the price situation in the global market, 2007 was more stable than previous years. Price fluctuations in most markets were limited to 20-25%. The growth of prices, which resumed in February, continued up to the end of QII. The subsequent decline in prices coincided with the seasonal slack and ended in the beginning of autumn.

According to the preliminary results for 2007, the capacity of the Russian flats market will make 19,2 mln. tons, which is by 12% higher than in 2006 года.

There was an increase in consumption of all main products – hot-rolled, cold-rolled, coated flats – due to production ramp-up in major metal-consuming industries – pipe industry, mechanical engineering and construction.

Higher demand influenced the prices - average price level exceeded the last

year's level. The price dynamics throughout the year reflected the situation in the global market – the upsurge in QII was followed by stabilization in QIII and seasonal slack at the end of the year.

Therefore, over the reporting period there weren't any significant changes in main factors and conditions, which influence the Issuer's business.

4.5.2. Main competitors of the Issuer.

OJSC NLMK ranks fourth among the major Russian steelmaking companies.*

Main competitors of NLMK in the domestic market of steel products are MMK and Severstal.

Among the significant competitive advantages of the Company the following ones can be enumerated:

- Production diversification: NLMK is an integrated steel company which produces upstream and downstream products, from pig iron to coated coils;*
- Priority in development of high value added products;*
- Active integration with foreign companies;*
- Continuous improvement of production processes;*
- Geographical situation: the company is located near to the main steel consuming regions and sea ports of Russia.*
- Diversified sales structure: diversification by region and by product.*

At present NLMK and its main competitors invest a lot in revamping and modernization of their equipment, it promotes their competitiveness in the global market. .

**According to EXPERT 2006 ratings.*

V. Detail information on members of the Issuer's authorities, financial performance control bodies, brief data on the Issuer's employees.

5.1. Information on structure and competence of the Issuer's authorities.

The Supreme governing body of the Company is the General Shareholders' Meeting.

The Board of Directors carries out overall management of the Company's activity excluding those issues, which fall under the exclusive competence of the General Shareholders' Meeting.

The Board of Directors consists of 9 members.

The management of NLMK's day-to-day operation is exercised by the Company's single executive body – President (Chairman of the Management Board) and by the Company's corporate executive body – the Management Board.

The competence of the President (Chairman of the Management Board) and Management Board covers all the issues related to management of the Company's day-to-day operation, as well as authority over the operation of subsidiaries and affiliates and other legal entities (of which the Company is a participant, founder or a member) in accordance with the Charter provisions.

President (Chairman of the Management Board) and the Management Board make arrangements for implementation of the decisions of the Company's General Shareholders' Meeting and the Board of Directors.

The Management Board is a corporate executive body of the Company, which acts on the basis of the Federal Act "On joint-stock companies", the Company Charter and Regulations on Management Board of the Company approved by the General Shareholders' Meeting.

The structure and quantity of members of the Management Board are approved by the Board of Directors considering the opinion of the President (Chairman of the Management Board). The personal composition of the Management Board is approved by the Board of Directors upon presentation of the President (Chairman of the Management Board) according to the procedure provided for by the Regulation on Management Board.

The competence of the Issuer's General Shareholders' (participants') Meeting in accordance with its Charter (constituent documents):

The following matters fall within the Meeting's competence (Chapter 4, Article 16 of the Company Charter):

- 1) changes and additions to the Charter or approval of the Charter in new revisions;*
- 2) restructuring of the Company;*
- 3) liquidation of the Company, appointment of the Liquidation Committee and approval of the interim and final liquidation balances;*
- 4) definition of the number of persons in the Board of Directors, election of its members and premature termination of their authority;*
- 5) determination of number, par value, category (type) of the shares declared and rights granted by these shares;*
- 6) increase of the Company's chartered capital through share par value increase; increase of the chartered capital of the Company through placement of additional shares by public subscription in case the number of additionally placed shares constitutes more than 25% of the common shares earlier placed by the Company; increase of the Company's chartered capital through placement of shares by closed subscription;*
- 7) decrease in the chartered capital through share par value decrease, through paying off the shares acquired by the Company and not sold within a year and of the shares redeemed by the Company, as well as through paying off the shares that have passed to the Company in relation to their non-payment; decrease of the chartered capital through partial acquisition of shares for the purpose of decreasing their total number;*
- 8) election of the President (Chairman of the Management Board) and premature termination of his authority;*
- 9) election of the Audit Committee and premature termination of its authority;*
- 10) approval of the Company's Auditor;*
- 10. 1) payment (declaration) of dividends upon results of the first quarter,*

six months, nine months of a financial year;

11) approval of annual reports, annual financial statements, including the Company's profit and loss statements (profit and loss accounts), as well as distribution of Company's profits (including payments (declaration) of dividends, excluding profits distributed as dividends upon results of the first quarter, six months, nine months of a financial year) and losses of the Company upon results of a financial year;

12) establishment of procedure of the General Shareholders' Meeting;

13) appointment of the Accounts Committee and premature termination of its authority in case the Accounts Committee's functions are not exercised by the Company's Registrar in accordance with the Federal Act "On joint-stock Companies";

14) split-up and consolidation of shares;

15) transactions approval in cases stipulated in Article 83 of the Federal Act «On joint-stock companies»;

16) major transactions conclusion approval in cases stipulated in Article 79 of the Federal Act "On joint-stock companies";

17) acquisition of issued shares by the Company in cases, stipulated in the Federal Act "On joint-stock companies";

18) involvement in holdings, financial and industrial groups, associations and other commercial organizations;

19) approval of internal documents governing the operation of the Company's bodies;

20) decision-making on other matters stipulated by the Federal Act "On joint-stock companies" and / or the present Charter.

The matters falling under the competence of the General Shareholders' Meeting cannot be transferred to the competence of the Company's executive bodies.

The matters falling under the competence of the General Shareholders' Meeting cannot be referred to competence of the Company's Board of Directors except in cases stipulated in the Federal Act "On joint-stock companies".

The competence of the Issuer's Board of Directors (Supervisory Board) in accordance with its Charter (constituent documents):

The following matters fall within the Board of Directors' competence (Chapter 5, Article 30 of the Company Charter):

1) definition of operational guidelines for the Company;

2) convocation of the Annual and Extraordinary Shareholders' Meetings excluding cases, when in accordance with the Federal Act "On joint-stock companies" an Extraordinary Shareholders' Meeting can be convoked by authorities and persons demanding its convocation;

3) approval of the Shareholders' Meeting agenda;

4) determination of the date of list of the shareholders entitled to participate in the Shareholders' Meeting and other issues attributed to the competence of the Board of Directors in accordance with the Charter and the Federal Act "On the joint stock companies" and related to preparation and holding of the Shareholders' Meeting;

5) approval of long-term plans and basic programs of the Company's activity, the Company's budget;

6) agreement of nominees to the sole executive authority in material subsidiaries and affiliates;

7) preliminary approval of annual reports, annual financial statements, including profit and loss statements of the Company for a financial year;

8) increase in the Company's chartered capital by additional shares placement by the Company at the expense of its property within the quantity of

declared shares.

9) increase in the Company's chartered capital by additional shares placement by the Company by public subscription within the quantity of declared shares, if the number of additionally placed shares constitutes 25% or less from the common shares earlier placed by the Company;

10) acquisition of shares placed by the Company in accordance with Item 2, Article 72 of the Federal Act "On joint-stock companies";

11) approval of decisions on emission of securities, prospectus, report on securities issue results, amendment and revision thereof.

12) placement of bonds and other securities issued by the Company in cases provided for by the Federal Act "On joint-stock companies";

13) determination of price (pecuniary valuation) of the property, price for placement and redemption of the securities issued in cases provided for by the Federal Act "On joint-stock companies";

14) acquisition of bonds and other securities placed by the Company in cases provided for by the Federal Act "On joint-stock companies"

15) setup of the Management Board, determination of structure and quantitative composition of the Management Board, approval of the Management Board members, early termination of their authority, determination of contract terms and compensations to the President (Chairman of the Management Board) of the Company and members of the Management Board, agreement of matters related to combining of their offices in the control bodies of other entities, bringing the Management Board members to material, disciplinary or other liability for non-fulfillment of their obligations;

16) recommendations to the General Shareholders' Meeting on the amount of reward and compensation paid to members of the Audit Committee and determination of payment amount for Auditor's services;

17) recommendations to the General Shareholders' Meeting on dividend amount payable to the shareholders and procedure of its payment;

18) recommendations to the General Shareholders' Meeting on the procedure of profits and losses distribution upon results of a financial year;

19) use of the reserve fund and other funds of the Company;

20) approval of the Company's internal documents excluding internal papers which fall within the competence of the General Shareholders' Meeting according to this Charter and Federal Act "On joint-stock companies", or other internal documents of the Company which are to be approved by the President (Chairman of the Management Board) in accordance with the present Charter;

21) establishment and liquidation of the Company's branches and representative offices, approval of provisions on branches and representative offices, revision and amendment of these provisions;

22) approval of major transactions in cases provided for by Chapter X of the Federal Act "On joint-stock companies";

23) approval of transactions provided for by Chapter XI of the Federal Act "On joint-stock companies";

24) approval of the Company Registrar, as well as terms and conditions of the contract with him/her, as well as cancellation of this contract;

25) suspension of powers of the President (Chairman of the Management Board);

26) appointment of the acting President (Chairman of the Management Board);

27) decision-making on Company's participation in other organizations, excluding participation in holding companies, financial and industrial groups, associations and other unions of commercial organizations;

28) establishment of Committees with the Board of Directors, approval of internal documents, which regulate activities of these Committees;

29) other matters provided for by the Federal Act "On joint-stock companies" and the present Charter.

The matters that fall within the competence of the Company's Board of

Directors cannot be transferred to the executive body of the Company for decision.

Competence of the individual and corporate executive bodies of the Issuer in accordance with its Charter (constituent documents):

Competence of the President (Chairman of the Management Board)(Chapter 6, Article 38 of the Company Charter).

Competence of the President (Chairman of the Management Board) includes all issues related to management of the Company's day-to-day operation, excluding those in the exclusive authority of the General Shareholders' Meeting, the Board of Directors and the Management Board.

President (Chairman of the Management Board) acts without any Power of Attorney on behalf of the Company, in particular:

- performs operative management of the Company activities;***
- has the right of the first signature in financial documents;***
- represents the Company both in the RF and outside it;***
- represents without any power of attorney the Company's interests in subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member;***
- approves staff list, concludes employment agreements with employees of the Company, dismisses, applies incentive measures to employees and imposes penalties on them;***
- governs the activities of the Management Board and presides at its meetings;***
- presents members of the Management Board for the Board of Directors' approval;***
- makes suggestions on bringing to liability of the Management Board members; concludes transactions on behalf of the Company with the exception of cases stipulated by the Federal Act "On joint-stock companies" and this Charter;***
- issues power of attorney on behalf of the Company;***
- opens the Company's accounts with banks;***
- makes provisions for the Company's accounting and book-keeping procedures;***
- issues orders and gives instructions which are binding for all employees of the Company;***
- defines information which is a commercial secret of the Company, and means of such information protection in accordance with the effective legislation;***
- approves internal documents of the Company, which regulate the Company's day-to-day operation, excluding those in the exclusive authority of the Management Board.***

The President (Chairman of the Management Board) is entitled to appoint acting President (Chairman of the Management Board) for the period of his absence to be approved by the Board of Directors' Chairman.

The Competence of the Management Board (Chapter 6, Article 36 of the Company Charter).

The exclusive competence of the Company's Management Board includes:

- 1) drafting of the development concepts, long-term plans and basic operational programs of the Company, its subsidiaries and affiliates, and submission thereof to the Board of Directors for approval;***
- 2) determination of procedure of the Company's interaction with businesses and legal entities, of which the Company is a shareholder, participant, member or a founder;***
- 3) approval of propositions on the agenda items of the General Shareholders' (participants') Meetings and the list of nominees to the management and control***

authorities of subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member;

4) approval of the Company's representatives for the participation in the General Shareholders' (participants') Meetings of subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member, as well as voting instructions on the agenda items for such representatives;

5) preparation of recommendations and conclusions on the issues considered by the management authorities of subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member, related to approval of their budgets, principal directions of activity, management structure and other issues material for the Company;

6) recommendations to the Board of Directors on approval of major transactions and/ or transactions of interest considered by the Board of Directors in accordance with its competence;

7) approval of contracts related to the Company's assets, when the amount due or the subject goods value exceeds 10 per cent of the Company's assets book value, excluding transactions concluded in the normal course of business;

8) other issues regarded as those within the competence of the Company Management Board under the effective legislation of the RF, this Charter and Regulation on Management Board.

The powers described in clauses 1, 2, 3, 4, 5 above are exercised by the Management Board in relation to significant subsidiaries, affiliates and other legal entities, of which the Company is a participant, founder or a member.

Availability of a Corporate Governance Code or any other similar document:

The General Shareholders' Meeting held on June 06, 2006 (Minutes No. 24) approved a new revision of the Corporate Governance Code of OJSC "Novolipetsk Steel.

Internet address with free access to the full text of Issuer's Corporate Governance Code:

www.nlmk.ru/about/company_documents/

Information on any changes to the Issuer's Charter made during the reporting period as well as on any internal documents which govern the activities of the Issuer's bodies:

No changes have been made to the Company Charter or any other internal documents governing the operation of the Company's authorities.

Internet address with free access to full text of current Charter of the Company and internal documents governing the activities of the Company's authorities:

www.nlmk.ru/about/company_documents/

5.2. Information on members of the Issuer's management authorities.

Board of Directors:

Chairman: *Vladimir S. Lisin*

Members of the Board:

- *Oleg V. Bagrin*

Year of birth: *1974*
Education: *post-graduate vocational*

Titles over the last 5 years:
Period: *2002 – 2002*
Organization: *Joint-stock commercial bank "Autobank"*
Title: *Director of Treasury*

Period: *2002 – 2003*
Organization: *Joint-stock commercial bank "Autobank"*
Title: *Deputy Chairman*

Period: *2003 – 2005*
Organization: *LLC Rumelco*
Title: *Director of Financial Assets Management*

Period: *2005 – up to now*
Organization: *CJSC IC "Libra Capital"*
Title: *Director*

Share in the Issuer's stockholders' equity: *none*
Number of the Issuer's shares that could be purchased as result of option: *no options*
Shares in the Issuer's subsidiaries/affiliates: *none*
Number of the subsidiaries / affiliates' shares that could be purchased as result of option: *no options*
Kinship with any member of the Issuer's authorities and/or financial activity control bodies: *none*
An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*
Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

- ***Bruno Bolfo***

Year of birth: *1941*
Education: *higher*

Titles over the last 5 years:
Period: *2002 – up to now*
Organization: *Duferco S.A.*
Title: *President*

Share in the Issuer's stockholders' equity: *none*
Number of the Issuer's shares that could be purchased as result of option: *no options*
Shares in the Issuer's subsidiaries/affiliates: *none*
Number of the subsidiaries / affiliates' shares that could be purchased as result of option: *no options*
Kinship with any member of the Issuer's authorities and/or financial activity

control bodies: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Nikolai A. Gagarin

Year of birth: *1950*

Education: *higher vocational*

Titles over the last 5 years:

Period: *2002 - 2003*

Organization: *Moscow State Lawyers Bar, Advocate Bureau "Reznik, Gagarin & Partners"*

Title: *Executive Partner*

Period: *2003 – up to now*

Organization: *Non-profit organization, Advocate Bureau "Reznik, Gagarin, Abushakhmin & Partners"*

Title: *Chairman of the Board*

Period: *2005 – up to now*

Organization: *Federal Advocate Chamber of the Russian Federation*

Title: *Vice-president*

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Dmitry A. Gindin

Year of birth: *1946*

Education: *higher vocational*

Titles over the last 5 years:

Period: *2002 – up to now*

Organization: *OJSC Moscow Plant "Sapphire"*

Title: *Director General*

Period: *2002 – 2005*

Organization: *“Management holding company “Metalloinvest” Ltd.*

Title: *President (pluralistically)*

Period: *2004 – 2005*

Organization: *Association “Agroindustrial corporation “Stoilenskaya Niva””*

Title: *President (pluralistically)*

Share in the Issuer’s stockholders’ equity: *none*

Number of the Issuer’s shares that could be purchased as result of option: *no options*

Shares in the Issuer’s subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates’ shares that could be purchased as result of option: *no options*

Kinship with any member of the Issuer’s authorities and/or financial activity control bodies: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Karl Doering

Year of birth: *1937*

Education: *post-graduate vocational*

Titles over the last 5 years:

Period: *2002 – up to now*

Organization: *Consulting firm “PROJECT CONSULTING”*

Title: *Manager*

Period: *2002 – 2002*

Organization: *Metallurgical concern USINOR (France)*

Title: *Chief Representative for the Middle and Eastern Europe within the frames of consulting firm “PROJECT CONSULTING”*

Share in the Issuer’s stockholders’ equity: *none*

Number of the Issuer’s shares that could be purchased as result of option: *no options*

Shares in the Issuer’s subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates’ shares that could be purchased as result of option: *no options*

Kinship with any member of the Issuer’s authorities and/or financial activity control bodies: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal

record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Vladimir S. Lisin

Year of birth: *1956*

Education: *post-graduate vocational*

Titles over the last 5 years:

Period: *2002 – up to now*

Organization: *LLC "Rumelco"*

Title: *Chief Consultant*

Period: *2002 - up to now*

Organization: *Academy of National Economy with the Government of the Russian Federation*

Title: *Professor of Market Issues and Economic Mechanisms Faculty (pluralistically)*

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: *relative of the member of NLMK's Management Board Mr. Alexander N. Saprykin.*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Randolph Reynolds

Year of birth: *1941*

Education: *Bellarmino College*

Titles over the last 5 years:

Period: *2002 – 2002*

Organization: *Industrial Advisors, Inc.*

Title: *Director*

Period: *2002 – up to now*

Organization: *Industrial Advisors Services, Inc.*

Title: *Director*

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Vladimir N. Skorokhodov

Year of birth: *1951*

Education: *post-graduate vocational*

Titles over the last 5 years:

Period: *2002 – up to now*

Organization: *LLC "Rumelco"*

Title: *Deputy Director General*

Period: *2002 - up to now*

Organization: *Lipetsk State Technical University*

Title: *Professor at Rolling Production Faculty (pluralistically)*

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Igor P. Fyodorov

Year of birth: *1966*

Education: *higher vocational*

Titles over the last 5 years:

Period: *2002 - 2003*

Organization: *Moscow State Lawyers Bar, Advocate Bureau "Reznik, Gagarin & Partners"*

Title: *Lawyer of Moscow State Lawyers Bar*

Period: *2003 – up to now*

Organization: *Non-profit organization, Advocate Bureau "Reznik, Gagarin, Abushakhmin & Partners"*

Title: *Lawyer of Moscow Advocate Chamber*

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

The Issuer's sole executive body and members of the corporate executive body:

Galina A. Aglyamova

Year of birth: *1961*

Education: *higher vocational*

Titles over the last 5 years:

Period: *2002 - 2002*

Organization: *NLMK*

Title: *Director, Economics*

Period: *2003 - 2005*

Organization: *NLMK*

Title: *Director, Economics and Finance*

Period: *2005 - 2006*

Organization: *NLMK*

Title: *Deputy Director General, Economics and Finance*

Period: *2006 – up to now*

Organization: *NLMK*

Title: *Vice President, Finance (CFO)*

Share in the Issuer's stockholders' equity: *0.00017%*

Number of the Issuer's shares that could be purchased as result of option: *no*

options

Shares in the Issuer's subsidiaries/affiliates: ***none***

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: ***no options***

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: ***none***

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: ***no former or pending charges***

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: ***no such offices***

Igor N. Anisimov

Year of birth: ***1965***

Education: ***higher vocational***

Titles over the last 5 years:

Period: ***2002 - 2006***

Organization: ***NLMK***

Title: ***Purchasing Director***

Period: ***2006 - up to now***

Organization: ***NLMK***

Title: ***Vice President, Purchasing***

Share in the Issuer's stockholders' equity: ***0.0017%***

Number of the Issuer's shares that could be purchased as result of option: ***no options***

Shares in the Issuer's subsidiaries/affiliates: ***none***

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: ***no options***

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: ***none***

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: ***no former or pending charges***

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: ***no such offices***

Dmitry A. Baranov

Year of birth: ***1968***

Education: ***higher vocational***

Titles over the last 5 years:

Period: ***2002 - 2004***

Organization: ***LLC "Rumelco"***

Title: ***Expert of Domestic Market Analysis Department, Head of Domestic Market***

Analysis Department

Period: ***2004 - 2006***

Organization: ***LLC "Trading House NLMK"***

Title: ***Director of Sales Department***

Period: ***2006 – up to now***

Organization: ***NLMK***

Title: ***Vice President, Sales***

Share in the Issuer's stockholders' equity: ***none***

Number of the Issuer's shares that could be purchased as result of option: ***no options***

Shares in the Issuer's subsidiaries/affiliates: ***none***

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: ***no options***

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: ***none***

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: ***no former or pending charges***

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: ***no such offices***

Alexander Y. Gorshkov

Year of birth: ***1961***

Education: ***higher vocational***

Titles over the last 5 years:

Period: ***2002 - 2003***

Organization: ***OJSC "Dolomite"***

Title: ***Director General***

Period: ***2003 - 2004***

Organization: ***Lipetsk Branch of LLC "Rumelko"***

Title: ***Deputy Director***

Period: ***2004 – up to now***

Organization: ***OJSC "Stoilensky GOK"***

Title: ***Director General***

Period: ***2007 - up to now***

Organization: ***OJSC "NLMK"***

Title: ***Vice President, Ore Division (pluralistically)***

Share in the Issuer's stockholders' equity: ***none***

Number of the Issuer's shares that could be purchased as result of option: ***no options***

Shares in the Issuer's subsidiaries/affiliates: ***none***

Number of the subsidiaries / affiliates' shares that could be purchased as

result of option: ***no options***

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: ***none***

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: ***no former or pending charges***

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: ***no such offices***

Alexey A. Lapshin

Year of birth: ***1947***

Education: ***higher vocational***

Titles over the last 5 years:

Period: ***2002 - 2002***

Organization: ***LLC "Rumelco"***

Title: ***Head of Management Department***

Period: ***2002 - 2006***

Organization: ***DanSteel A/S***

Title: ***Consultant for Technology and Management***

Period: ***2006 - 2006***

Organization: ***DanSteel A/S***

Title: ***Director General***

Period: ***2006 – up to now***

Organization: ***NLMK***

Title: ***President (Chairman of the Management Board)***

Share in the Issuer's stockholders' equity: ***none***

Number of the Issuer's shares that could be purchased as result of option: ***no options***

Shares in the Issuer's subsidiaries/affiliates: ***none***

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: ***no options***

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: ***none***

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: ***no former or pending charges***

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: ***no such offices***

Yuri I. Larin

Year of birth: ***1952***

Education: ***higher vocational***

Titles over the last 5 years:

Period: **2002 - 2005**

Organization: **NLMK**

Title: **Deputy Director for Technology and Quality – Head of Engineering Centre**

Period: **2005 - 2006**

Organization: **NLMK**

Title: **Director of R&D Centre**

Period: **2006 – 2007**

Organization: **NLMK**

Title: **Vice President, Technical Upgrade and Environment**

Period: **2007 – up to now**

Organization: **NLMK**

Title: **Vice President, Long-Term Development and Environment**

Share in the Issuer's stockholders' equity: **0.00017%**

Number of the Issuer's shares that could be purchased as result of option: **no options**

Shares in the Issuer's subsidiaries/affiliates: **none**

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: **no options**

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: **none**

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: **no former or pending charges**

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: **no such offices**

Vladimir P. Nastich

Year of birth: **1953**

Education: **higher vocational**

Titles over the last 5 years:

Period: **2002 - 2004**

Organization: **NLMK**

Title: **Chief Engineer – First Deputy Director General**

Period: **2004 – 2006**

Organization: **NLMK**

Title: **Director General**

Period: **2006 – up to now**

Organization: **NLMK**

Title: **Senior Vice President – Director General**

Share in the Issuer's stockholders' equity: **0.00018%**

Number of the Issuer's shares that could be purchased as result of option: **no options**

Shares in the Issuer's subsidiaries/affiliates: **none**

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: **no options**

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: **none**

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: **no former or pending charges**

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: **no such offices**

Alexander N. Saprykin

Year of birth: **1967**

Education: **higher vocational**

Titles over the last 5 years:

Period: **2002 - 2002**

Organization: **LLC "Rudprom"**

Title: **Director General**

Period: **2002 - 2006**

Organization: **LLC "Rumelco"**

Title: **Head of Raw Material Market Analysis Department**

Period: **2006 – 2007**

Organization: **NLMK**

Title: **Vice President, Iron Ore Division**

Period: **2007 – up to now**

Organization: **NLMK**

Title: **Vice President, Coal Division**

Share in the Issuer's stockholders' equity: **none**

Number of the Issuer's shares that could be purchased as result of option: **no options**

Shares in the Issuer's subsidiaries/affiliates: **none**

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: **no options**

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: **relative of Mr. Vladimir S. Lisin, Chairman of NLMK's Board of Directors.**

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: **no former or pending charges**

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: ***no such offices***

Stanislav E. Tsyrlin

Year of birth: ***1968***

Education: ***higher vocational***

Titles over the last 5 years:

Period: ***2002 - 2003***

Organization: ***The Boston Consulting Group***

Title: ***Deputy Director***

Period: ***2003 - 2004***

Organization: ***LLC "Rumelco"***

Title: ***Assistant of Chief Consultant***

Period: ***2004 – 2006***

Organization: ***NLMK***

Title: ***Director for Management Strategy and System***

Period: ***2006 – up to now***

Organization: ***NLMK***

Title: ***Vice President, HR and Management System***

Share in the Issuer's stockholders' equity: ***none***

Number of the Issuer's shares that could be purchased as result of option: ***no options***

Shares in the Issuer's subsidiaries/affiliates: ***none***

Number of the subsidiaries / affiliates' shares that could be purchased as result of option: ***no options***

Kinship with any member of the Issuer's authorities and/or financial activity control bodies: ***none***

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: ***no former or pending charges***

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: ***no such offices***

The person acting as the Issuer's sole executive body: ***Alexey A. Lapshin***

5.3. Information on fees, privileges and / or refund of expenses to each management body of the Issuer.

Remunerations paid to the members of Board of Directors and Management Board of NLMK for 2006

rubles

No.	Remuneration type	Board of Directors	Management Board
1.	<i>Fees for discharge of duties</i>	37 551 033	-
2.	<i>Reimbursement of expenses</i>	313 916	-
3.	<i>Salary</i>	-	26 507 510
4.	<i>Bonuses by the results of 2006</i>		7 080 000
5.	<i>Bonus by the results of monthly activity</i>	-	3 346 396
6.	<i>Dividends</i>	-	399 123
7.	<i>Royalty</i>	3 620 233	4 481 407
	Total	41 485 182	41 814 436

Fees can be paid and expenses related to performance of Board of Directors members' functions can be refunded to the members of the Board of Directors within the period of their duties execution. The rate, conditions and procedure of bonuses payment and expenses refund to the Board of Directors members are established by the Regulations on the Board of Directors members' remuneration approved by General Shareholders' Meeting.

Fees can be paid and expenses can be refunded to Members of the Management Board within the period of their duties execution. Conditions and procedure of fees payment and expenses refund are established by a contract concluded with members of the Management Board, in accordance with the Regulations on the Management Board members' remuneration, approved by the Company's Board of Directors upon presentation by the Personnel and Remunerations Committee.

5.4. Information on structure and competence of controlling authorities over the Issuer's economic activity.

The Audit Commission, Company's Auditor and Internal Audit Service exercise control over the financial and economic activities of the Company.

Audit Commission

The Audit Commission consists of five persons, is elected for a period of one year by the General Shareholders' Meeting and carries out its activities in accordance with the Regulations on Audit Commission approved by the General Shareholders' Meeting upon presentation by the Board of Directors.

The Regulations on Audit Commission govern the Audit Commission's procedures, powers of its members, the rate and procedure of fee payment and expense reimbursement to members of the Audit Commission.

The Company's Audit Commission members cannot simultaneously be members of the Company's Board of Directors or take up any other posts in managerial bodies

of the Company.

Audit of financial and economic activities of the Company is based on yearly business results and is also conducted at any time upon initiative of the Company's Audit Commission and by the decision of the General Shareholders' Meeting, the Board of Directors or upon request of a shareholder (-s) owning in the aggregate at least ten per cent of the Company's voting shares.

The Audit Commission audits financial and economic activity of the Company in order to verify conformity of the financial statements information to norms and requirements of the existing legislation, internal regulatory documents, performs selective investigation of proofs attesting figures accounting and notes to financial statements.

Upon results of Company's financial and economic activity audit the Commission makes a report on authenticity of data contained in the Company's annual report, balance sheet, profit and loss statement.

Auditor

The Company's Auditor is approved by the General Meeting upon recommendation by the Board of Directors. The Company's Auditor audits the Company's business activity in line with the contract concluded between the Auditor and the Company (the Auditor's details are specified in cl.1.3 of this report).

Internal Audit Service

Internal Audit Service – Internal Audit Division (before 21.09.2006 – Audit Division), established under General Director's Order dd. 17.04.1997 for an indefinite period and is administratively subordinated to the sole executive body of the Company.

The Audit Division's competence covers:

- *auditing of financial and economic, commercial and production activity of the Company's divisions;*
- *evaluation of processes related to acquisition, storage, protection and rational use of the Company's resources;*
- *detection of possible delinquencies, frauds and abuses on the part of the Company's officials and reporting the results to the Company's management;*
- *evaluation of internal control system as regards efficiency of operations in the normal course of business.*

Management Board members are informed of the audit results according to their competency. The Board of Directors is informed in case of any material breach.

In the process of its activity the Internal Audit Service cooperates with auditing firms working for the Company on a contract basis.

Information on the Issuer's internal document establishing rules aimed at prevention of insider information deployment:

On September 12, 2005 NLMK's Board of Directors approved the Information policy of NLMK (Minutes No.133), which contains rules of insider information deployment prevention.

Address in Internet with free access to full text of the Issuer's internal document establishing rules aimed at prevention of insider information deployment:

5.5. Information on members of the authorities controlling the Issuer's financial performance.

Members of the Company's Audit Commission:

Valery S. Kulikov

Year of birth: **1963**

Education: **higher vocational**

Titles over the last 5 years:

Period: **2002 - 2006**

Organization: **NLMK**

Title: **Audit Director**

Period: **2006 - up to now**

Organization: **NLMK**

Title: **Internal Audit Director**

Share in the Issuer's stockholders' equity: **none**

Number of the Issuer's shares that could be purchased as result of option to buy: **no options**

Shares in the Issuer's subsidiaries/affiliates: **none**

Number of the subsidiaries / affiliates' shares that could be purchased as result of option to buy: **no options**

Kinship with any member of the Issuer's authorities and/or financial activity control bodies, any member of the Board of Directors, any member of corporate body, any person being a single executive body: **none**

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: **no former or pending charges**

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: **no such offices**

Larisa M. Ovsyannikova

Year of birth: **1966**

Education: **higher vocational**

Titles over the last 5 years:

Period: **2002 - 2007**

Organization: **NLMK**

Title: **Chief Auditor**

Period: **2007 – up to now**

Organization: **NLMK**

Title: **Head of Financial Audit Bureau**

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option to buy: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option to buy: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies, any member of the Board of Directors, any member of corporate body, any person being a single executive body: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Galina I. Shipilova

Year of birth: *1959*

Education: *higher vocational*

Titles over the last 5 years:

Period: *2002 – 2006*

Organization: *NLMK*

Title: *Chief Auditor*

Period: *2006 – up to now*

Organization: *NLMK*

Title: *Head of Tax Audit Bureau*

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option to buy: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option to buy: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies, any member of the Board of Directors, any member of corporate body, any person being a single executive body: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Tatyana V. Gorbunova

Year of birth: *1971*

Education: *higher vocational*

Titles over the last 5 years:

Period: *2002 – up to now*

Organization: *NLMK*

Title: *Chief auditor*

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option to buy: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option to buy: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies, any member of the Board of Directors, any member of corporate body, any person being a single executive body: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Lyudmila A. Lazarenko

Year of birth: *1964*

Education: *higher vocational*

Titles over the last 5 years:

Period: *2002 – up to now*

Organization: *NLMK*

Title: *Head of Methodology Department*

Share in the Issuer's stockholders' equity: *none*

Number of the Issuer's shares that could be purchased as result of option to buy: *no options*

Shares in the Issuer's subsidiaries/affiliates: *none*

Number of the subsidiaries / affiliates' shares that could be purchased as result of option to buy: *no options*

Kinship with any member of the Issuer's authorities and/or financial activity control bodies, any member of the Board of Directors, any member of corporate body, any person being a single executive body: *none*

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: *no former or pending charges*

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: *no such offices*

Officers of Internal Audit Service:

Total number of employees in Internal Audit Division, NLMK: 94

Key staff of Internal Audit Division, NLMK:

Valery S. Kulikov

Year of birth: ***1963***

Education: ***higher vocational***

Titles over the last 5 years:

Period: ***2002 - 2006***

Organization: ***NLMK***

Title: ***Audit Director***

Period: ***2006 - up to now***

Organization: ***NLMK***

Title: ***Internal Audit Director***

Share in the Issuer's stockholders' equity: ***none***

Number of the Issuer's shares that could be purchased as result of option to buy: ***no options***

Shares in the Issuer's subsidiaries/affiliates: ***none***

Number of the subsidiaries / affiliates' shares that could be purchased as result of option to buy: ***no options***

Kinship with any member of the Issuer's authorities and/or financial activity control bodies, any member of the Board of Directors, any member of corporate body, any person being a single executive body: ***none***

An administrative action against this person for any offence in the area of finance, taxes and duties, security market or a criminal liability (criminal record) for any economic crimes or offence against state: ***no former or pending charges***

Managerial offices held in any commercial organizations in the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation: ***no such offices***

5.6. Information on fees, privileges and / or expenses reimbursement to each body controlling the Issuer's financial performance.

Remunerations paid to the members of the Company's Audit Commission for 2006:

Salary (rubles): ***2 788 396***

Incapacity benefits (rubles): ***53 451***

Bonuses for monthly activity (rubles): ***699 862***

Bonuses by the results of 2006 operation (rubles): ***688 986***

Remunerations (rubles): ***391 182***

The amount and procedure of remuneration and compensation payment to the Audit Commission is established by Regulations on Audit Commission Member's Remuneration and Compensation approved by the Extraordinary Shareholders' Meeting held on December 3, 2004 (Minutes No. 20).

5.7. Information on staff and summarized data on education and list of personnel (employees) of the Issuer, as well as on changes in the number of personnel (employees) of the Issuer.

This information is not presented in this reporting period.

5.8. Information on any commitments of the Issuer to personnel (employees) related to the possibility of their shareholding in the Issuer's stockholders' capital (unit fund).

There are no agreements or commitments of the Issuer related to possibility of its employees having a share in its authorized capital.

The Issuer did not grant any options to its employees.

The possibility of granting such an option was not considered by the Company.

VI. Information on participants (shareholders) of the Issuer and interested-party transactions concluded by the Issuer.

6.1. Information on the total number of the Issuer's shareholders (participants).

Number of persons registered in shareholders register as of the date of reporting quarter end – **9 669**

including:

nominee shareholders – **11**.

6.2. Information on the Issuer's shareholders owning not less than 5 per cent of its stockholders' capital (unit fund) or not less than 5 per cent of its common stock as well as information on shareholders owing not less than 20 per cent of its stockholders' capital (unit fund) or not less than 20 per cent of its common stock.

Shareholders owning not less than 5 per cent of the Issuer's stockholders' capital or not less than 5 per cent of its common stock as of the date of the reporting quarter end:

6.2.1. Full trade name: ***VEFT ENTERPRISES LIMITED***

Abbreviated trade name: ***VEFT ENTERPRISES LIMITED***

TIN: -

Address: ***1066, 20, Vas. Friderikis Street, El Greco House, office 104, Nicosia, Cyprus***

Share in the Issuer's chartered capital: ***77.09%***

Share of the Issuer's common stock: ***77.09%***

Shareholders (participants) holding over 20 per cent of chartered capital of the Issuer's shareholder or over 20 per cent of his common stock:

Full trade name: ***FLETCHER INDUSTRIAL EQUITY FUND LIMITED***

Abbreviated trade name: ***FLETCHER INDUSTRIAL EQUITY FUND LIMITED***

TIN: -

Address: ***Winterbotham Place, Marlborough & Queen Streets, Nassau, Bahamas***

Share in the Issuer's shareholder chartered capital: **100%**

Share of the Issuer's shareholder common stock: **100%**

Share in the Issuer's chartered capital: **none**

Share of the Issuer's common stock: **none**

6.2.2. Full trade name: **Limited-liability investment & finance company «LKB-INVEST»**

Abbreviated trade name: **LLC IFC «LKB-INVEST»**

TIN: **7705708194**

Address: **18-1, ul. Bakhrushina, Moscow, Russia**

Share in the Issuer's chartered capital: **7.52%**

Share of the Issuer's common stock: **7.52%**

Shareholders (participants) holding over 20 per cent of chartered capital of the Issuer's shareholder or over 20 per cent of his common stock:

Full trade name: **Limited-liability company "RUMELCO"**

Abbreviated trade name: **LLC "RUMELCO"**

TIN: **7727160666**

Address: **bl.d. 1, 18, ul. Bakhrushina, Moscow, Russia**

Share in the Issuer's shareholder chartered capital: **99,9988 %**

Share in the Issuer's chartered capital: **none**

Share of the Issuer's common stock: **none**

6.2.3. Full trade name: **Deutsche Bank Trust Company Americas**

Abbreviated trade name: **Deutsche Bank Trust Company Americas**

TIN: -

Address: **60 Wall Street, New York, NY 10005**

Share in the Issuer's chartered capital: **8.45%**

Share of the Issuer's common stock: **8.45%**

Shareholders (participants) holding over 20 per cent of chartered capital of the Issuer's shareholder or over 20 per cent of his common stock:

Full trade name: **Deutsche Bank Trust Corporation**

Abbreviated trade name: **Deutsche Bank Trust Corporation**

TIN: -

Address: **111 Eighth Avenue, New York, NY 10011**

Share in the Issuer's shareholder's chartered capital: **100%**

Share in the Issuer's chartered capital: **none**

Share of the Issuer's common stock: **none**

6.3. Information on the state stake or municipal share in stockholders' capital (unit fund) of the Issuer and availability of a special right ("golden share").

The state stake (federal stake, stake of the RF units) in the stockholders' capital equals to: **0.000267%**

Name of the state stake administrator: **Territorial Administration of the Federal Agency for Federal Property Management in the Lipetsk Region**

Legal address of the state stake administrator: **2, ul. Skorokhodova, Lipetsk 398019, Russia**

Availability of special right for participation of the Russian Federation, units

of the Russian Federation, municipal units in the Issuer's control (golden share):
none

6.4. Data on limitations in participation in the authorized capital (unit trust) of the issuer.

There are no limitations for the participation in the issuer's authorized capital, including in terms of quantity and/or total cost of the issuer's shares held by one shareholder, number of votes provided to a single shareholder, are not set by the Company Charter.

There are no other limitations related to participation in the issuer's authorized capital.

6.5. Data on changes in participation of the issuer's shareholders (participants) owning not less than 5 % of its authorized capital (unit trust) or not less than 5% of its common shares.

List of shareholders (participants) owning not less than 5 % of NLMK's authorized capital as of the date of compiling the list of persons entitled to participate in each general shareholders' meeting held for the last 5 complete financial years:

Shareholders entitled to participate in the Extraordinary General Shareholders' Meeting as of April 6, 2002 (date of list with persons entitled to participate in the General Shareholders' Meeting – February 13, 2002):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>KM TECHNOLOGIES (OVERSEAS) LIMITED</i>	<i>19,99</i>
2.	<i>SILENER MANAGEMENT LTD</i>	<i>18,98</i>
3.	<i>STAHL-UND METALLUNTERNEHMENSHOLDING S.A.</i>	<i>14,43</i>
4.	<i>VEFT ENTERPRISES LIMITED</i>	<i>10,81</i>
5.	<i>MINING & SMELTING COMPANY "NORILSK NICKEL"</i>	<i>9,00</i>
6.	<i>CASTELLE INVESTMENTS LIMITED</i>	<i>6,62</i>
7.	<i>RADLEY ENTERPRISES LIMITED</i>	<i>5,51</i>
8.	<i>PROSUN CO. LIMITED</i>	<i>5,03</i>

Shareholders entitled to participate in the Annual General Shareholders' Meeting as of June 28, 2002 (date of compiling a list of persons entitled to participate in the General Shareholders' Meeting – May 13, 2002):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LTD</i>	<i>18,98</i>
2.	<i>VEFT ENTERPRISES LIMITED</i>	<i>10,81</i>
3.	<i>CASTELLA INVESTMENTS LIMITED</i>	<i>10,05</i>
4.	<i>LIMTAN INVESTMENTS LIMITED</i>	<i>9,99</i>
5.	<i>CLOSED JOINT-STOCK COMPANY "LKB-INVEST"</i>	<i>9,01</i>
6.	<i>ULTIMEX TRADING LIMITED</i>	<i>8,29</i>
7.	<i>RADLEY ENTERPRISES LIMITED</i>	<i>8,23</i>
8.	<i>OMNILAX HOLDINGS LIMITED</i>	<i>7,59</i>
9.	<i>AHERON INVESTMENTS LIMITED</i>	<i>7,59</i>
10.	<i>PROSUN CO. LIMITED</i>	<i>5,03</i>

Shareholders entitled to participate in the Annual General Shareholders' Meeting as of June 27, 2003 (date of list with persons entitled to participate in the General Shareholders' Meeting – May 12, 2003):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LTD</i>	<i>18, 98</i>
2.	<i>VEFT ENTERPRISES LIMITED</i>	<i>12, 30</i>
3.	<i>CASTELLA INVESTMENTS LIMITED</i>	<i>10, 05</i>
4.	<i>LIMTAN INVESTMENTS LIMITED</i>	<i>9, 99</i>
5.	<i>ULTIMEX TRADING LIMITED</i>	<i>8, 28</i>
6.	<i>RADLEY ENTERPRISES LIMITED</i>	<i>8, 23</i>
7.	<i>OMNILAX HOLDINGS LIMITED</i>	<i>7, 59</i>
8.	<i>AHERON INVESTMENTS LIMITED</i>	<i>7, 59</i>
9.	<i>CLOSED JOINT-STOCK COMPANY "LKB-INVEST"</i>	<i>7, 51</i>
10.	<i>PROSUN CO. LIMITED</i>	<i>5, 03</i>

Shareholders entitled to participate in the Extraordinary General Shareholders' Meeting as of April 23, 2004 (date of list with persons entitled to participate in the General Shareholders' Meeting – February 24, 2004):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LIMITED</i>	<i>18, 98</i>
2.	<i>CASTELLA INVESTMENTS LIMITED</i>	<i>15, 94</i>
3.	<i>ULTIMEX TRADING LIMITED</i>	<i>15, 15</i>
4.	<i>VEFT ENTERPRISES LIMITED</i>	<i>12, 31</i>
5.	<i>RADLEY ENTERPRISES LIMITED</i>	<i>8, 23</i>
6.	<i>CLOSED JOINT-STOCK COMPANY "LKB-INVEST"</i>	<i>7, 52</i>
7.	<i>PROSUN CO. LIMITED</i>	<i>5, 03</i>

Shareholders entitled to participate in the Annual General Shareholders' Meeting as of June 25, 2004 (date of list with persons entitled to participate in the General Shareholders' Meeting – May 07, 2004):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LIMITED</i>	<i>18, 98</i>
2.	<i>CASTELLA INVESTMENTS LIMITED</i>	<i>15, 94</i>
3.	<i>ULTIMEX TRADING LIMITED</i>	<i>15, 15</i>
4.	<i>VEFT ENTERPRISES LIMITED</i>	<i>12, 31</i>
5.	<i>RADLEY ENTERPRISES LIMITED</i>	<i>8, 23</i>
6.	<i>CLOSED JOINT-STOCK COMPANY "LKB-INVEST"</i>	<i>7, 52</i>
7.	<i>ANWORTH INVESTMENTS LIMITED</i>	<i>5, 20</i>
8.	<i>HENFORD INVESTMENTS LIMITED</i>	<i>5, 20</i>
9.	<i>SOBEVAL MANAGEMENT LIMITED</i>	<i>5, 14</i>

Shareholders entitled to participate in the Extraordinary General Shareholders' Meeting as of December 3, 2004 (date of list with persons entitled to participate in the General Shareholders' Meeting – October 15, 2004):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LIMITED</i>	<i>18, 98</i>
2.	<i>CASTELLA INVESTMENTS LIMITED</i>	<i>15, 94</i>
3.	<i>MEROBEL INVESTMENTS LIMITED</i>	<i>15, 54</i>
4.	<i>ULTIMEX TRADING LIMITED</i>	<i>15, 15</i>
5.	<i>VEFT ENTERPRISES LIMITED</i>	<i>12, 31</i>

6.	<i>RADLEY ENTERPRISES LIMITED</i>	8, 23
7.	<i>CLOSED JOINT-STOCK COMPANY "LKB-INVEST"</i>	7, 52

Shareholders entitled to participate in the Annual General Shareholders' Meeting as of May 20, 2005 (date of list with persons entitled to participate in the General Shareholders' Meeting – April 4, 2005):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LIMITED</i>	18, 98
2.	<i>ULTIMEX TRADING LIMITED</i>	18, 15
3.	<i>VEFT ENTERPRISES LIMITED</i>	16, 31
4.	<i>CASTELLA INVESTMENTS LIMITED</i>	15, 94
5.	<i>MEROBEL INVESTMENTS LIMITED</i>	14, 70
6.	<i>CLOSED JOINT-STOCK COMPANY "LKB-INVEST"</i>	7, 52

Shareholders entitled to participate in the Extraordinary General Shareholders' Meeting as of September 26, 2005 (date of list with persons entitled to participate in the General Shareholders' Meeting – August 23, 2005):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LIMITED</i>	18, 98
2.	<i>MEROBEL INVESTMENTS LIMITED</i>	18, 70
3.	<i>ULTIMEX TRADING LIMITED</i>	18, 15
4.	<i>VEFT ENTERPRISES LIMITED</i>	16, 31
5.	<i>CASTELLA INVESTMENTS LIMITED</i>	15, 94
6.	<i>CLOSED JOINT-STOCK INVESTMENT-FINANCIAL COMPANY "LKB-INVEST"</i>	7, 52

Shareholders entitled to participate in the Extraordinary General Shareholders' Meeting as of November 16, 2005 (date of list with persons entitled to participate in the General Shareholders' Meeting – October 15, 2005):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LIMITED</i>	18, 98
2.	<i>VEFT ENTERPRISES LIMITED</i>	16, 31
3.	<i>MEROBEL INVESTMENTS LIMITED</i>	16, 19
4.	<i>CASTELLA INVESTMENTS LIMITED</i>	15, 94
5.	<i>ULTIMEX TRADING LIMITED</i>	14, 91
6.	<i>CLOSED JOINT-STOCK INVESTMENT-FINANCIAL COMPANY "LKB-INVEST"</i>	7, 52

Shareholders entitled to participate in the Annual General Shareholders' Meeting as of June 06, 2006 (date of list with persons entitled to participate in the General Shareholders' Meeting – April 18, 2006):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LIMITED</i>	18, 98
2.	<i>MEROBEL INVESTMENTS LIMITED</i>	16, 19
3.	<i>CASTELLA INVESTMENTS LIMITED</i>	15, 94
4.	<i>ULTIMEX TRADING LIMITED</i>	14, 91
5.	<i>VEFT ENTERPRISES LIMITED</i>	9, 61
6.	<i>DEUTSCHE BANK TRUST COMPANY AMERICAS</i>	7, 92
7.	<i>CLOSED JOINT-STOCK INVESTMENT-FINANCIAL COMPANY "LKB-INVEST"</i>	7, 52

Shareholders entitled to participate in the Extraordinary General Shareholders' Meeting as of September 29, 2006 (date of list with persons entitled to participate in the General Shareholders' Meeting – August 15, 2006):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>SILENER MANAGEMENT LIMITED</i>	<i>18,98</i>
2.	<i>MEROBEL INVESTMENTS LIMITED</i>	<i>16,19</i>
3.	<i>CASTELLA INVESTMENTS LIMITED</i>	<i>15,94</i>
4.	<i>ULTIMEX TRADING LIMITED</i>	<i>14,91</i>
5.	<i>VEFT ENTERPRISES LIMITED</i>	<i>9,61</i>
6.	<i>DEUTSCHE BANK TRUST COMPANY AMERICAS</i>	<i>8,24</i>
7.	<i>LIMITED LIABILITY INVESTMENT & FINANCE COMPANY "LKB-INVEST"</i>	<i>7,52</i>

Shareholders entitled to participate in the Extraordinary General Shareholders' Meeting as of June 05, 2007 (date of list with persons entitled to participate in the General Shareholders' Meeting – April 16, 2007):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>VEFT ENTERPRISES LIMITED</i>	<i>75,64</i>
2.	<i>DEUTSCHE BANK TRUST COMPANY AMERICAS</i>	<i>8,31</i>
3.	<i>LIMITED LIABILITY INVESTMENT & FINANCE COMPANY "LKB-INVEST"</i>	<i>7,52</i>

Shareholders entitled to participate in the Extraordinary General Shareholders' Meeting as of September 28, 2007 (date of list with persons entitled to participate in the General Shareholders' Meeting – August 24, 2007):

<i>No.</i>	<i>Name of a shareholder</i>	<i>Share in chartered capital, %</i>
1.	<i>VEFT ENTERPRISES LIMITED</i>	<i>75,64</i>
2.	<i>DEUTSCHE BANK TRUST COMPANY AMERICAS</i>	<i>7,98</i>
3.	<i>LIMITED LIABILITY INVESTMENT & FINANCE COMPANY "LKB-INVEST"</i>	<i>7,52</i>

6.6. Information on interested-party transactions concluded by the issuer.

Information on interested-party transactions concluded OJSC "Novolipetsk Steel" in IV Q 2007.

Description	Reporting period
Total number and total volume of interested-party transactions in monetary terms concluded in the reporting period, which required approval by the issuer's authorized managerial body, no./rubles/US dollar	38 / 42 019 795 947 / 3 336 649
Number and volume of interested-party transactions in monetary terms concluded in the reporting period approved by the issuer's general shareholders' meeting, no./rubles	2 / 35 044 014 776

Number and volume of interested-party transactions in monetary terms concluded in the reporting period approved by the issuer's Board of Directors, no./rubles/US dollar	36 / 6 975 781 171 / 31 336 649
Number and volume of interested-party transactions in monetary terms concluded in the reporting period, which required approval but have not been approved by the issuer's authorized managerial body, no./rubles	none

Transactions of interest, the price of which makes 5 or more per cent of the Company's assets book value determined upon financial statements as of the last reporting date before the transaction conclusion, concluded by the issuer in the last reporting quarter:

Date of transaction. 10. 10. 2007.

The subject and other material terms: ***payment for 7000 (seven thousand) shares of NLMK International B.V. shares with 50% share stock of Steel Invest & Finance (Luxembourg) S.A. owned by NLMK.***

The parties:

OJSC "NLMK" – the Buyer;

NLMK International B.V. – the Seller.

Full name and shortened company name of a legal entity recognized by the RF law as the transaction-interested party, and the grounds for the recognition as such: ***Alexey A. Lapshin, President (NLMK's Board Chairman), Galina A. Aglyamova – Member of the NLMK's Management Board, Oleg V. Bagrin – NLMK Board of Directors' member, all of them also being Managing Directors' Board of NLMK International B.V.***

The volume of the transaction (expressed in monetary terms and as per cent of the issuer's assets book value as of the end of the last reporting period (finishing 30.09.2007), prior to the transaction date: ***RUR 21 216 000 000 (twenty-one billion two hundred and sixteen million rubles), which makes 11,06% of the assets book value.***

The term of the transaction obligations performance and information on the performance thereof: ***obligations were performed on 10. 10. 2007.***

The issuer's managerial body which approved of the transaction, date of the approval (date and ref. no. of the certificate): ***The transaction was approved of by an extraordinary NLMK shareholders' meeting on 28.09.2007 (Certificate no. 27 dd. 28.09.2007).***

Other transaction details to be specified at the issuer's discretion: ***none.***

Date of transaction. 19. 11. 2007.

The subject and other material terms: ***The Lender shall lend funds to the Borrower.***

The parties:

OJSC "Stoylenskiy GOK" – the Lender;

OJSC "NLMK" – the Borrower.

Full name and shortened company name of a legal entity recognized by the RF law as the transaction-interested party, and the grounds for the recognition as such: ***Galina A. Aglyamova – Member of the NLMK's Management Board and also a member of the Board of Directors of OJSC "Stoylenskiy GOK", Alexander Yu. Gorshkov - Member of the NLMK's Management Board and also Director General and member of Directors Board of OJSC "Stoylenskiy GOK".***

The volume of the transaction (expressed in monetary terms and as per cent of the issuer's assets book value as of the end of the last reporting period

(finishing 30.09.2007), prior to the transaction date: the ultimate amount is RUR 10 900 000 000 (ten billion nine hundred million rubles), which makes 5,68% of the assets book value.

The term of the transaction obligations performance and information on the performance thereof: *The agreement is effective till 1 December, 2009.*

The issuer's managerial body which approved of the transaction, date of the approval (date and ref. no. of the certificate): *The transaction was approved of by the general annual NLMK shareholders' meeting (Certificate no.26 dd. 05.06.2007)*

Other transaction details to be specified at the issuer's discretion: *none.*

6.7. Information on accounts receivable amount.

For this reporting period no such information is to be provided.

VII. Accounting of the issuer and other financial information.

7.1. Annual accounting of the issuer.

The quarterly report for the fourth quarter is not to include any annual accounting of the issuer.

7.2. Quarterly accounting of the issuer for the last completed reporting quarter.

The quarterly report for the fourth quarter is not to include quarterly accounting of the issuer.

7.3. Consolidated Financial Statements of the Issuer for the last completed financial year.

The quarterly report for the fourth quarter is not to include consolidated financial statements of the Issuer for the last completed financial year.

7.4. Information on the Issuer's accounting policy.

Provision on Accounting Policy approved by NLMK's Order No. 977 dd. 29.12.2006 z. № 977 "On accounting policy of NLMK for the purposes of accounting and taxation" has been included into NLMK's quarterly report for Q1 2007.

In the reporting quarter there were no changes in the accounting policy accepted by the Company for the current financial year.

7.5. Information on total exports as well as on the share of exports in total sales..

For this reporting period no such information is to be provided.

7.6. Information on real estate value and material changes in the Issuer's property as of the last complete financial year closure.

По состоянию на дату окончания отчетного квартала:

- *total initial (replacement) value of buildings, structures, land as well as real estate in the process of state registration accounted for in NLMK's balance sheet amounted to 19 435 518 489 rubles;*
- *accrued depreciation 9 428 328 819 rubles.*

Within 12 months before the end of the reporting quarter there were no significant changes in the Company's real estate.

There were no significant changes in the Company's other property after 31.12.2006 related to acquisition or retirement (sale) of assets of other property with book value exceeding 5% of the Company's assets book value.

7.7. Information on the Issuer's participation in any legal procedures if this participation could have significantly affected its financial performance.

Over the last three years there haven't been any legal procedures, the Company's participation in which could affect its financial performance.

VIII. Additional information on the Issuer and its securities placed.

8.1. Additional information on the Issuer.

8.1.1. Information on the amount, structure of the stockholders' capital (unit fund) of the Issuer.

Amount of the Issuer's stockholders' capital (rubles) as of the date of the reporting quarter closure:

5 993 227 240

Structure of the issuer's authorized capital as of the date of the reporting quarter closure:

Common stock:

Total volume at par value (rubles): ***5 993 227 240***

Share in the authorized capital: ***100 %***

Preferred stock:

Total volume at par value (rubles): ***0***

Share in the authorized capital: ***0 %***

Part of NLMK's shares circulates outside the Russian Federation in accordance with foreign law related to foreign Issuers' securities, representing NLMK's shares.

Category (type) of shares, circulating outside the Russian Federation: **common registered book-entry shares**

Proportion of shares, circulating outside of the Russian Federation, to the total quantity of shares of the corresponding category (type): 8.45 %

Name of the foreign Issuer, whose securities represent NLMK's shares of a corresponding category (type): **Deutsche Bank Trust Company Americas**

Domicile of the foreign Issuer, the securities of which represent NLMK's shares of a corresponding category (type): **60 Wall Street, New York, NY 10005, USA; 23 Great Winchester Street, London EC2P 2AX, UK**

Summary of the issue program (type of the program) related to the foreign Issuer's securities, representing NLMK's shares of the corresponding category (type): **Global Depositary Shares were issued in accordance with Rule 144A, as well as Regulation S of the US Securities Act. Each Depositary Share represents 10 common shares of NLMK.**

Information on permits issued by federal executive authorities for the Issuer's shares of a corresponding category (type) admission to circulation outside of the Russian Federation. In accordance with Notification of Federal Securities Market Service of Russia of permit issue for NLMK's securities circulation outside of the Russian Federation dd. 03.05.2005 No.05-БГ-03/6941, circulation of NLMK's common registered book-entry shares outside of the Russian Federation has been permitted.

Name of the foreign trading organizer (-s), which handles circulation of a foreign Issuer's securities, representing the Issuer's shares. London Stock Exchange plc

8.1.2. Information on changes in stockholders' capital amount (unit fund) of the Issuer.

Over the period from January 1, 2002 till December 31, 2003 NLMK did not issue any securities that would result in change of the stockholders' capital.

In Q2 2004 stockholders' capital of the Company changed due to additional issue of common registered book-entry stock.

Amount of the Issuer's stockholders' capital (rubles) as of 01.04.2004: **5 987 240**

Breakdown of stockholders' capital as of 01.04.2004:

Common stock:

Total at par value (rubles): **5 987 240**

Share in stockholders' capital: **100 %**

Preferred shares:

Total at par value (rubles): **0**

Share in stockholders' capital: **0 %**

Management body of the Issuer which made a decision to change the stockholders' capital: **Board of Directors of NLMK**

Date and number of the management body's Minutes of the meeting at which a decision to change stockholders' capital was taken: **05.02.2004, Minutes No. 106.**

Amount of the Issuer's stockholders' capital (rubles) as of 30.06.2004: **5 993 227 240**

Breakdown of stockholders' capital as of 30.06.2004:

Common stock:

Total at par value (rubles): **5 993 227 240**

Share in stockholders' capital: **100 %**
Preference shares:
Total at par value (rubles): **0**
Share in stockholders' capital: **0 %**

Since 30.06.2004 up to now the amount of stockholders' capital has not changed.

8.1.3. Information on generation and use of the Issuer's reserve fund as well as other funds.

In accordance with the Company Charter, NLMK generates a reserve fund of not less than 5 percent of its stockholders' equity. Size of the reserve fund shall be determined by the Board of Directors' decision. The Company's reserve fund is generated by mandatory annual allocations. Annual allocations are not less than 5 (five) per cent of net profit before it achieves the size of a reserve fund, determined by the Board of Directors according to the Company's Charter.

As of the date of the reporting quarter end, NLMK's reserve fund amounted to 299 661 362 rubles or 5% of its charter capital.

The reserve fund was not used within the reporting quarter.

NLMK doesn't generate any other funds at the expense of its net profit.

8.1.4. Information on procedure of convocation and conduction of the Issuer's supreme managerial body meeting.

The Issuer's supreme managerial body:

The supreme governing body of the Company is the General Shareholders' Meeting.

Procedure of shareholders (participants) notification on convocation of General Shareholders' Meeting:

The notification on convocation of General Shareholders' Meeting is brought to notice of the shareholders under decision of the Board of Directors by publication of the information in newspaper «Gazeta», newspaper «Metallurg» and at NLMK's website in the Internet. The notification on General Shareholders' Meeting convocation shall be published not later than 30 days prior to the date of the Meeting, if a longer term is not envisaged by law.

The shareholders owning one and more percent of the Company's shares as well as nominal shareholders are informed of the meeting by mail. Written notifications are sent by registered mail within the period stated in this clause.

Persons (authorities) entitled to summon (demand) an Extraordinary Shareholders' Meeting as well as the procedure of raising such a demand:

The Extraordinary Shareholders' Meeting is held upon decision of the Board of Directors on the basis of its own initiative, demand of the Auditing Commission, the Company's Auditor as well as shareholders (shareholder) owning not less than 10 per cent of the Company's voting shares as of the date of the demand. The Extraordinary Shareholders' Meeting is summoned by the Board of Directors and must be held within 40 days from the date of a/m demand made by Auditing Commission, the Company's Auditor or shareholders in respect of the Extraordinary Shareholders' Meeting holding. In case of the Company's Board of Directors members

election on the agenda of the Extraordinary Shareholders' Meeting as well as in case the Board of Directors liable to make a decision on holding of the Extraordinary Shareholders' Meeting under the Federal Act "On joint-stock companies" to elect the Board members, such a Shareholders' Meeting shall be held within 70 days from the date of corresponding demand or decision of the Board to hold the Meeting.

A demand for Extraordinary Meeting convocation shall contain worded issues to be included into the Meeting agenda. The request for holding of Extraordinary Meeting can contain worded decisions on each of these issues as well as suggestions on the Shareholders' Meeting conduction form.

The Board of Directors is not entitled to change wording of agenda issues, wording of decisions on such issues and to change the suggested form of Extraordinary Shareholders' Meeting being convened upon the request of the Auditing Commission, the Company's Auditor or shareholders (shareholder) owning not less than 10 percent of the Company's voting shares.

Should a demand for the Extraordinary Meeting be submitted by shareholders (shareholder) it shall include the name of shareholders (shareholder), requesting the convocation, quantity and type (category) of the shares belonging to them (him/her).

The demand for the Extraordinary Meeting shall be signed by the persons (person) who require Extraordinary Meeting convocation.

The Board of Directors shall make a decision on the Extraordinary Meeting convocation or on refusal to call it within five days from the date of the request submission by the Auditing Commission, the Company's Auditor or shareholders (shareholder) owning not less than 10 percent of the Company's voting shares.

Decision on refusal to convene the Extraordinary Shareholders' Meeting upon the request of the Auditing Commission, the Company's Auditor or shareholders (shareholder) owning not less than 10 percent of the Company's voting shares can be made in case:

- the procedure of the request submission on convocation of the General Shareholders' Meeting has been violated;*
- shareholders (shareholder) demanding the Extraordinary Shareholders' Meeting summoning do not possess the required quantity of the Company's voting shares;*
- none of the issues put forward to be included into the Extraordinary Meeting agenda refers to its competence and (or) corresponds to requirements of the Federal Act "On joint-stock companies" and other legal acts of the Russian Federation.*

Decision of the Board of Directors on the Extraordinary Meeting summoning or justified decision to refuse to call it is sent to persons who requested its convocation by registered mail with notice of receipt not later than 3 days from the date of taking such a decision.

Should the decision on the Extraordinary meeting convocation not be made or should the decision to refuse to call the Extraordinary Meeting be made within the stated period by the Board of Directors, the Extraordinary Meeting can be summoned by persons or bodies demanding its convocation.

The procedure of the Meeting date determination:

A regular Annual Shareholders' Meeting is convened not earlier than two months and not later than six months after the financial year closure. Besides the regular meetings Extraordinary Shareholders' Meetings can be summoned.

Date, time and venue of the General Shareholders' Meeting, the procedure of its preparation and conduction shall be determined by the Board of Directors under provisions of the Company Charter and "Regulations on holding General Meeting of Shareholders".

Persons entitled to suggest issues to be included in the agenda of the Issuer's management body meeting and the procedure of such suggestions submission:

Shareholders (a shareholder), owning not less than 2 per cent of the Company's voting shares in aggregate are entitled to suggest issues to be included in the agenda of Annual General Shareholders' Meeting and put forward candidate members to the Company's Board of Directors, Auditing Commission and Returning board, the number of which cannot exceed the number of respective body members as well as candidate General Director. Such suggestions should be received by the Company not later than in 60 days after financial year closure.

In case of the Company's Board of Directors election being on the agenda of the Extraordinary Shareholders' Meeting, shareholders (a shareholder) owning not less than 2 per cent of the Company's voting shares in aggregate are entitled to propose candidate members to the Board of Directors the number of which cannot exceed the number of the Company's Board. Such proposals must be received by the Company not later than 30 days prior to the date of the Extraordinary Shareholders' Meeting.

Suggestions on issues inclusion in the General Shareholders' Meeting agenda and suggestions on candidates shall be made in writing, shall indicate the name of shareholders (shareholder), requesting it, the quantity and type (category) of the shares belonging to them (him/her) and shall be signed.

A proposal to include issues in the agenda of the General Shareholders' Meeting shall contain wording of each proposed issue, while a proposal on candidates shall contain name of each proposed candidate, name of body to which that candidate is stated, other data on him/her provided for by internal documents of the Company as well as written consent of a candidate to take the title. A proposal on entering of issues into agenda of the General Shareholders' Meeting can include wording of decision on each proposed issue.

The Company's Board of Directors is liable to consider received proposals and make a decision on inclusion of them in the agenda of the General Shareholders' Meeting or refusal to include into the agenda not later than 5 days after deadlines stated in the Company Charter for inclusion of proposals in the agenda of an Annual General Shareholders' Meeting and Extraordinary General Shareholders' Meeting. An issue proposed by shareholders (a shareholder) is subject to be included in the agenda of the General Shareholders' Meeting as well as proposed candidates are subject to be included in the voting list for election to respective bodies of the Company except if:

- shareholders (a shareholder) have violated terms established by the Company Charter;*
- shareholders (a shareholder) do not own the required number of the Company's voting shares as per the Company Charter;*
- a proposal is not in conformity with the requirements of the Company Charter;*
- an issue to be included in the agenda of the General Shareholders' Meeting is not within its competence and (or) is not in conformity with the requirements of the Federal Act "On joint-stock companies" and other legal acts of the Russian Federation.*

Justified decision of the Company's Board of Directors on refusal to include the proposed issue in the agenda of the General Shareholders' Meeting or a candidate shall be sent to shareholders (shareholder) who put forward the issue or candidate not later than three days from the date of its receipt.

The Board of Directors is not entitled to change the wording of the agenda issues, wording of decisions on such issues of the General Shareholders' Meeting.

Besides the issues proposed to be included in the agenda of the General Shareholders' Meeting as well as in case of absence of such issues, absence or insufficient quantity of candidates proposed by shareholders to form a

corresponding body, the Board of Directors has the right to include issues in the agenda or candidates in the voting list of the General Shareholders' Meeting at its discretion.

Persons entitled to get acquainted with information (materials) presented for supreme management body meeting preparation and conduction as well as procedure of getting acquainted with such information (materials):

Persons having the right to participate in the General Shareholders' Meeting can receive information (materials) subject to presentation during preparation of General Shareholders' Meeting for getting acquainted in the room of the Company's executive body and at places the addresses of which are stated in the announcement on General Shareholders' Meeting holding within 20 days and in case of General Shareholders' Meeting the agenda of which includes an issue on the Company's restructuring, within 30 days prior to the General Shareholders' Meeting.

Persons entitled to participate in the Company's General Shareholders' Meeting can receive copies of the stated documents upon request sent in writing to the Company's executive body subject to payment.

Procedure of publication (disclosure to the issuer's shareholders (participants)) of decisions taken by the issuer's supreme managerial body and voting results:

Decisions taken by the General Shareholders' Meeting as well as voting results are announced at the General Shareholders' Meeting, where the voting took place, or brought to the shareholders' notice not later than 25 days from the date of decision-making by publication in newspapers "Gazeta", "Gazeta MG" and at NLMK's Internet web-site.

8.1.5. Information on profit-making organizations, where the Issuer holds not less than 5 percent of stockholders' equity (unit fund) or not less than 5 percent of common stock.

1. Full name: *Limited-liability company Lipetsk Insurance Company "Chance"*
Abbreviated name: *LLC LIC Chance*

Legal address: *30, ul. Nedelina, Lipetsk 398059 Russia*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

2. Full name: *Limited-liability company Steel*

Abbreviated name: *LLC Steel*

Legal address: *1, ul. Lenina, Uglich, Yaroslavl region 152620 Russia*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

3. Full name: *Limited-liability company Novolipetskoye*

Abbreviated name: *LLC Novolipetskoye*

Legal address: *village Tyushevka, Lipetsk region, 398052 Russia*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

4. Full name: *Limited-liability company Karamyshevskoye*

Abbreviated name: *LLC Karamyshevskoe*

Legal address: *1, Tsentralnaya sq., village Karamyshevo, Gryazi region, Lipetsk area 399077 Russia*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

5. Full name: *Holiday Hotel Novolipetsky Metallurg*

Abbreviated name: *none*

Legal address: *25, per. Chekhov, , Morskoye, Sudak, Crimea 334886 Ukraine*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

6. Full name: *Limited-liability company Trading House NLMK*

Abbreviated name: *LLC Trading House NLMK*

Legal address: *bdg. B, 1/15, Kotelnicheskaya naberezhnaya, Moscow 109240 Russia*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

7. Full name: *Kuzbass Asset Holdings Limited*

Abbreviated name: *Kuzbass Asset Holdings Limited*

Legal address: *offices 41/42, Victoria House, 26, Main Street, Gibraltar*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Share of the Issuer's common stock in profit-making organization: *100 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

8. Full name: *Limited-liability company "Vtorchermet NLMK"*

Abbreviated name: *LLC "Vtorchermet NLMK"*

Legal address: *2, Pl. Metallurgov, 398040, Lipetsk, Russia*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

9. Full name: *Limited-liability company "VIZ-Stal"*

Abbreviated name: *LLC "VIZ-Stal"*

Legal address: *28, ul. Kirova, Yekaterinburg 620219, Russia*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

10. Full name: *Limited-liability company Independent Transport Company*

Abbreviated name: *LLC NTK*

Legal address: *32A, Leninsky prospect, Moscow 119991, Russia*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

11. Full name: *NLMK International B.V.*

Legal address: *Amsterdam, Netherlands*

Issuer's share in the profit-making organization's chartered capital: *100 %*

Share of the Issuer's common stock in profit-making organization: *100 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

12. Full name: *Limited-liability company Larmet*

Abbreviated name: *LLC Larmet*

Legal address: *44/28, ul. Studencheskaya, Moscow 121165 Russia*

Issuer's share in the profit-making organization's chartered capital: *99.98 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

13. Full name: *Limited-liability company VIMET*

Abbreviated name: *LLC VIMET*

Legal address: *35 a, pr. Mira, Lipetsk 398005 Russia*

Issuer's share in the profit-making organization's chartered capital: *99.97 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

14. Full name: *Open joint-stock company Stoilensky GOK*

Abbreviated name: *OJSC Stoilensky GOK*

Legal address: *Russian Federation*

Issuer's share in the profit-making organization's chartered capital: *96.98%*

Share of the Issuer's common stock in profit-making organization: *96.98 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

15. Full name: *Open joint-stock company "Altai-Koks"*

Abbreviated name: *OJSC "Altai-Koks"*

Legal address: *Zarinsk, Altai Region, Russia*

Issuer's share in the profit-making organization's chartered capital: *94,15 %*

Share of the Issuer's common stock in profit-making organization: *94,15 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

16. Full name: *Open joint-stock company Dolomite*

Abbreviated name: *OJSC Dolomite*

Legal address: *1, ul. Sverdlova, Dankov, Lipetsk region 399854 Russia*

Issuer's share in the profit-making organization's chartered capital: *92.74 %*

Share of the Issuer's common stock in profit-making organization: *92.74 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

17. Full name: *Open joint-stock company Studenovskaya Mining Company*

Abbreviated name: *OJSC Stagdok*

Legal address: *4, ul. Gaidara, Lipetsk 398008 Russia*

Issuer's share in the profit-making organization's chartered capital: *88.62 %*

Share of the Issuer's common stock in profit-making organization: *88.62 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

18. Full name: *Limited-liability company Vtormetsnab NLMK*

Abbreviated name: *LLC Vtormetsnab NLMK*

Legal address: *2, pl. Metallurgov, Lipetsk, 398040 Russia*

Issuer's share in the profit-making organization's chartered capital: *70.00 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

19. Full name: *Open joint-stock company "Tuapse Sea Trade Port"*

Abbreviated name: *OJSC TMTP*

Legal address: *2, ul. Morskoy Bulvar, Tuapse, Krasnodar Region, 352800 Russia*

Issuer's share in the profit-making organization's chartered capital: *69.41 %*

Share of the Issuer's common stock in profit-making organization: *69.41 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

20. Full name: *Open joint-stock company North Oil and Gas Company*

Abbreviated name: *OJSC Severneftegas*

Legal address: *bdg. 1, 14, pl. Spartakovskaya, Moscow 105082 Russia*

Issuer's share in the profit-making organization's chartered capital: *62.00 %*

Share of the Issuer's common stock in profit-making organization: *62.00 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

21. Full name: *Open joint-stock company Lipetsky Griprommez*

Abbreviated name: *OJSC Lipetsky Griprommez*

Legal address: *1, ul. Kalinina, Lipetsk 398600 Russia*

Issuer's share in the profit-making organization's chartered capital: *57.57 %*

Share of the Issuer's common stock in profit-making organization: *57.57 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

22. Full name: *Open joint-stock company "Maxi-Group"*

Abbreviated name: *OJSC "Maxi-Group"*

Legal address: *4, Lesnaya, Troyitsk, 142190 Moscow Region*

Issuer's share in the profit-making organization's chartered capital: *50,00005 %*

Share of the Issuer's common stock in profit-making organization: *50,00005 %*

Profit-making organization's share in the Issuer's chartered capital: *none*

23. Full name: *Limited-liability company Neptune*

Abbreviated name: *LLC Neptune*

Legal address: *office 35, 1, ul. Admiral Makarov, Lipetsk 398005 Russia*

Issuer's share in the profit-making organization's chartered capital: *25 %*

Share of profit-making organization in the Issuer's stockholders' equity: *none*

8.1.6. Information on material transactions of the Issuer.

Information on each material transaction (group of related transactions) with liabilities equal to 10 and more percent of the issuer's assets book value under its financial statements for the last reporting quarter preceding the transaction (material transaction) date, concluded by the issuer in Q4 of the current year: *in Q4 2007 NLMK concluded one material transaction with liabilities exceeding 10% of the Company's assets book value as of 30.09.2007.*

Type and subject of transaction: *payment for 7 000 (seven thousand) shares of NLMK International B.V. with NLMK's 50% shareholding in Steel Invest & Finance (Luxembourg) S.A.*

Content of transaction, including civil rights and obligations, which are set, changed or terminated by this transaction: *NLMK is paying for 7 000 (seven thousand) shares of NLMK International B.V. with NLMK's 50% shareholding in Steel Invest & Finance (Luxembourg) S.A.*

Maturity and beneficiaries of the transaction, transaction value in monetary terms and in % of the issuer's asset book value:

maturity: *10.10.2007;*

parties and beneficiaries – *OJSC "NLMK" and NLMK International B.V.;*

transaction value in monetary terms: *21 216 000 000 (Twenty one billion two hundred and sixteen million) rubles;*

transaction value in % of the issuer's asset book value: *11,06%;*

Value of the issuer's assets as of the end of the reporting period (quarter, year) preceding the transaction (contract conclusion data) reflected in the financial statements in line with the RF legislation: *191 840 972 000 (One hundred and ninety one billion eight hundred and forty million nine hundred and seventy two thousand) rubles.*

Date of transaction (contract conclusion): *10.10.2007*

Information on the transaction approval, should it be a major or interested party transaction for the issuer:

transaction category: *interested-party transaction;*

the issuer's authority that made a decision on the transaction approval: *Extraordinary General Shareholders' Meeting of OJSC "NLMK";*

date of decision on the transaction approval: *September 28, 2007;*

date and number of minutes of the meeting of the issuer's designated authority, where the respective decision on the transaction approval was made: *September 28, 2007, Minutes No. 27.*

8.1.7. Information on the Issuer's credit ratings.

NLMK's credit rating history:

<i>No</i>	<i>Company</i>	<i>Rating</i>	<i>Description</i>	<i>Date of rating</i>
1.	<i>Credit rating agency "Standard & Poor's", USA http://www.standardsandpoors.ru/</i>	<i>BB+ (stable)</i> <i>BB (stable)</i>	<i>Beyond danger in short-term outlook, however higher susceptibility to the influence of negative changes in commercial, financial and economic conditions.</i> <i>Beyond danger in short-term outlook, however higher susceptibility to the influence of negative changes in commercial, financial and economic conditions.</i>	<i>12.07.2006 (upon revision)</i> <i>26.05.2005 (initial rating)</i>
2.	<i>Credit rating Agency "Moody's Investors Service", UK http://www.moodys.com/</i>	<i>Ba1(stable)</i> <i>Ba2 (stable)</i>	<i>Description is not available.</i> <i>Description is not available.</i>	<i>19.12.2006 (upon revision)</i> <i>24.10.2005 (initial rating)</i>
3.	<i>Credit rating agency "Moody's Interfax", Russia http://rating.interfax.ru/</i>	<i>Aa1.ru (stable)</i> <i>Aa2.ru (stable)</i>	<i>Issuers or debt instruments with Aa.ru rating are characterized by higher solvency as compared to other Issuers within the country.</i> <i>Issuers or debt instruments with Aa.ru rating are characterized by higher solvency as compared to other Issuers within the country.</i>	<i>19.12.2006 (upon revision)</i> <i>24.10.2005 (initial rating)</i>
4.	<i>Rating agency "Fitch Ratings", Great Britain http://www.fitchratings.com/</i>	<i>BB+ (stable)</i>	<i>"BB" rating means that there is a possibility of credit risk development, especially as a result of negative economic changes, which may arise. However the companies may have alternative resources</i>	<i>15.01.2007 (initial rating)</i>

			<i>in business or finance, due to which they will be able to meet their financial liabilities.</i>	
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* - The description is in accordance with the data on the rating agencies' web-sites.

Note: NLMK's ratings valid as at 31.12.2007 are in bold type.

8.2. Information on each category (type) of the Issuer's shares.

Share category: *common*

Par value of each share (rubles): *1*

Shares in circulation: *5 993 227 240*

Quantity of additional shares in the process of placement: *0*

Quantity of declared shares: *0*

Quantity of shares on the Issuer's balance: *0*

Quantity of additional shares which could be placed due to conversion of placed securities, convertible into shares, or as a result of obligations discharge under the Issuer's options: *0*

State registration numbers of share issues: *1-01-00102-A*

Date of state registration: *09.04.2004*

Additional issues of NLMK's securities were combined by Regulation of Federal Committee on Securities of Russia No. 04-1026/p dd. April 9, 2004, which resulted in cancellation of state registration number 46-111-0190 dd. 02.04.1993 assigned to the first issue of the Company's registered book-entry common stock. State registration number 1-01-00102-A dd. April 9, 2004 was assigned to the above mentioned issue of NLMK's securities.

Rights granted by shares to their holders:

Each common share of the Company grants a shareholder, its owner, equal measure of property and non-property rights, particularly, the right to:

a) take part in the Company management, including participation in the General Shareholders' Meeting with the right to vote on all the issues within its competence both personally and through a representative;

b) to receive dividends and to get part of the Company's property in case of its liquidation;

c) to sell or alienate in another way all the shares or part thereof to other persons according to the procedure established by the current legislation of the Russian Federation and the Company Charter;

d) to be informed about the Company's financial and economic performance according to the procedure established by the current legislation of the Russian Federation and the Company Charter.

In case the Company places voting stocks and securities convertible into voting stocks by open subscription with payment in cash, the shareholders – owners of the Company's voting stocks – have a priority right to purchase these securities in the quantity proportional to the quantity of the Company's voting stocks owned by them.

Additionally placed shares grant the right to vote only after their full payment and approval of the stock placement results by the Board of Directors.

8.3. Information on previous issues of the Issuer's securities except the Issuer's shares.

Securities issue, with the exception of stocks, was not performed by the Issuer.

8.3.1. Information on issues, the securities of which were paid off (cancelled).

There were no issues, the securities of which were paid off (cancelled).

8.3.2. Information on issues, the securities of which are still outstanding.

There were no issues of bonds and options, the securities of which are still outstanding.

8.3.3. Information on default issues.

There were no issues of securities with the Issuer's default.

8.4. Information on a person (persons), providing (having provided) security for bond issue.

The Issuer did not place secured bonds.

8.5. Security conditions for the Issuer's obligations in respect of bond issue.

The Issuer did not place any secured bonds.

8.6. Information on organizations, which register rights for the issuer's securities.

Registrar:

Full trade name: *Limited-liability company R-Stinol*

Abbreviated trade name: *OJSC R-Stinol*

Legal address: *10b, ul. 9th of May, Lipetsk, Russia*

The license for functioning as a registrar of shareholders:

License No.: *10-000-1-00342*

Issue date: *30. 11. 2006*

Validity: *unlimited period*

Licenser: *Federal Financial Market Service of the Russian Federation*

The date on which the register of shareholders started to be kept by the stated registrar: *04. 03. 2004*

8.7. Information on legislative acts governing import and export of capital, which could affect payment of dividends, interest and other payments to non-residents.

International agreements and contracts on double taxation prevention, Tax Code of the Russian Federation (part one) No. 146-Φ3 dd. 31.07.1998 (revision dd. 17.05.2007); Tax Code of the Russian Federation (part two) No. 117-Φ3 dd. 05.08.2000 (revision dd. 06.12.2007); Federal Act No. 173- Φ3 dd. 10.12.2003 "On currency control" (revision dd. 30.10.2007); Federal Act No. 39- Φ3 dd. 22.04.1996 (revision dd. 06.12.2007) "On securities market", Federal Act No. 208- Φ3 dd. 26.12.1995 (revision dd. 01.12.2007) "On joint-stock companies" are considered as legislative acts which regulate import and export of capital and which could affect payments of dividends, interest and other payments by the Issuer to non-residents who have the Issuer's securities in possession.

8.8. Description of income taxation procedures regarding placed securities of the Issuer.

Owners of the Company's shares can receive income as dividends and income from share sale. Organizations' income is taxed under Chapter 25 "Income tax of organizations" of Tax Code of the Russian Federation, natural persons are taxed under Chapter 23 "Natural persons' income tax".

Dividends

In case of dividend payment to natural persons and organizations the Company acts as a fiscal agent, i.e. it makes calculations, deduction from dividends and transfer of natural persons' income tax and profit tax of organizations to the budget.

Legal entities

Organizations' profit received as dividends is taxed under Chapter 25 "Profit tax of organizations" of Tax Code of the Russian Federation.

Dividends paid to organizations which are Russian taxpayers, are taxed at 9% tax rate (subclause 1 clause 3 Article 284 Tax Code of the Russian Federation), foreign organizations – at 15% tax rate (subclause 2 clause 3 Article 284 Tax Code of the Russian Federation).

Natural persons.

Tax rate of natural persons' (residents) income tax is 9% and 30 % for non-residents.

Income from share sales.

Legal entities

A feature for tax base for RF residents in case of securities operations is defined by Articles 280 and 283 of Tax Code of the Russian Federation. Profit tax shall be paid at 24% tax rate (clause 1 Article 284 of Tax Code of the Russian Federation).

Taxation procedure for non-residents is governed by Articles 306-307, 309-312 of Tax Code of the Russian Federation. Foreign organizations which do not perform profit-oriented business in the Russian Federation, pay profit taxes upon sales Russian companies' shares, where more than 50% of assets consist of real estate in the territory of the Russian Federation as well as financial instruments being

derivatives of these shares. Furthermore, income from trade of securities on foreign stock exchanges or financial instrument being in circulation on these exchanges is not recognized as income received from RF sources of revenues (subclause 5 clause. 1 Article 309). Fiscal Agent makes calculations and deduction of profit tax at 20% tax rate.

Natural persons.

Procedure of taxation of natural persons' income from securities operations is established by Articles 214-1, 220, 224 Chapter 23 of Tax Code of the Russian Federation.

Income (loss) on sales of securities is defined as a difference between income from securities sales and documented securities sales proceeds and documented expenses for acquisition, sales and storage of securities actually incurred by a tax payer or assessed tax deduction taken to decrease securities sales income. Assessed tax deduction is not provided for non-resident natural persons.

Tax rate for stated income of resident natural persons is 13 percent.

Tax rate for stated income of non-resident natural persons is 30 percent.

Tax is calculated and paid by a fiscal agent upon completion of tax period or in case of payment to taxpayer before expiration of the successive tax period.

Should it be impossible to withhold calculated amount of tax from a taxpayer, a Fiscal agent shall inform tax authorities in writing within one month from the date of this event occurrence on impossibility to withhold and on the amount of tax debt.

Application of International Agreements.

If provisions of international agreements concluded by the Russian Federation (or USSR, if the RF declared these agreements valid) with other states, residents (natural persons or organizations) of which obtain income from the Company's shares, laid down other taxation rules and standards as compared to the same of the Russian Law, rules and standards provided for by international agreements shall apply subject to meeting conditions established by the Law.

8.9. Information on announced (accrued) and paid dividends as well as return on the Issuer's bonds.

Category: *common stock*

Dividends for shares of this category:

Reporting period (year, quarter), for which announced dividends were paid (announced): **2002.**

Dividends announced (accrued) per share (rubles): **312.5**

Total dividends announced (accrued) for shares of this category (rubles): **1 871 012 500**

Name of the Issuer's management body which has made decision on (announcement) payment of dividends: **Annual General Shareholders' Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (announcement) has been made: **June 27, 2003.**

Date and number of Minutes of the Issuer's Management Body Meeting where a decision to pay (announce) dividends has been made: **June 27, 2003, No. 17**

Deadline of announced dividends payment: **up to September 25, 2003.**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- *legal entities (shareholders) to their accounts with banks;*
- *natural persons – employees of NLMK (shareholders) at a time of wages payment;*
- *other natural persons (shareholders) – via Lipetskcombank.*

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **1 867 481 585**

Reporting period (year, quarter), for which announced dividends were paid (announced): **2003.**

Dividends announced (accrued) per share (rubles): **0.6045**

Total dividends announced (accrued) for shares of this category (rubles): **3 622 905 866.58**

Name of the Issuer's management body which has made decision on (announcement) payment of dividends: **Annual General Shareholders' Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (announcement) has been made: **June 25, 2004.**

Date and number of Minutes of the Issuer's Management Body Meeting where a decision to pay (announce) dividends has been made: **July 05, 2004, No. 19**

Deadline of announced dividends payment: **up to September 23, 2004.**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- *legal entities (shareholders) to their accounts with banks;*
- *natural persons – employees of NLMK (shareholders) at a time of wages payment;*
- *other natural persons (shareholders) – via Lipetskcombank.*

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **3 615 628 574**

Reporting period (year, quarter), for which announced dividends were paid (are being paid): **9 months of 2004.**

Dividends announced (accrued) per share (rubles): **1.0**

Total dividends announced (accrued) for shares of this category (rubles): **5 993 227 240**

Name of the Issuer's management body which has made decision on (announcement) payment of dividends: **Extraordinary General Shareholders' Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (announcement) has been made: **December 03, 2004.**

Date and number of Minutes of the Issuer's Management Body Meeting where a decision to pay (announce) dividends has been made: **December 07, 2004, No. 20**

Deadline of announced dividends payment: **up to March 03, 2005.**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- *legal entities (shareholders) to their accounts with banks;*
- *natural persons – employees of NLMK (shareholders) at a time of wages payment;*
- *other natural persons (shareholders) – via Lipetskcombank.*

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **5 983 070 655.**

Reporting period (year, quarter), for which announced dividends were paid

(are being paid): **2004.**

Dividends announced (accrued) per a share (rubles): **1.8 (Additionally 0.8 rubles per one common share will be paid taking into account announced interim dividends for 9 months of 2004 in the amount of 1.0 ruble per share)**

Total dividends announced (accrued) for shares of this category (rubles): **10 787 809 032 (Additionally 4 794 581 792 rubles will be paid taking into account announced interim dividends for 9 months of 2004 of 5 993 227 240 rubles)**

Name of the Issuer's management body which has made decision on (announcement) payment of dividends: **Annual General Shareholders' Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (announcement) has been made: **May 20, 2005.**

Date and number of Minutes of the Issuer's Management Body Meeting where a decision to pay (announce) dividends has been made: **May 25, 2005, No. 21**

Deadline of announced dividends payment: **up to August 18, 2005.**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- **legal entities (shareholders) to their accounts with banks;**
- **natural persons – employees of NLMK (shareholders) at a time of wages payment;**
- **other natural persons (shareholders) – via Lipetskcombank.**

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **4 786 329 283 (from additional payment due).**

Reporting period (year, quarter), for which announced dividends were paid (are being paid): **6 months of 2005.**

Dividends announced (accrued) per share (rubles): **1.0**

Total dividends announced (accrued) for shares of this category (rubles): **5 993 227 240**

Name of the Issuer's management body which has made decision on (announcement) payment of dividends: **Extraordinary General Shareholders' Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (announcement) has been made: **September 26, 2005.**

Date and number of Minutes of the Issuer's Management Body Meeting where a decision to pay (announce) dividends has been made: **September 27, 2005, No. 22**

Deadline of announced dividends payment: **up to December 25, 2005.**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- **legal entities (shareholders) to their accounts with banks;**
- **natural persons – employees of NLMK (shareholders) at a time of wages payment;**
- **other natural persons (shareholders) – via Lipetskcombank.**

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **5 982 561 748**

Reporting period (year, quarter), for which announced dividends were paid (are being paid): **2005**

Dividends announced (accrued) per share (rubles): **3 (Additionally 2 rubles per**

one common share will be paid taking into account announced interim dividends for 1H 2005 in the amount of 1.0 ruble per share.)

Total dividends announced (accrued) for shares of this category (rubles): **17 979 681 720** *(Additionally 11 986 454 480 rubles will be paid taking into account announced interim dividends for 1H 2005 of 5 993 227 240 rubles.)*

Name of the Issuer's management body which has made decision on (announcement) payment of dividends: **Annual General Shareholders' Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (announcement) has been made: **June 06, 2006**

Date and number of Minutes of the Issuer's Management Body Meeting where a decision to pay (announce) dividends has been made: **June 06, 2006, No.24**

Deadline of announced dividends payment: **up to September 04, 2006**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- **for legal entities (shareholders) – cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by the Company's Registrar;**

- **for individuals – employees of OJSC "NLMK" (shareholders) – cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**

- **for other individuals (shareholders) – via OJSC "Lipetskcombank" (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by the Company Registrar or in cash at the cash desk of OJSC "Lipetskcombank").**

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **11 965 216 046** *(from additional payment due).*

Reporting period (year, quarter), for which announced dividends were paid (are being paid): **6 months 2006**

Dividends announced (accrued) per share (rubles): **1.50**

Total dividends announced (accrued) for shares of this category (rubles): **8 989 840 860**

Name of the Issuer's management body which has made decision on (announcement) payment of dividends: **Extraordinary General Shareholders' Meeting**

Date of the meeting of the Issuer's management body where a decision on dividends payment (announcement) has been made: **September 29, 2006.**

Date and number of Minutes of the Issuer's Management Body Meeting where a decision to pay (announce) dividends has been made: **September 29, 2006, No.25**

Deadline of announced dividends payment: **up to December 28, 2006.**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- **for legal entities (shareholders) – at NLMK's discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payment date - cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by the Company's Registrar or a special written statement of a shareholder – foreign investor, received by NLMK prior to the payment date;**

- **for individuals – employees of OJSC "NLMK" (shareholders) – cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**

- *for other individuals (shareholders) – via OJSC “Lipetskcombank” (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by the Company Registrar or in cash at the cash desk of OJSC “Lipetskcombank”).*

Transfer expenses are to be borne by NLMK.

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **8 972 814 863.**

Reporting period (year, quarter), for which announced dividends were paid (are being paid): **2006**

Dividends announced (accrued) per share (rubles): **3 (additionally 1.5 rubles per common share taking into account interim dividends paid for Q1 2006 in the amount of 1.5 rubles per common share)**

Total dividends announced (accrued) for shares of this category (rubles):

17 979 681 720 (8 989 840 860 rubles will be paid additionally, taking into account interim dividends paid for 1H 2006 in the amount of 8 989 840 860 rubles)

Name of the Issuer’s management body which has made decision on (announcement) payment of dividends: **Annual General Shareholders’ Meeting**

Date of the meeting of the Issuer’s management body where a decision on dividends payment (announcement) has been made: **June 05, 2007**

Date and number of Minutes of the Issuer’s Management Body Meeting, where a decision to pay (announce) dividends has been made: **June 05, 2007, No. 26**

Deadline of announced dividends payment: **up to September 03, 2007.**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- *for legal entities (shareholders) – at NLMK’s discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payment date - cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by the Company’s Registrar or a special written statement of a shareholder – foreign investor, received by NLMK prior to the payment date;*

- *for individuals – employees of OJSC “NLMK” (shareholders) – cashless transfer of funds according to the details of the “Salary” bank account or in cash at the Company’s cash desk;*

- *for other individuals (shareholders) – via OJSC “Lipetskcombank” (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by the Company Registrar or in cash at the cash desk of OJSC “Lipetskcombank”).*

Transfer expenses are to be borne by NLMK.

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **8 971 005 669 (from additional payment due).**

Reporting period (year, quarter), for which announced dividends were paid (are being paid): **6 months 2007**

Dividends announced (accrued) per share (rubles): **1.50**

Total dividends announced (accrued) for shares of this category (rubles): **8 989 840 860**

Name of the Issuer’s management body which has made decision on (announcement) payment of dividends: **Extraordinary General Shareholders’ Meeting**

Date of the meeting of the Issuer’s management body where a decision on

dividends payment (announcement) has been made: **September 28, 2007**

Date and number of Minutes of the Issuer's Management Body Meeting where a decision to pay (announce) dividends has been made: **September 28, 2007, No. 27**

Deadline of announced dividends payment: **up to December 27, 2007**

Announced dividends are paid in: **cash**

Other terms and conditions of announced dividends payments: **cash is transferred to:**

- **for legal entities (shareholders) – at NLMK's discretion in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payment date - cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by the Company's Registrar or a special written statement of a shareholder – foreign investor, received by NLMK prior to the payment date;**

- **for individuals – employees of OJSC "NLMK" (shareholders) – cashless transfer of funds according to the details of the "Salary" bank account or in cash at the Company's cash desk;**

- **for other individuals (shareholders) – via OJSC "Lipetskcombank" (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by the Company Registrar or in cash at the cash desk of OJSC "Lipetskcombank").**

Transfer expenses are to be borne by NLMK.

Total dividends actually paid upon shares of this type (category) (rubles) as of the date of reporting quarter end: **8 964 080 302.**

The Company did not issue any bonds.

8.10. Other information.

None.

8.11. Data on represented securities and the issuer of represented securities, title to which is certified by Russian depository receipts.

As of the end of the reporting quarter the issuer had not issued any Russian depository receipts.

