



1Q 2006 Financial & Production Results Presentation

US GAAP
Consolidated Financial Statements

June 2006

Production Highlights

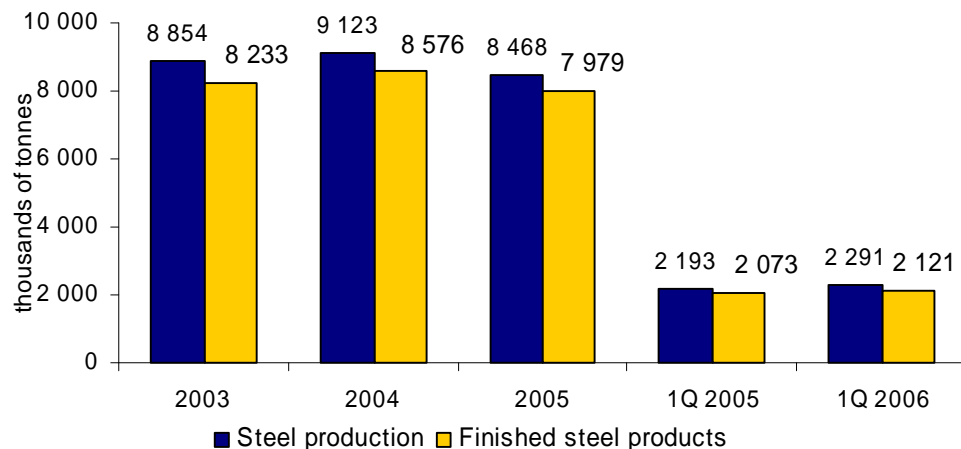


<i>(thousands of tonnes)</i>	1Q 2006	1Q 2005	<i>change</i> + / -	%
Pig iron	2 201	2 118	83	4%
Steel	2 291	2 193	98	4%
Finished steel products	2 121	2 073	48	2%
Flats	1 143	1 174	-31	-3%
<i>- share (%)</i>	<i>54%</i>	<i>57%</i>		
Slabs	979	898	81	9%
<i>- share (%)</i>	<i>46%</i>	<i>43%</i>		
Pre-painted steel	173	107	66	62%
Electrical steel	123	122	1	1%

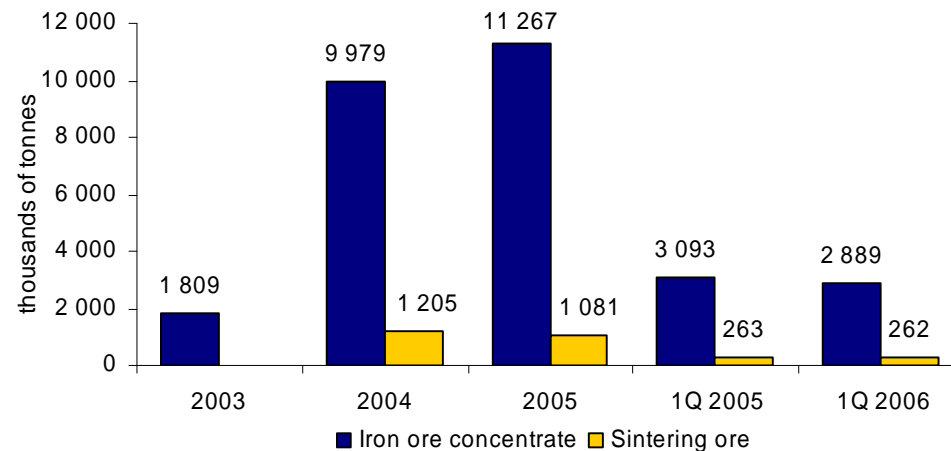
Group Production Highlights



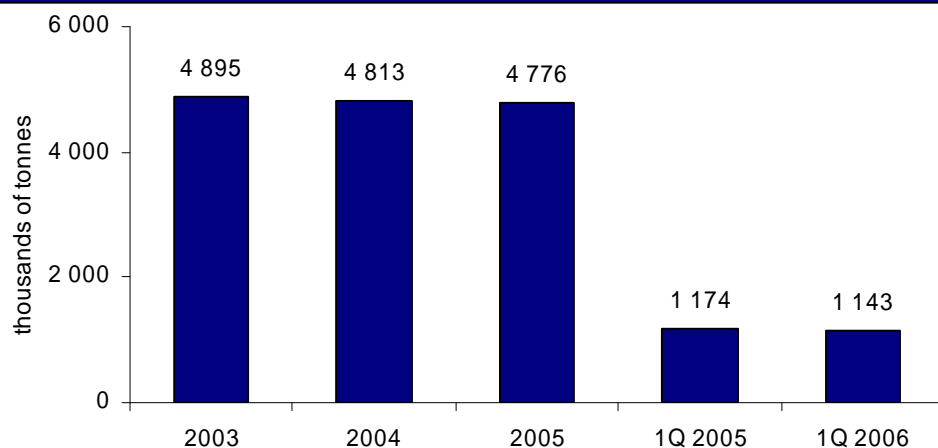
Crude steel and Finished steel



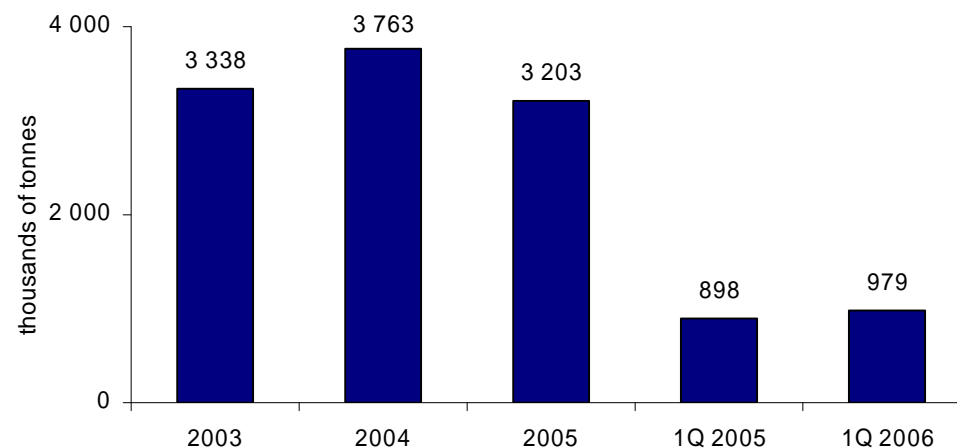
Mining segment



Flats



Slabs for sale



Key Financial Highlights



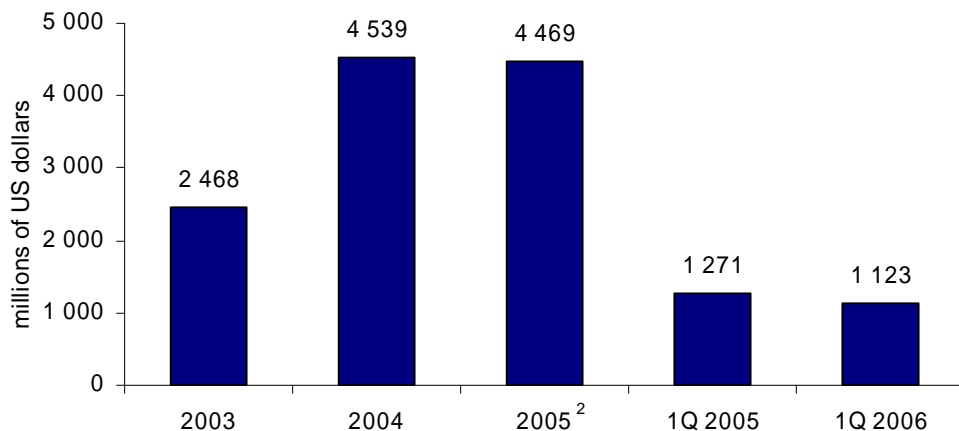
<i>(millions of US dollars)</i>	1Q 2006	1Q 2005	<i>change</i>	
			<i>+ / -</i>	<i>%</i>
Net sales	1 123	1 271	-148	-12%
Cost of sales	-679	-617	-62	10%
<i>Production cost</i>	-605	-542	-63	12%
<i>Depreciation</i>	-74	-74	1	-1%
Gross profit	444	654	-210	-32%
<i>- as % of net sales</i>	40%	51%		
<i>SG&A</i>	-64	-44	-20	45%
Operating profit	380	610	-230	-38%
<i>- as % of net sales</i>	34%	48%		
Pre-tax profit	727	603	124	21%
<i>- as % of net sales</i>	65%	47%		
Net income¹	546	426	120	28%
<i>- as % of net sales</i>	49%	33%		
EBITDA	390	646	-256	-40%
<i>- as % of net sales</i>	35%	51%		
Earnings per share <i>(US dollars)</i>	0,0911	0,0710	0,0201	28%

¹Increase in financial result due to gain on investments, including selling of 12% share holding in Lebedinsky GOK, result in 1Q 2006 net income growth.

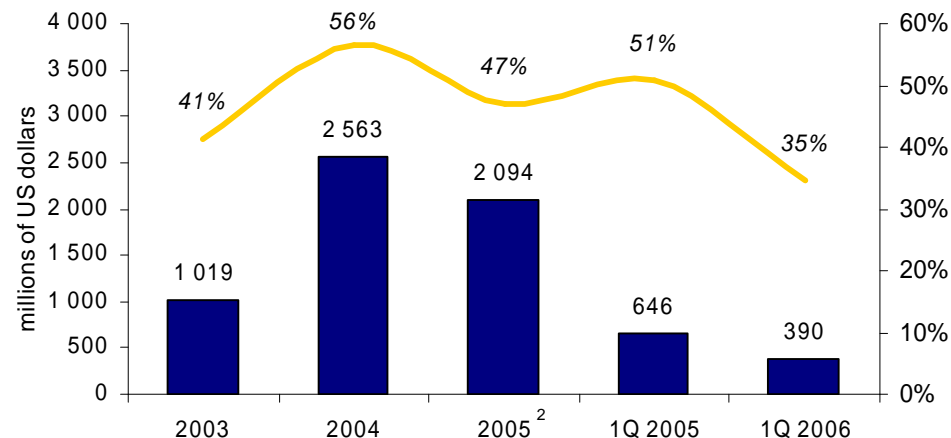
Key Performance Indicators



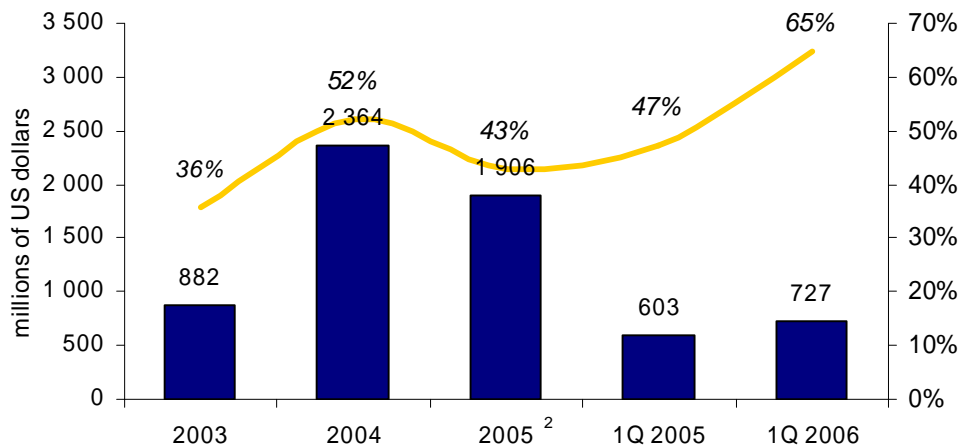
Net sales



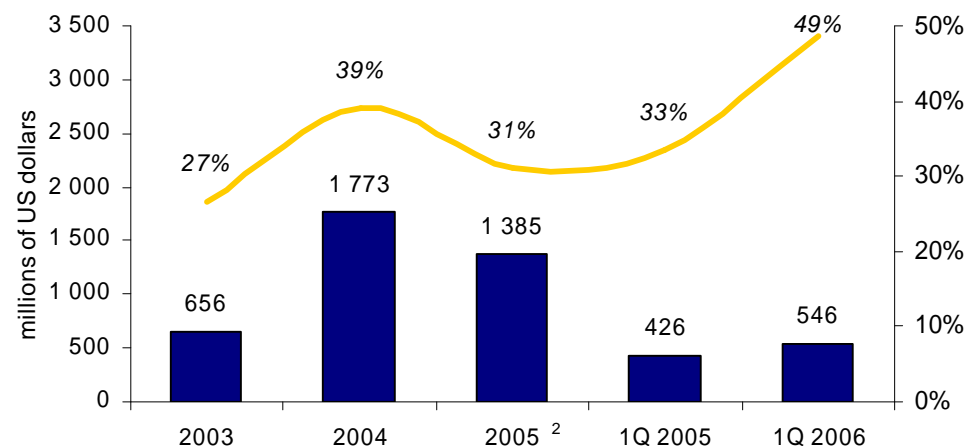
EBITDA¹, as % of net sales



Pre-tax profit, as % of net sales



Net income, as % of net sales



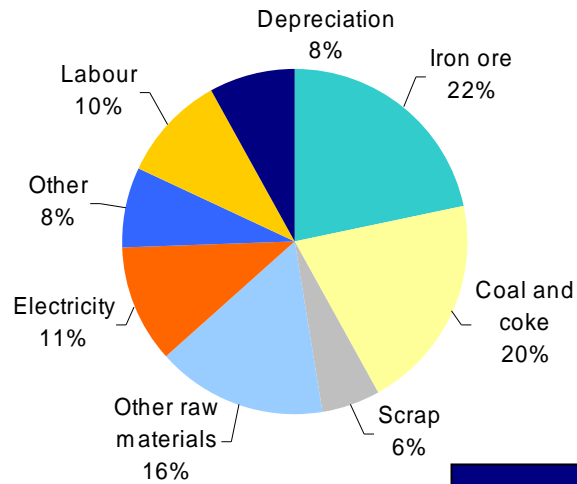
¹EBITDA represents net income, including non-recurring items, before net interest expense, income taxes, loss on disposal of property, plant and equipment and depreciation and amortization (for 2006 without gain/ (loss) on investments).

²Without retroactive consolidation of DanSteel A/S from December 2005.

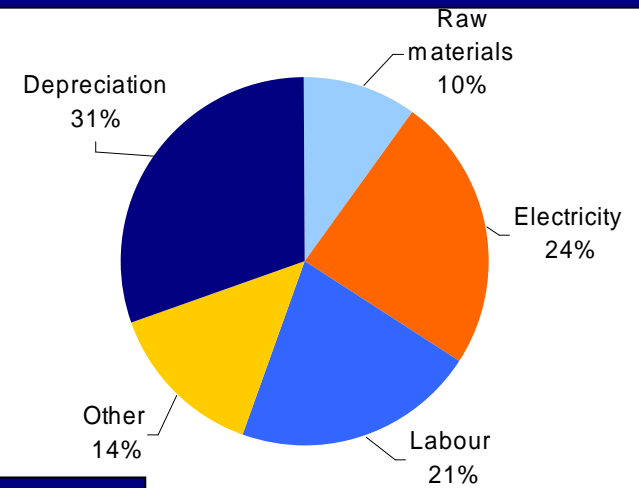
Production Cost Structure



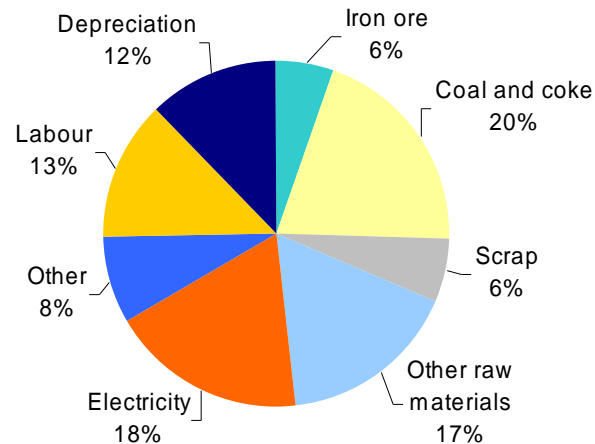
Steel segment



Mining segment



Group



Production cost structure based on management accounting information

Consolidated Balance Sheet



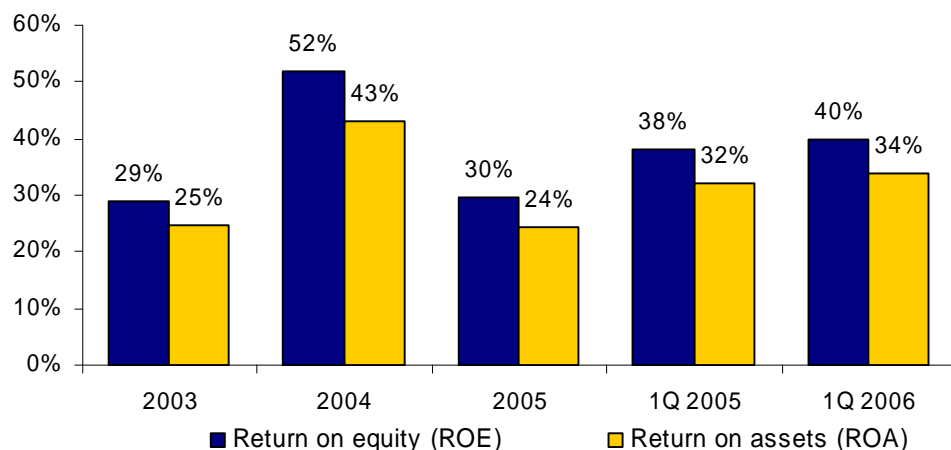
Assets <i>(millions of US dollars)</i>	As at Mar. 31, 2006	As at Dec. 31, 2005	<i>change</i>	
			<i>+ / -</i>	<i>%</i>
Current assets	3 865	3 436	429	12%
<i>- share (%)</i>	<i>57%</i>	<i>55%</i>		
Non-current assets	2 960	2 775	185	7%
<i>- share (%)</i>	<i>43%</i>	<i>45%</i>		
Total assets	6 825	6 211	614	10%

Liabilities & Stockholders' equity <i>(millions of US dollars)</i>	As at Mar. 31, 2006	As at Dec. 31, 2005	<i>change</i>	
			<i>+ / -</i>	<i>%</i>
Current liabilities	540	612	-72	-12%
<i>- share (%)</i>	<i>8%</i>	<i>10%</i>		
Non-current liabilities	423	392	31	8%
<i>- share (%)</i>	<i>6%</i>	<i>6%</i>		
Minority interest	113	93	20	22%
Stockholders' equity	5 750	5 114	636	12%
<i>- share (%)</i>	<i>84%</i>	<i>82%</i>		
Total Liabilities & Stockholders' equity	6 825	6 211	614	10%

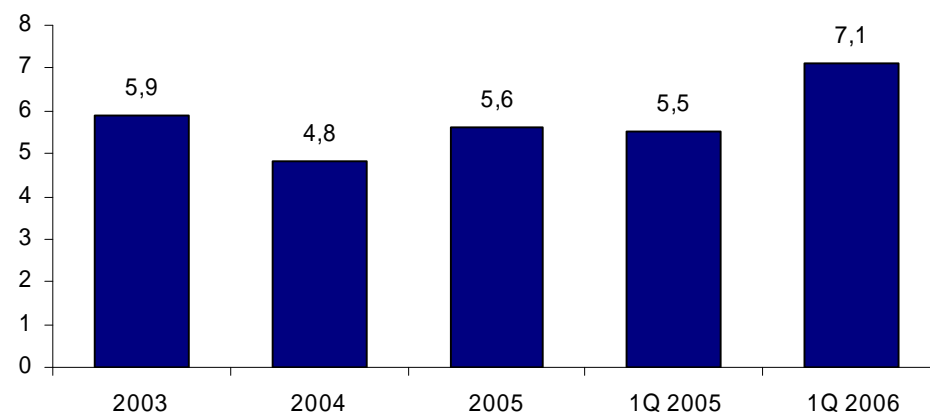
Financial Highlights



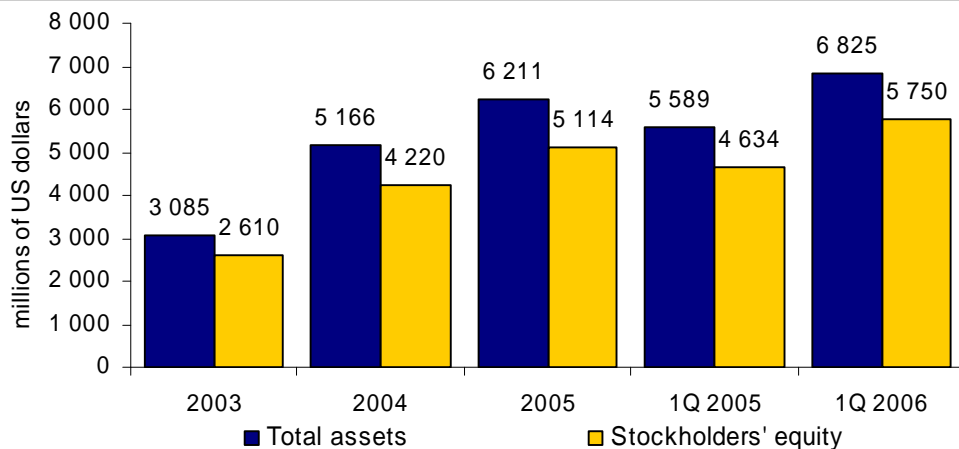
Return on equity & return on assets



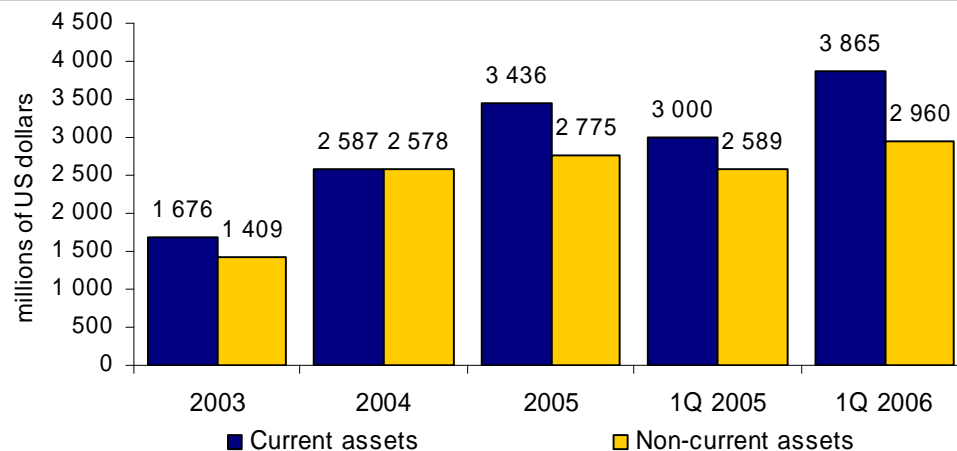
Liquidity measures¹



Assets & stockholders' equity



Current & non-current assets

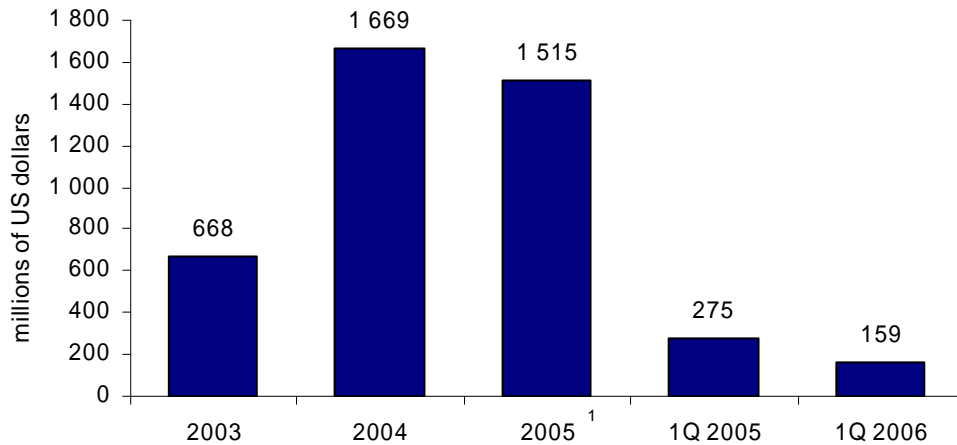


¹ Current liquidity ratio is calculated as current assets as at the year-end, excluding restricted cash, divided by current liabilities as at the year-end

Financial Highlights

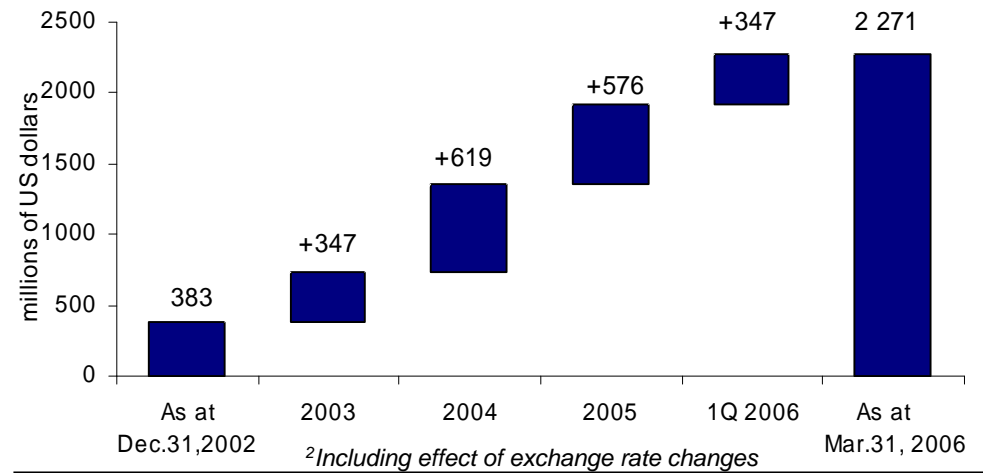


Net cash inflow from operating activities



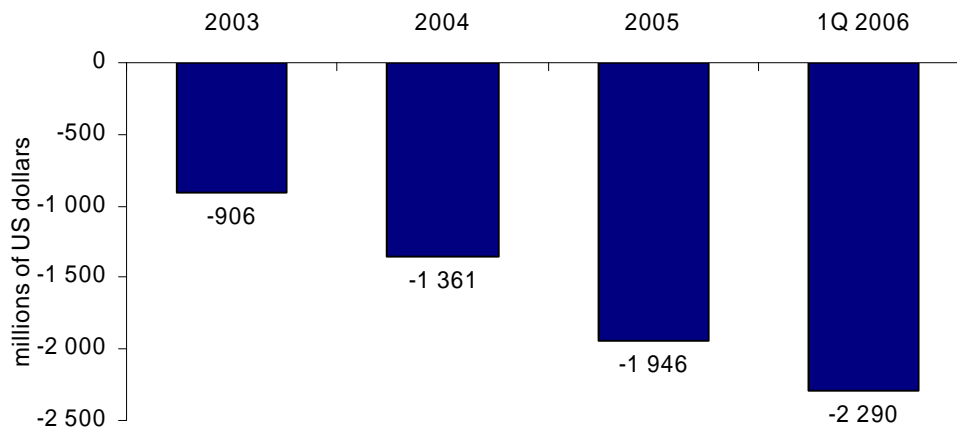
¹ Without retroactive consolidation of DanSteel A/S from December 2005

Net increase in cash & cash equivalents²



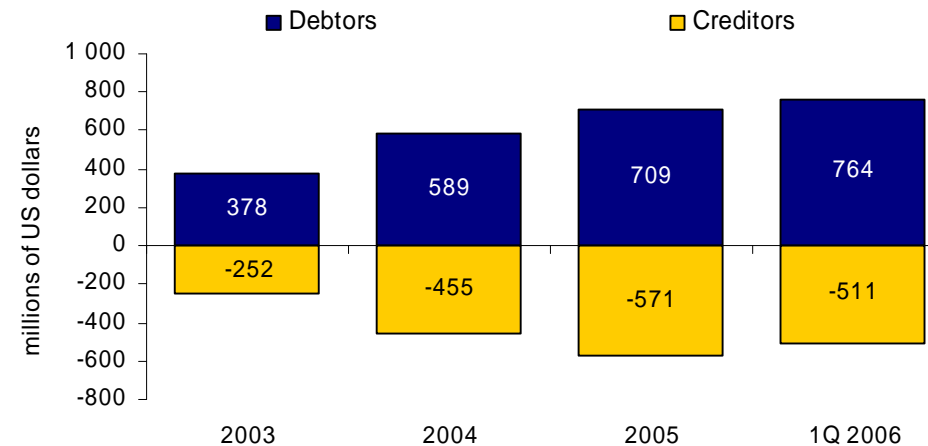
² Including effect of exchange rate changes

Net Debt³



³ Net debt is calculated as short- and long-term interest-bearing debt minus cash and cash equivalents, and short-term investments

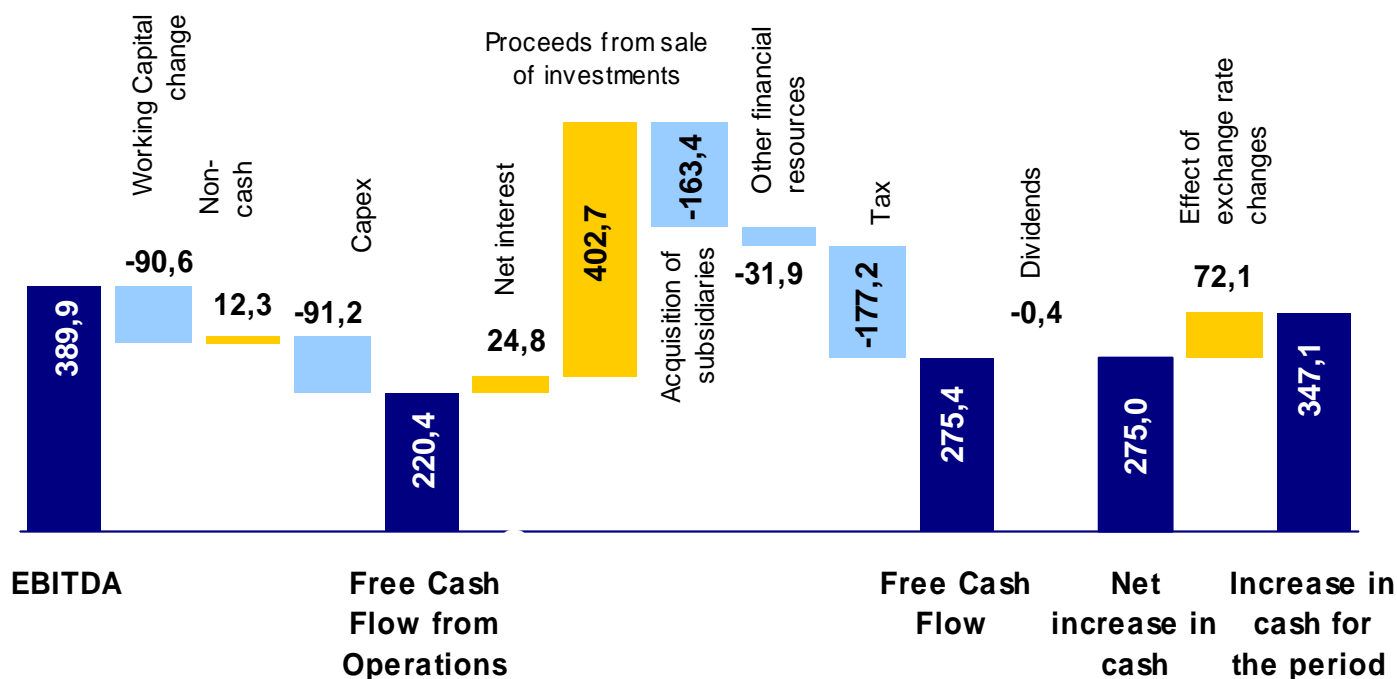
Debtors & Creditors



Net Increase In Cash



Free Cash Flow Bridge



EBITDA is calculated as the sum total of net profit, net interest expense, income tax, loss on disposal of fixed assets, depreciation and amortization and stock-based compensation (without gain/ (loss) on investments).

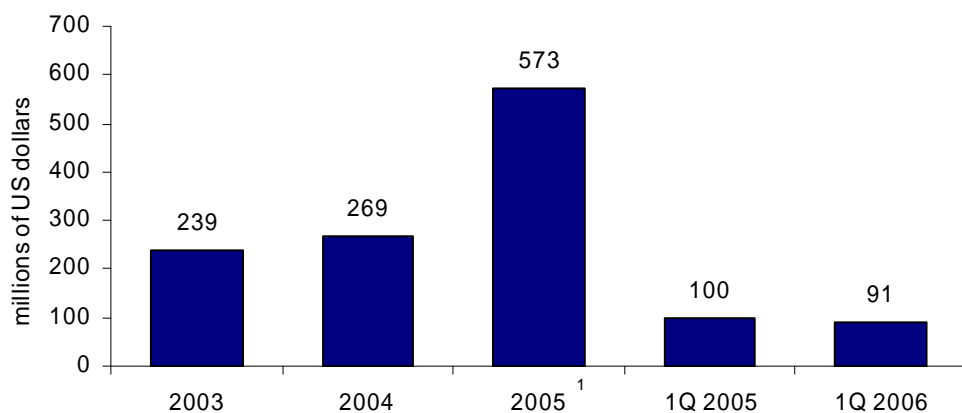
Non-cash include adjustments to reconcile net profit and net cash from operations less amortization, loss on disposal of fixed assets and stock-based consideration.

Other financial resources include net cash used in investing activities less cash spent on acquisition and construction of fixed assets and net cash used in financing activities less distributions to shareholders.

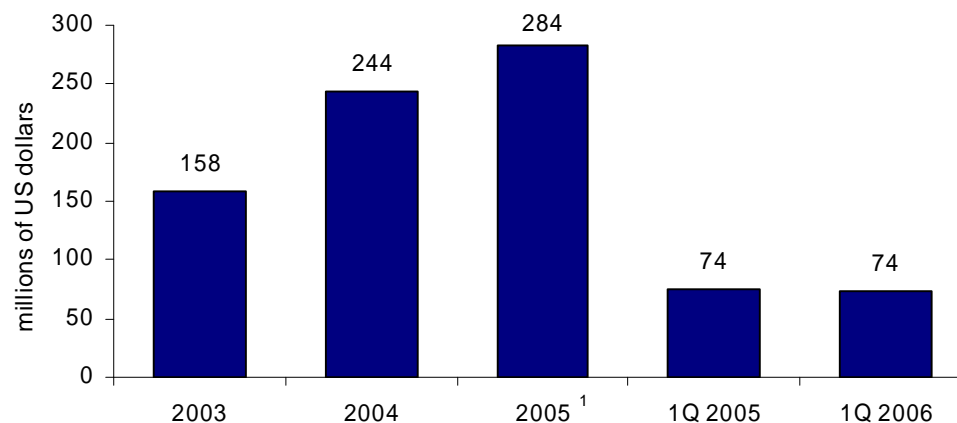
Financial Highlights



Capital expenditure

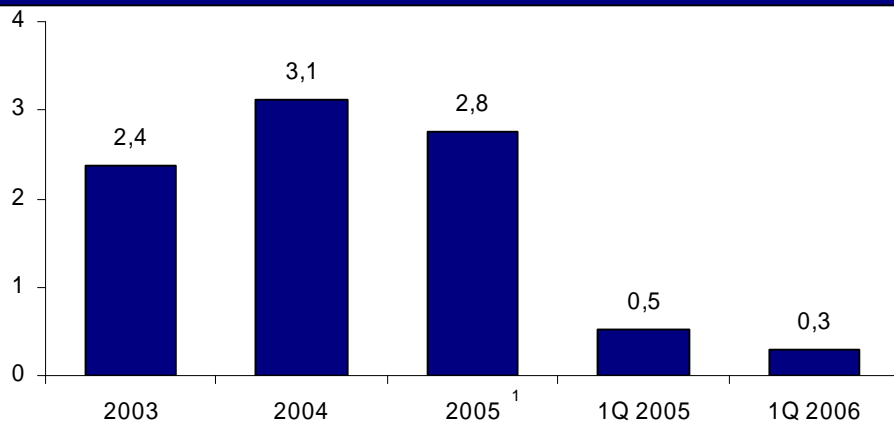


Depreciation



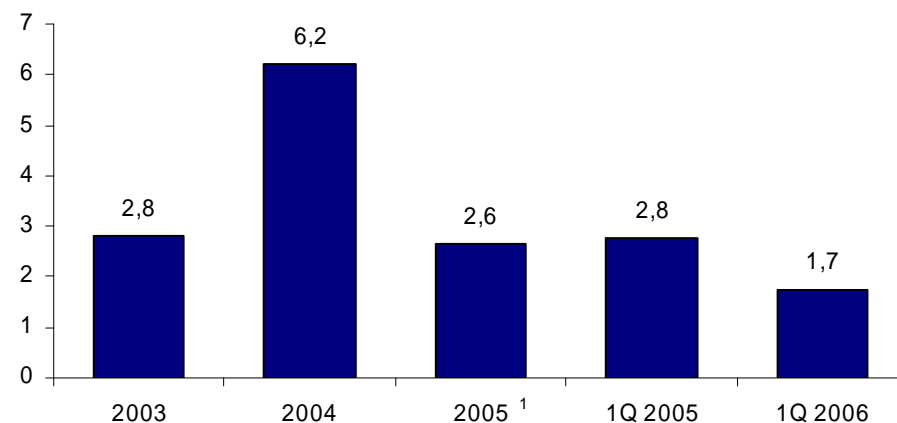
Operating cash flow ratio

(cash flow from operations / current liabilities)



Capital expenditure ratio

(cash flow from operations / capital expenditure)



¹Without retroactive consolidation of DanSteel A/S from December 2005