

CONCLUSION
Of the Audit Commission
of Mechel Steel Group Open Joint Stock Company
On financial (accounting) statements for the period from January 1, 2004 through
December 31, 2004.

The City of Moscow

April 30, 2005

This Conclusion is made up by the Audit Commission of Mechel Steel Group Open Joint Stock Company (hereinafter, the "Company") consisting of the following persons: Svetlana V. Ardentova (Chairwoman), Nadezhda N. Galushina, and Elena A. Tuvaeva.

The Audit Commission has carried out audit of financial and economic activities of Mechel Steel Group Open Joint Stock Company for the period from January 1, 2004 through December 31, 2004.

The main purpose was to audit reliability of the data contained in the annual financial (accounting) statements of the Company.

The audit was planned and carried out so as to obtain reasonable assurance that financial (accounting) statements contain no material distortions.

The audit has been carried out on a selective basis and included examination and testing of evidence confirming the value and disclosure of financial (accounting) statements and information on financial and economic activities, and evaluation of applicable accounting standards and principles for preparing financial (accounting) statements.

The Audit Commission revealed no breaches in the course of its audit. The Audit Commission expresses its opinion regarding reliability of the financial (accounting) statements in all material aspects and compliance of accounting with legislation of the Russian Federation.

Members of the Company's Audit Commission:

Chairwoman of the Commission:

Member of the Commission

Member of the Commission

Svetlana V. Ardentova

Nadezhda N. Galushina

Elena A. Tuvaeva