

## CONCLUSION

### Of the Audit Commission of Mechel Steel Group Open Joint Stock Company on the Annual Report for 2004

The City of Moscow

April 30, 2005

The Audit Commission composed of the following persons: S. V. Ardentova (Chairperson), N. N. Galushina, and E. A. Tuvaeva, has carried out audit of the annual report of Mechel Steel Group Open Joint Stock Company for 2004.

The audit purpose was to confirm reliability of the data contained in the Company's annual report.

The Audit Commission has reviewed the following documents of the Company in the course of its audit:

- The Company's Charter
- In-house acts (by-laws, regulations, orders, *etc.*) of the Company
- Organizational structure of the Company
- Minutes of the General Shareholders' Meeting
- Distribution of responsibility and powers of the Company
- Procedure for maintaining internal management accounting.

The Company carried out the following kinds of activities in 2004:

- Provision of complex services in the field of management;
- Provision of informational and consulting services; and
- Granting trademarks for use under license agreements.

Based on the results of financial and economic activities for 2004, the Company has generated net profit in the amount of RUR 9,582,468,000.00.

The Audit Commission revealed no material breaches in the course of its audit. The Annual Report is made up in compliance with the requirements of the Russian Federation legislation in effect.

The Audit Commission hereby confirms the Company's Annual Report for 2004.

Members of the Company's Audit Commission:

Chairperson of the Commission:  
Member of the Commission  
Member of the Commission

S. V. Ardentova  
N. N. Galushina  
E. A. Tuvaeva