

# CONCLUSION

Of the Audit Commission of Mechel Open Joint Stock Company  
On the Annual Report for 2005

The City of Moscow

May 5, 2006

In accordance with the Federal Law On Joint Stock Companies, Resolution of the Federal Commission for the Securities Market of the Russian Federation On Adoption of Regulations for Additional Requirements to Procedure of Preparing, Convening, and Conducting General Shareholders' Meetings, and on the basis of the By-Law of the Audit Commission of Mechel OAO, the Audit Commission of Mechel Open Joint Stock Company (hereinafter, the "Company") composed of L. E. Radishevskaya and D. B. Kletskiy has carried out the audit of the Annual Report of Mechel OAO (hereinafter, the "Company") for 2005.

The main purpose of the audit 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:

1. The Company's Charter.
2. Internal acts (by-laws, regulations, orders, *etc.*) of the Company.
3. Organizational structure of the Company.
4. Distribution of responsibility and powers between the management bodies of the Company.
5. Procedure for maintaining internal management accounting; and
6. Minutes of the Board of Directors and General Shareholders' Meetings of the Company.

The Company carried out the following kinds of activities in the audited period:

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

Net profit of the Company amounted to RUR 8,763,441,000.00, as of December 31, 2005.

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

The Audit Commission hereby confirms the Company's Annual Report for 2005.

Members of the Company's Audit Commission:

Member of the Commission

L. E. Radishevskaya

Member of the Commission

D. B. Kletskiy