

# QUARTERLY REPORT

*Novolipetsk Steel*

*The Issuer's code: 00102-A*

**Q3 2016**

The Issuer's address: **2, Metallurgov sq., Lipetsk, Lipetsk region, 398040 Russia**

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

President (Chairman of the Management Board)  
Date: 31.10.2016

\_\_\_\_\_ O. V. Bagrin  
signature

Director General, NLMK- Accounting Center Agreement  
under which the authority to maintain the Issuer's accounting  
records was assigned:  
Agreement No. 91408 dd. 01.02.2011 valid till 31.12.2016 Power  
of attorney No.420 dd. 17.12.2015 valid till 31.12.2016  
Date: 31.10.2016

\_\_\_\_\_ O. G. Zarubina  
signature  
Seal

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Web-site(s) where the information from this Quarterly Report is disclosed: **www.lipetsk.nlmk.ru;**  
**www.e-disclosure.ru/portal/company.aspx?id=2509**

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## Introduction

The grounds of the Issuer's responsibility to disclose information in the form of a quarterly report:

*The Securities Prospectus registration was performed with respect to the Issuer's securities.*

*The Issuer is a joint-stock company set up in the course of privatization of state-owned and/or municipal enterprises (or their subdivisions), and in accordance with a privatization plan approved in due course, which, on the date of its approval, represented the Issuer's offering prospectus providing for the possibility of the shares disposal to more than 500 or an unlimited number of acquirers.*

*The issuer's bonds are listed at a security stock exchange and for such a listing a Bonds Prospectus is issued for the security stock exchange.*

*The Issuer is a public joint stock company.*

*Public Joint-Stock Company "Novolipetsk Steel" is hereinafter in this quarterly report referred to as "the Issuer", "the Company".*

*Financial information included in this quarterly report is based on the Issuer's accounting (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.*

This quarterly report contains appraisal and forecasts made by the issuer's authorized management bodies, as regards future events and / or actions, development outlook of steel industry being the main business area of the issuer, 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 is subject to risks described in this Quarterly Report.

## **Section I. Information on bank accounts, auditor (audit company), appraiser and financial adviser of the Issuer as well as on persons who signed this quarterly report**

### **1.1. Information on the Issuer's bank accounts**

*There were no changes in the information relevant to this clause within the reporting quarter.*

### **1.2. Information on the Issuer's Auditor (Auditor company)**

*There were no changes in the information relevant to this clause within the reporting quarter.*

### **1.3. Information on the Issuer's appraiser (s)**

*There were no changes in the information relevant to this clause within the reporting quarter.*

### **1.4. Information on the Issuer's advisers**

*Due to the grounds listed in this clause financial advisers were not involved within 12 months prior to the reporting quarter closure.*

### **1.5. Information on persons who signed this Quarterly Report**

Full name: *Olga G. Zarubina*

Year of birth: *1962*

Place of main employment:

Company: *Limited Liability Company "NLMK-Accounting Centre"*

Title: *Director General*

## **Section II. Basic information on the Issuer's financial performance**

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

Dynamics of indicators characterizing the Issuer's financial performance calculated on the basis of information contained in accounting (financial) statements

The standard (rules) according to which the accounting (financial) statements have been prepared, used as a base for calculations: **RAS**

Unit of measurement for labour efficiency calculation: **RUB thou/person**

Indicator description	2015, 9 months	2016, 9 months
Labour efficiency	8,809	9,369
Debt to equity ratio	57.5	60.9
Leverage ratio	23.8	27.9
Debt coverage ratio	0.8	-0.3
Overdue debt level, %	0.8	1.1
Net assets, RUB thou	337,467,113	343,403,935

Analysis of the Issuer's financial and economic performance on the basis of economic analysis of the specified indicators dynamics:

*Notes:*

- 1. Indicator "Labour efficiency" = Revenue of the reporting period/Average headcount in the reporting period.*
- 2. Indicator "Debt coverage by current profits (income)" for 9 months of 2015 and 9 months of 2016 are given on the basis of additional calculation up to annual values.*
- 3. In order to calculate indicator "Overdue debt level, %" the information on the amount of overdue accounts payable based on statistical reporting form No.P-3 "Information on the Company's financial status" was used.*

*The dynamics analysis of the above mentioned indicators shows the Issuer's stable financial state and high paying capacity, share of equity in the financing sources is still high enough.*

*The increase in the Company's net assets amounted to:*

*+1.8% - as of 30/09/2016 as compared to 30/09/2015, which was due to the increase in accumulated profit and respective growth of the Issuer's equity capital.*

*For 9 months of 2016 the net equity value exceeded the Issuer's authorized capital 57 times.*

*Indicator "Debt to equity ratio" As of 30/09/2016 the debt to equity ratio was 60.9%. The growth by 3.4 percent points vs. 9 months of 2015 was caused by the increase in long-term credits and loans.*

*"Leverage ratio" As of 30/09/2016 the share of long-term loans in the total amount of NLMK's constant liabilities increased by 4.1 percent points compared to the level as of 30.06.2015 and made 27.9%. The increased index is also accounted for the involvement of long-term credits and loans.*

*"Debt coverage by current profits (income)"*

*As of 30/09/2016, the index value was negative due to the excess cash over the short-term liabilities. Increase in funds by 4.5 times over 9 months of 2016 vs. 9 months of 2015 was due to the growth of other funds.*

*The level of overdue accounts payable in NLMK's total debt over 9 months of 2016 was insignificant. It is indicative of the Issuer's timely debt repayment.*

*"Labour efficiency"*

*Over 9 months of 2016 labour efficiency increased by 6.4% vs. the same period of the previous year due to the increased revenue from sales (+3%) with optimization of headcount (the change was 3%).*

## **2.2. The Issuer's market capitalization**

*Market capitalization is calculated as a product of the number of shares of a corresponding category (type) by the market price of one share, disclosed by a market-maker.*

*Unit of measurement: RUB*

Indicator description	As of 31.12.2015	As of 30.09.2016
Market capitalization	376,314,738,400	499,475,558,182

Information on the market maker, whose data is the basis for calculation of market capitalization, as well as additional information on public circulation of securities, at the Issuer's discretion:

*The total number of NLMK's common shares in circulation – 5,993,227,240 pcs.*

*The common shares of NLMK were admitted to trading in Closed Joint Stock Company "MICEX Stock Exchange" (CJSC "MICEX SE"), included in the organizational structure of the Public Joint Stock Company "Moscow Stock Exchange MICEX-RTS"(PJSC "Moscow Stock Exchange "). Previous name of the Stock Exchange was Open Joint Stock Company "Moscow Stock Exchange MICEX-RTS" (OJSC "Moscow Stock Exchange ").*

*Additional information on public circulation of NLMK's common shares:*

*In December 2005 NLMK's common shares were admitted to trading on London Stock Exchange as Global Depositary Shares.*

*On June 6, 2014 NLMK's common shares were included into the list of securities admitted to trading organized by Public Joint Stock Company "Saint-Petersburg Stock Exchange" (PJSC "Saint-Petersburg Stock Exchange", PJSC "SPB") without inclusion into the quotation lists. Previous name of the Stock Exchange was Open Joint Stock Company "Saint-Petersburg Stock Exchange" (OJSC "Saint-Petersburg Stock Exchange", OJSC "SPB").*

## 2.3. The Issuer's liabilities

### 2.3.1. Borrowings and accounts payable

As of 30.09.2016

Structure of borrowings

Unit of measurement: **RUB**

Indicator description	Indicator value
Long-term borrowed funds	121,838,761,376
including:	
credits	28,953,004,351
loans, excluding bonded loans	82,885,757,025
bonded loans	10,000,000,000
Short-term borrowings	18,136,222,467
including:	
credits	7,392,947,648
loans, excluding bonded loans	10,317,908,610
bonded loans	425,366,209
Total amount of overdue debt on borrowed funds	0
including:	
on credits	0
on loans, excluding bonded loans	0
on bonded loans	0

Structure of accounts payable

Unit of measurement: **RUB**

Indicator description	Indicator value
Total amount of accounts payable	54,559,073,654
incl. overdue	2,221,447,675
including	
debt to the budget and state off-budget funds	3,263,093,973
incl. overdue	0
debt to suppliers and contractors	18,031,285,876
incl. overdue	1,909,843,939



debt to the company personnel	677,227,450
incl. overdue	0
other	32,587,466,355
incl. overdue	311,603,736

In case there is overdue accounts payable, including that with regard to borrowed funds, the reasons of default should be specified, as well as the consequences for the Issuer that occurred or can occur in the future due to default on relevant obligations, including penalties imposed on the Issuer, as well as the period (estimated period) of repayment of overdue accounts payable or overdue debt on borrowed funds.

***Overdue accounts payable as of 30.09.2016 represent accounts payable to certain contractors which appeared in the normal course of business and was repaid within the terms agreed by the parties.***

***The risk of imposing fines and sanctions as well as charging of penalties and accrual of interest on default obligations is estimated as low by the Issuer.***

Creditors that account for at least 10 percent of the total amount of accounts payable or at least 10 percent of the total amount of borrowings (long term and short term):

Full company name: ***Deutsche Bank AG, филиал в Амстердаме***

Abbreviated company name: ***Deutsche Bank AG, филиал в Амстердаме***

Domicile: ***Herengracht 450/454-PO, Amsterdam, Nederland***

***Not a resident of the Russian Federation***

Debt amount: ***RUB 25,402,144,311***

Amount and terms and conditions of the overdue debt (interest rate, penalties, fines):

***There are no overdue accounts payable.***

The creditor is the Issuer's affiliated person: ***No***

Full company name: ***Steel Funding Limited***

Abbreviated company name: ***Steel Funding Limited***

Domicile: ***5 Harbourmaster Place, IFSC, Dublin 1, Ireland***

***Not a resident of the Russian Federation***

Debt amount: ***RUB 83,289,419,927***

Amount and terms and conditions of the overdue debt (interest rate, penalties, fines):

***There are no overdue accounts payable.***

The creditor is the Issuer's affiliated person: ***No***

### 2.3.2. The Issuer's credit history

The description of the Issuer's performance of obligations in line with facility agreements and/or loan agreements in force over the last completed reporting year and over the current year, including those concluded by means of issue and sale of bonds, with the principal amounting to five and more percent of the Issuer's book value as of the date of the last completed reporting period consisting of 3, 6, 9, 12 months preceding the conclusion of the relevant agreement as well as other facility agreements and/or loan agreements that the Issuer considers to be significant for it.

Type and identification criteria of a liability	
1. Euro bond loan dd. 19.02.2013	
Terms and conditions of a liability and information on discharge thereof	
Name and location or first, middle and last name of the creditor (lender)	Steel Funding Limited, Ireland
The principal amount at the time of the liability occurrence, USD	800,000,000 USD X 1
The principal amount at the time of the	396,159,000 USD X 1

reporting quarter completion, USD	
Period of credit (loan), (years)	5
Average interest on credit (loan), % per annum	4.45
Number of interest (coupon) periods	10
Delayed payment of interest on credit (loan), if any – total number of specified delays and their duration in days	No
Planned period (date) of credit (loan) repayment	19/02/2018
Actual period (date) of credit (loan) repayment	ongoing
Other information on the liability stated by the Issuer at its discretion	none

Type and identification criteria of a liability	
2. Euro bond loan dd. 15.06.2016	
Terms and conditions of a liability and information on discharge thereof	
Name and location or first, middle and last name of the creditor (lender)	Steel Funding Limited, Ireland
The principal amount at the time of the liability occurrence, USD	700,000,000 USD X 1
The principal amount at the time of the reporting quarter completion, USD	700,000,000 USD X 1
Period of credit (loan), (years)	7
Average interest on credit (loan), % per annum	4.50
Number of interest (coupon) periods	14
Delayed payment of interest on credit (loan), if any – total number of specified delays and their duration in days	No
Planned period (date) of credit (loan) repayment	15/06/2023
Actual period (date) of credit (loan) repayment	ongoing
Other information on the liability stated by the Issuer at its discretion	none

### 2.3.3. Issuer's liabilities with regard to security granted by it

As of 30.09.2016

Unit of measurement: **RUB**

Indicator description	As of 30.09.2016
Total amount of security provided by the Issuer (the amount (the sum) of outstanding liabilities regarding which the Issuer has provided the security if subject to the security conditions the respective liabilities are discharged in full)	40,450,452,602
including that for third parties' liabilities	40,450,452,602
The amount of security provided by the Issuer (the amount (the	0

sum) of outstanding liabilities regarding which the Issuer has provided the security if subject to the security conditions the respective liabilities are discharged in full) as a pledge.	
including that for third parties' liabilities	0
The amount of security provided by the Issuer (the amount (the sum) of outstanding liabilities regarding which the Issuer has provided the security if subject to the security conditions the respective liabilities are discharged in full) as a surety.	40,450,452,602
including that for third parties' liabilities	40,450,452,602

The Issuer's liabilities with regard to security granted to third parties including in the form of a pledge or surety, making five or more percent of the Issuer's assets book value as of the closure date of the respective reporting period.

*Such liabilities did not occur within this reporting period.*

#### **2.3.4. Other liabilities of the Issuer**

*There are no other liabilities not reflected in the accounting (financial) statements that may have a significant effect on the financial status of the Issuer, its liquidity, sources of financing and terms and conditions of their utilization, performance and expenses.*

#### **2.4. Risks related to acquisition of securities being distributed (distributed)**

The Issuer's risk management policy:

*Acquisition of the Issuer's securities entails certain risks which could result in losses for their holders. Negative impact on the Issuer's core business and financial performance can be generated by the following risks:*

- *industry risks;*
- *country and regional risks;*
- *financial risks;*
- *legal risks;*
- *risk of loss of a goodwill (reputational risk);*
- *strategic risk;*
- *risks related to the Issuer's business.*

*Risk management policy is demanded to protect interests of shareholders, interested parties and the Company as a whole by means of the system for efficient risk management and is aimed at creation of a shareholder value and achievement of strategic targets.*

*The main task of the risk management system is to ensure a reasonable guarantee of the Company's achievement of the targets:*

- 1) improve the quality of NLMK corporate governance;*
- 2) improve business efficiency;*
- 3) ensure compliance with the Company's requirements;*
- 4) ensure the quality of financial statements.*

## 2.4.1. Industry risks

### 1. Procurement of raw and other materials

*NLMK is one of the major consumers of steelmaking raw materials in the domestic raw materials market. Raw materials supplies are subject to risks depending on the specific nature of each segment of the raw materials market.*

*The scope of key risks inherent to the supplies of main steel-making raw materials in Q3 of 2016 includes:*

*1. Risk of price growth for purchased materials due to deteriorating conditions of this market segment, increased raw & other materials shortages in the domestic market, also as a result of the scaling up of the tariffs for transportation by natural monopolies.*

*2. Risk of obligations default by suppliers regarding the composition and quality of raw materials supplied.*

*3. Risk of obligations default by suppliers related to deliveries cycle maintenance up to complete disruption of logistic support.*

*Those risks for the reporting period are at the level of the previous quarter and have no significant additional effect on the process of procurement of the main types of metallurgical raw materials.*

### 2. Supply of finished products

#### **Foreign market**

*In Q3 2016 the risk of demand decrease for ferrous rolled products kept growing. Upon preliminary assessment the global net apparent consumption of rolled products in the reporting period decreased by 3.3% vs. Q2 of 2016.<sup>1</sup> Decline in consumption was noted in Asia (-4.9% to Q2 level), in North America (-0.3%), in EC countries market (-5.3%) and in the Middle East (-3.8%). Growth of consumption was recorded in Africa (+2.4%), Central and South America (+2.5%).*

*In QIV of 2016 further global demand decrease is expected: -1.9% to the level of QIII 2016 mainly due to negative dynamics in the markets of Asia, Africa and stagnation in the market of North America.*

*Growth forecast in global consumption of flat products on the basis of 2016 results was revised upwards: from +1.4% yoy in July 2016 to + +1.9%. Positive demand dynamics development is anticipated in 2017: global consumption of flats may increase by 1.7% yoy. Average annual growth rate of global net flats consumption in 2016-2021 may be +1,8%.*

#### **Domestic market**

*In Q3 2016 the risk of demand decline in the domestic market for flats increased: Apparent consumption of flats in the reporting period decreased by 3.2% vs. Q2 of 2016.<sup>2</sup>*

*The risk of domestic demand reduction may remain for QIV 2016.*

#### **Risks associated with potential change in prices for the Issuer's products.**

*In QIII 2016 the risk of reduction of world prices for flats increased. Following growth of prices in QII 2016 there was a slight decrease in price quotations in QIII. Average value of quotations for flats decreased on quarter-on-quarter basis by 2% in North America, by 3% in Europe. But in the reporting period there were no deliveries to these regions, as the result the decrease in world quotations didn't influence export delivery prices which were increasing in QIII.*

*An increase in prices for QIII 2016 causes a slight price growth in QIV.*

*In the domestic market in QIII 2016 there was an increase in prices related to a good demand from the end users and a decrease in inventory of steel trading companies. In the domestic market the prices increased by average 11%.*

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<sup>1</sup> CRU Steel Sheet Product Market Outlook, October 2016

<sup>2</sup> Metal Expert

*An insignificant growth of prices in the export markets and a good demand from the end users in the domestic market will make it possible not to decrease the price in the domestic market in QIV.*

### **3. Transport (logistical) risks**

*In the course of its business for its cargo transportation the Company uses mainly railway transport. Therefore, the most significant factors related to the Issuer's cargo transportation, which influence the Company's business, are dependent on the business of the natural monopoly rendering logistics services in railroad transportation field.*

*The essential logistics risks for the Company are the following:*

- *risk of railway vehicles unavailability resulting in the disruption of raw materials deliveries and finished products shipment;*
- *risk of disruption of the shipment to Western Europe due to the sanctions applied to JSC PGK and LLC "First Freight Company of the Ukraine" as termination of cargo transit by these companies through the territory of Ukraine and prohibition of usage of the rolling stock owned by them;*
- *in accordance with Federal Tariffs Service's order dd. 21.12.2012 No. 423-m/3 "On setting the price limits (maximum and minimum levels) of tariffs for railroad transport services on goods transportation for mid-network conditions, and also with Application Rules and Conditions (settlement, amendment) of tariffs level for railroad transport services on goods transportation within the price limits (maximum and minimum levels) which were approved by the Russia Federal Tariffs Service's order dd. 18.12.2012 No. 398-m/3, from January 4, 2016 a reduction factor of 0.882 to the valid tariffs of Price List 10-01 was set for ferrous metals transportation (items ETSNG 311-315, 321-324) in the direction of terrestrial border crossing points and port stations. The above factor is valid since January 4, 2016 till December 31, 2016 during transportation in the volume not lower than the level of 2015 for these directions. Therefore, for NLMK cancellation of the decreasing coefficient because of failure to keep the set volume of transportation and extra charges for railway tariff is a risk.*

*In order to ease the influence of risks of partial or full disruption of deliveries the Issuer forms a reasonable reserve stock of main raw materials in order to guarantee the production cycle continuity. Main material resources are supplied in accordance with approved schedules, which provide for balanced delivery cycles for continuous production of finished products.*

*In order to decrease the risk of cancellation of the reduction factor because of non-fulfilment of the agreed volume of transportation and extra charges for a railway tariff with OAO RZD a joint contract from NLMK Group was concluded which shows the guaranteed volumes of transportation for each company of NLMK Group but still there is a possibility to interchange for the holding.*

## **2.4.2. Country and regional risks**

*Country risks:*

*Limitations in sales markets • Limitations currently in force in sales markets:*

- *anti-dumping duties: the EU, Mexico, Thailand, Indonesia, USA, India.*
- *In EU an anti-dumping investigation in relation to CR products from some countries, including Russia, is completed with introduction of an anti-dumping duty of 36%.*
- *The EU is carrying out an anti-dumping investigation in relation to HR products from some countries, including Russia, which might affect the sales structure to the EU market if a decision on duty introduction is taken (in 2015 HR products supplies made 163 thou t or about 1% of the consolidated sales).*
- *In the USA anti-dumping and countervailing investigations in relation to CR products are completed without introduction of any measures. This decision is complained of by the USA industry. The decision may be taken in 2017-2018.*
- *Brazil initiated an anti-dumping investigation in relation to HR flats from some countries, including Russia. Introduction of measures will not influence NLMK as there are no supplies to Brazil.*
- *Due to growth of steel products import from China some special protection investigations were initiated:*
  - *In Malaysia and South Africa - in relation to HR products. This investigation will not influence NLMK as there were no HR product supplies to Malaysia and South Africa;*
  - *In Vietnam - in relation to square billet and bars. Introduction of measures will not influence NLMK as there are no supplies and no interest to the market of Vietnam for this type of products.*

- Vietnam and CCASG (Cooperation Council for the Arab States of the Gulf) are carrying out special protection investigations in relation to pre-painted flats. Introduction of measures in these countries will not influence NLMK as there are no supplies of pre-painted flats to these markets.
- India is carrying out an anti-dumping investigation in relation to HR products in order to change the system of minimum prices which doesn't correspond to WTO standards. The decision on introduction of a preliminary anti-dumping duty in the amount of a difference between the minimum price \$474 and import price is taken. The final decision is expected in 2017. Possible introduction of trade restrictions can influence NLMK sales because HR flats supplies to India in 2015 made 115 thou t for the amount of USD 44.5 m or RUB 2.271 b.
- Due to continuous instability in the global economy, the USA maintains limits introduced in 2009 on the use of imported finished flats and semi-finished products for manufacturing of steel products intended for governmental needs as a part of the national economy stimulation program.
- Despite the decrease in the global economy growth rate as well as slowdown in the emerging economies growth and maintaining low rates of developed economies growth, it is rather unlikely that in the near future (3 months) other higher tariffs, quota and trade restrictions in the form of anti-dumping duties or special protective measures against NLMK products will be introduced, still such risks are possible in the mid-term. Moreover, the reduction of export duties on scrap and ruble devaluation contribute to enhancement of scrap export attractiveness which may trigger rise in prices and influence steel production cost.

#### *Threat of political situation aggravation*

- Aggravation of political situation in Russia and in its main sales markets is not expected;
- Continued political instability in some countries of the Middle East and North Africa is possible, which, however, will not drastically influence the Company's business due to low export volumes to these countries;
- Threat of imposition of the state of emergency in Russia does not exist;
- Imposition of the state of emergency in the main export sales markets in the nearest future (3 months) is not expected;
- Impact of political and economic instability in the Ukraine on NLMK's business can be qualified as neutral due to insignificant share of export to this country in NLMK's revenue.
- The possibility of strikes at NLMK's main sites is low both in the short- and middle-term, as the Company performs its core activities in economically and socially stable regions and fulfills its social obligations in full. Balanced social policy pursued by the Company helps to maintain stable social environment in the companies.

#### *Risk of military conflicts* • There is no risk of military conflicts in Russia.

- In the short or middle term, there is no threat of military conflicts in the main export markets.

#### *Regional risks:*

1. In the short term, the risk of significant deficit of the federal budget is not forecast.
2. Disruption of interaction between mining, iron & steel and transport segments in the short, middle or long term is not anticipated.
3. Risk of domestic sales reduction related to industrial inflation growth, decrease in economic growth rate and business activity in the real sector of Russian economy caused inter alia by ruble rate reduction, increase in crediting cost and inflation of tariffs for natural monopolies' services as well as decrease in the level of tariff shelter for metal-consuming industries after entering the WTO is assessed as moderate. Partially such risk can be mitigated by implementing countercyclic tax and tariff policy, implementation of infrastructure projects, facilitation of real sector's companies access to long-term borrowings, as well as reduction of steel imports to the RF from CIS countries, China and other exporting countries due to ruble devaluation and reduction of lucrative supplies to Russia due to reduction of prices in foreign currency.

#### *Possible actions of NLMK aimed at reduction of country and regional risks:*

- implementation of measures to reduce production costs and increase production efficiency;
- implementation of competitive sales policy in the domestic market;
- in case of introduction of anti-dumping measures and other trade restrictions in export markets – reorientation to other sales markets;
- development of proposals for the Government on measures aimed at support of metal-consuming sectors, promotion of demand for metal products and implementation of metal-consuming infrastructure projects;

- *development of proposals on improving institutional environment for the operation of ferrous metallurgy producers;*
- *taking measures aimed at protection of domestic market from unfair competition on the part of foreign suppliers of steel products, as well as resorting to trade protection measures in cooperation with other companies of the industry in case of steep growth of import.*

*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 risks for NLMK related to geographical features of the Russian Federation. NLMK and its subsidiaries have an efficient system of cooperation between the mining, iron & steel and rolling segments, its main production facilities are located within 1,500 km from NLMK's main Russian consumers, close to major transportation routes.*

### **2.4.3. Financial risks**

*The Issuer is subject to various financial risks, among which are the currency, inflation risks, risks of changes in interest rates on the funds provided. The probability of their occurrence and the degree of influence on the results of financial and economic activity are continually evaluated by the Issuer and taken into account in the development plans.*

#### **Currency risks**

*The Issuer, being an export-oriented company, is subject to currency risks. Under the conditions of unstable situation in the global financial markets there is a possibility that currency exchange rate fluctuation range will increase, which in its turn may affect the Company's activity results.*

*In order to minimize currency risks, actions on currency earnings diversification are taken. While concluding foreign trade contracts, the Issuer keeps an eye on balanced bank currency positions: payments in foreign currency are covered by export revenue in the same currency.*

*Moreover the Issuer controls the currency position of the balance.*

#### **Interest rate risk**

*The Issuer uses borrowed funds, therefore, there is a risk of changes in interest rates.*

*In order to manage these risks, the Company regularly analyses risks related to interest rates. The Issuer mitigates this risk by means of maintaining the optimal balance of credit liabilities with fixed and floating rates.*

#### **Effect of inflation on securities payments**

*According to the Issuer, the inflation rate will not have a material adverse effect on the Issuer's payments on the securities.*

**Indicators of the Issuer's financial statements are mostly affected by the change as a result of the influence of those financial risks.**

<b>Risk factor</b>	<b>The probability of its occurrence</b>	<b>Indicators of the Issuer's financial statements are mostly affected by the change as a result of the influence of those financial risks</b>	<b>Nature of the changes in reporting</b>
Criticality level of the inflation rate (25-30% per year)	Moderate	Revenues from sales, expenses, income, size of the accounts receivable, accounts payable	Limited nature of changes decreased profits, an increase in costs associated with the handling of received credits, loans, transactions on financial leasing.
Sudden change of exchange rates	High	Revenues from sales, expenses, income, size of the accounts receivable, accounts payable	Limited nature of changes decreased profits, an increase in costs associated with the handling of received credits, loans, procurement of spare parts outside the Russian Federation.
Sudden change of interest rates	Moderate	Expenses, income, size of the accounts receivable, accounts payable	Significant nature of the changes: decreased profits, an increase in costs associated with the handling of received credits, loans, transactions on financial leasing.
Credit risk	High	Accounts receivable	1. Downward change in the debt amount on the balance sheet. 2. Obligatory display of provisions for accounts receivable in the financial statements.



## 2.4.4. Legal risks

### *Tax risks*

*In line with Art. 225 of the RF Tax Code the labour costs of the taxpayer include any accruals to the employees in cash and (or) in kind, compensatory accruals related to work hours or work conditions foreseen by the norms of the RF legislation, labour contracts and (or) collective contracts.*

*According to cl. 9 of Part 2 of Art. 255 of the RF Tax Code dd. 29/11/2014 N 382-Φ3 “On amendments to part one and part two of the Tax Code of the Russian Federation” such expenses include, in particular, severance payments which may be foreseen not only by labour contracts and (or) separate agreements between the parties of the labour contract but also by agreements on termination of labour contracts.*

*The amendments, introduced into Art. 255 of the RF Tax Code which immediately refer such amounts to the payments related to labour payments, became effective on 01/01/2015. Moreover such payments were allowed before the amendments to the RF Tax Code became effective on 01/01/2015.*

*But this is not allowed if such payments in the respective area are personal securities of employees which is provided for the period after their dismissal, i.e. in this case these amounts do not reduce taxable profit.*

*These conclusions are made based on the standing of the RF Supreme Court (definition dd. 23/09/2016 № 305-KГ16-5939 under case N A40-94960/2015) which stipulated the following.*

*“Payments effected based on the labour contract termination may serve as a severance payment (salary maintained for a relatively short period of time until the employee’s recruitment) and also may serve as a payment for the employee’s agreement to cancel the labour contract.*

*In case of large amount of these payments and their incompatibility with a regular amount of a severance payment for which the employee being dismissed has a right in accordance with Art. 178 of the RF Labour Code, long period of employment and labour contribution and also in case of other circumstances defining labour activities of the employee, in line with cl.1 of Art.54, cl.1 of Art.252 of the RF Tax Code and cl.1 of Art. 65 of the RF APC the taxpayer has burden of proof disclosure which justifies the nature of payments made and their economical propriety.*

*This liability is not cancelled due to commencement of a new revision of cl. 9 of Art. 255 of the RF Tax Code on 01/01/2015 because the given amendments in their literal contents resolve only into exclusion of uncertainty in the matter of the possibility to account for the expenses for labour payment if the payment made in the course of the employee's dismissal is based on the labour contract termination but not on permission to account for any expenses.*

*If there are no such proof the tax authority have a right to believe that the payments effected to the employee in the respective part are the personal securities of the employees provided for the period after their dismissal and do not decrease the taxable profit (clauses 25, 49 of Art. 270 of the RF Tax Code)”.*

*Based on the above-said we suggest that with regard to the definition of the RF Supreme court dd. September 23, 2016 № 305-KГ16-5939 if a company included compensation amounts (severance payments), paid if the labour contract is terminated upon the parties’ agreement, into the expenses there is a possibility that the tax authority may recognize these payments as economically unreasonable.*

*There are no legal risks related to NLMK and Group of companies business due to changes in currency regulation, changes in rules of customs control and fees; changes in requirements for licensing of the Issuer’s core business or licensing of rights to use objects; changes in judicial practice on issues related with the Issuer’s business.*

#### **2.4.5. Risk of loss of a goodwill (reputational risk);**

*NLMK works in the competitive environment in Russia and abroad selling its products in more than 70 countries across the world.*

*One of the key competitive advantages, determining NLMK's sustainable position in sales markets, is the clients' confidence in the high product quality, the Company's stable financial position, the reliability of supplies, responsible approach of the Company to doing business.*

*To mitigate risks due to the loss of a goodwill, NLMK actively works at continuous products quality improvement, monitors the compliance of the product technical characteristics with local and global standards, expands production mix, pursues the policy of informational transparency, timely informing the interested parties and society on all the key events related to NLMK business and the Company's development perspectives.*

#### **2.4.6. Strategic risk**

*NLMK is one of the leading steel companies competing with both Russian and foreign companies. The following key strategic advantages allow the Company to occupy the leading positions in the global market:*

- low production cost (one of the most efficient global producers of steel);*
- balanced value chain (a high level of vertical integration into low cost raw material);*
- diversified business model (a rich product portfolio and a wide client base);*
- a sustainable long-term growth platform (significant investments during the previous periods, the opportunities of capacities expansion along the whole production chain).*

*The loss of any of the a/m strategic advantages can lead to the worsening of the Company's activity indicators. To mitigate risks related to strategic decision-making a long-term NLMK development program has been worked out taking into account the possible development prospects of the industry and the competitive environment. The annual update of macroeconomic pre-conditions and prioritization of investment projects allows to make strategic decisions taking into account environmental changes.*

*It is also necessary to note that strategic decisions are made by a collegial control body, i.e. the Board of Directors based on the recommendations of the Strategic Planning Committee, which includes four independent directors. The report on the Company's strategic objectives achievement is annually disclosed to the capital market participants, regulatory bodies and shareholders.*

#### **2.4.7. Risks associated with the Issuer's business**

*There are no risks associated with current legal actions where the Issuer participates and related to possible liability of the Company for third-party debts, including the Company's subsidiaries, non-prolongation of the Issuer's license for certain activities or utilization of objects the turnover of which is restricted, the possibility of loss of customers whose turnover is at least 10% of the total sales revenue.*

## Section III. Detailed 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: *Novolipetsk Steel*

Date of introduction of the current full company name: *29.12.2015*

Abbreviated name of the Issuer: *NLMK*

Date of introduction of the current abbreviated company name: *29.12.2015*

*The Issuer's company name (for a non-profit organization – the name) is registered as a trademark or service mark.*

Information on the registration of the above trademarks:

*The Company is entitled to use the trade marks "STINOL", "HJMK" and "NLMK" registered in accordance with the Russian Law (information on the trade mark registration is given in clause 4.5. hereof).*

All former names of the Issuer within the time of its existence

Full company name: *The Y.V. Andropov Novolipetsk Iron & Steel Works honored with the Lenin Order and the October Revolution Order*

Abbreviated company name: *NLMK*

Date of the name introduction: *14/03/1984*

Grounds for the name introduction:

*Decree of the Central Committee of the Communist Party of the Soviet Union, Presidium of the Supreme Soviet of the USSR and Council of Ministers of the USSR "On perpetuation of the memory of Yuri V. Andropov".*

Full company name: *Joint-Stock Company "Novolipetsk Iron & Steel Corporation"*

Abbreviated company name: *JSC NLMK*

Date of the name introduction: *28/01/1993*

Grounds for the name introduction:

*Decision of the Lipetsk Region State Property Management Committee No. 823 dd. December 31, 1992 "On reorganization of the Yu.V. Andropov Novolipetsk Iron & Steel Works into Open Joint-Stock Company "Novolipetsk Iron & Steel Corporation".*

Full company name: *Novolipetsk Steel*

Abbreviated company name: *NLMK*

Date of the name introduction: *12/08/1998*

Grounds for the name introduction:

*Decision made at JSC NLMK's Annual General Shareholders' Meeting dd. August 1, 1998 (Minutes of Meeting No. 9) on approval of the redrafted Company's Charter.*

Full company name: *Novolipetsk Steel*

Abbreviated company name: *NLMK*

Date of the name introduction: *29/12/2015*

Grounds for the name introduction:

*Decision made at NLMK's Extraordinary General Shareholders' Meeting dd. December 21, 2015 (Minutes of Meeting No. 42) on approval of the redrafted Company's Charter.*

### **3.1.2. Information on the state registration of the Issuer**

Information on the initial state registration:

State registration number: **5-Г**

State registration date: **28/01/1993**

Name of the public registrar: **Administration of Levoberezhny district of the city of Lipetsk**

Information on the registration of a legal entity:

Main state registration number of a legal entity: **1024800823123**

Date of registration of an entry on the legal entity registered before July 1, 2002, in the Unified State Register of Legal Entities: **09/07/2002**

Registrar: **Inspection of Ministry of Taxation of Russia for Central district of the city of Lipetsk**

### **3.1.3. Information on foundation and development of the Issuer**

*There were no changes in the information relevant to this clause within the reporting quarter.*

### **3.1.4. Contact Details**

The Issuer's domicile:

**2, Metallurgov sq.,  
Lipetsk, Russia**

The issuer's address specified in the Unified State Register of Legal Entities

**2, Metallurgov sq., Lipetsk, Lipetsk region, 398040 Russia**

Another mailing address:

**2, Metallurgov sq., Lipetsk, 398040 Russia**

Phone: **+7 (4742) 444-989,**

Fax: **+7 (4742) 441-111,**

E-mail: **info@nlmk.com**

Web-site with available information on the Issuer and its securities issued and/or being issued: ***www.lipetsk.nlmk.ru;***  
***www.e-disclosure.ru/portal/company.aspx?id=2509***

Name of the Issuer's department dealing with shareholders and investors: ***Corporate Secretary Office***

Domicile: **2, Metallurgov sq.,  
Lipetsk, Russia**

Phone: **+7 (4742) 444-989,**

Fax: **+7 (4742) 442-255,**

E-mail: **sp-aks@nlmk.com**

Web-site: ***www.lipetsk.nlmk.ru***

### **3.1.5. Taxpayer Identification Number**

**4823006703**

### 3.1.6. The Issuer's branches and representative offices

Changes in the structure of the Issuer's branches and representative offices within the reporting quarter, in case within the reporting period there were changes in names, domiciles of branches or representative offices, full names of their managers, validity periods of powers of attorney granted by the Issuer to such managers – also information on such changes

*On 18.07.2016 there was an entry made in the Unified State Register of Legal Entities with respect to the legal entity - Novolipetsk Steel - on amendments into the info on a legal entity, contained in the Unified State Register of Legal Entities, not related to those to the constituent documents - on change of representative office address.*

*Name of the representative office: Representative office of Novolipetsk Steel in Moscow*

*Address (location) of representative office in the Russian Federation: Bld. 3, 40, B.Ordynka St., Moscow, 119017*

### 3.2. The Issuer's core business

#### 3.2.1. Main business lines of the Issuer

Code of the Issuer's core business line

OKVED codes
27.17

OKVED codes
28.51
92.61
36.40
40.20.1
41.00.1
45.23.1
50.10.1
51.39
51.54
51.56.4
51.57
52.50.3
55.30
55.52
90.00.1
31.10.9
27.53
27.54
27.15
27.16.2
27.11
24.14.2
27.33
45.21.1
23.10
29.51

85.11
27.22
27.14
34.30
40.30
24.15
28.71
55.51
70.32.1
55.12
60.23
60.10.2
74.60
63.21.1
63.11
63.12
31.62.9
60.24
40.10.5
74.20.1
74.20.3
85.20
37.10.1
92.13
64.20.1
85.13
51.70
52.11
52.12
28.63
80.22.22
80.30.3
36.22.1
40.10
40.20.2
55.23.1
55.23.2
85.11.2
85.12
01.12.2
10.10.12
14.21
20.30
22.12
22.22
24.11

24.66.4
25.21
26.26
26.52
26.61
26.63
26.82.3
45.31
52.31
26.82.6
27.13
27.51
27.52

### 3.2.2. The Issuer's core business

Main lines of business (types of activity, products (works, services), accounting for at least 10 percent of the Issuer's proceeds (income) for the reporting period

Unit of measurement: **RUB thou.**

A business line: *The Issuer runs its business in the Russian Federation. NLMK's core business is the production and sales of steel products. The Company's production is targeted at the output of high-quality hot-rolled and cold-rolled flats. Besides, the Company produces semifinished steel products (slabs). Profit share from core activity constitutes more than 90% of the total profit from sales of products, goods, services.*

Indicator description	2015, 9 months	2016, 9 months
Proceeds from sales (sales volume) for this type of business, RUB thousand.	244,830,414	252,114,775
Share of proceeds from sales (sales volume) for this type of business in the total proceeds from sales (sales volume) of the Issuer, %	99.5	99.6

Changes in the amount of the Issuer's core business proceeds (sales volume) by 10 or more percent compared to the corresponding period of the previous year and the reasons of such changes.

*Revenue from sales of iron and steel products for 9 months of 2016 increased by 3% as compared to the respective period of 2015.*

*The Issuer's sales proceeds mostly depend on the following factors: sales structure, current prices in sales markets, national currency exchange rate.*

*The impact of these factors is described in clause 4.7 of this quarterly report.*

**Notes:**

*1. Indicator "Proceeds from sales (sales volume) for this type of business, RUB thou." corresponds to the indicator on page 2110.1 of the accounting (financial) statement "Profit and Loss Statement".*

*2. Indicator "Share of proceeds from sales (sales volume) for this type of business in the total proceeds from sales (sales volume) of the Issuer, %" has been calculated on the basis of the data contained in the accounting (financial) statement "Profit and Loss Statement" using the formula: line 2110.1/ line 2110.*

The Issuer's overall cost structure

Indicator description	2015, 9 months	2016, 9 months
Raw and other materials, %	52.23	53.365
Purchased components and semi-finished products, %	0	0
Outsourced production works and services, %	1.369	10.507
Fuel, %	17.275	16.25
Energy, %	3.183	3.232
Labour costs, %	6.184	6.58
Interest on credits, %	0	0
Rent, %	0.24	0.219
Allocations for social needs, %	1.874	1.927
Fixed assets depreciation, %	5.915	5.516
Taxes included into the products cost value, %	0.889	0.829
Other costs, %	10.841	1.575
intangible assets depreciation, %	0.004	0.004
rewards for technical improvement proposals, %	0.049	0.018
obligatory insurance payments, %	0.122	0.128
representation costs, %	0.002	0.002
other (clarify), %	10.664	1.423
Total: Expenses for products production and sales (works, services) (production cost), %	100	100
For reference: Proceeds from sales of products (works, services), % to production cost	123.923	122.552

New significant types of products (works, services), offered by the Issuer in the market where it conducts its core business, to the extent corresponding to publicly available information about such products (works, services). The status of development of such types of products (works, services) is to be specified.

*The information about the new significant types of products (works, services), as well as the information about their development, is not available to the public, as the Issuer intends to retain its competitive advantages.*

The standards (rules) used to prepare accounting (financial) statements of the Issuer and make calculations that are included in this subclause:

*The Issuer's cost structure was determined in accordance with Accounting Rule 10/99 "The company's expenses" (the RF Ministry of Finance Order Nr. 33H dd. 6.05.1999), guidelines on planning, formation and accounting of expenses for production and sales of products (works, services) of steelmaking enterprises, as well as accounting policy of the Issuer for the purpose of accounting.*

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

For 9 months of 2016

The Issuer's suppliers accounting for at least 10 percent of all materials and goods (raw materials) supplies

Full company name: **Open Joint Stock Company "Stoilensky Mining & Processing Plant"**

Domicile: **Driveway 4, Fabrichnaya site, South-West industrial area, Stary Oskol, Belgorod region, Russia**

TIN: **3128011788**

OGRN: **1023102367750**

Share in the total volume of deliveries, %: **28.5**

Full company name: **Joint-Stock Company "Altai-Koks"**



Domicile: 2, *ul. Pritayezhnaya*,  
*Zarinsk, Altai Territory, 659107 Russia*  
 TIN: 2205001753  
 OGRN: 1022200704712

Share in the total volume of deliveries, %: **28.2**

Full company name: *Limited Liability Company Vtorchermet NLMK*  
 Domicile: 3, *Novinskaya str.*  
*Ekaterinburg, 620024 Russia*  
 TIN: 7705741770  
 OGRN: 1067746805554

Share in the total volume of deliveries, %: **14.6**

Information on changes in prices for main materials and goods (raw materials) by over 10% within the reporting period as compared to the corresponding reporting period of the previous year

**Change in prices\* for main raw materials purchased by NLMK  
 for 9 months of 2016 as compared to 9 months of 2015**

RUB / t			
Raw material	Average prices for 9 months of 2015	Average prices for 9 months of 2016	Change, %
<i>Coal concentrate</i>	<i>4,788</i>	<i>5,108</i>	<i>6.7</i>
<i>Coke</i>	<i>10,005</i>	<i>9,936</i>	<i>-0.7</i>
<i>Iron ore concentrate</i>	<i>2,208</i>	<i>2,473</i>	<i>12.0</i>
<i>Scrap**</i>	<i>10,097</i>	<i>10,077</i>	<i>-0.2</i>
<i>Aluminium wire rod</i>	<i>134,694</i>	<i>133,337</i>	<i>-1.0</i>

\* - The prices incl. VAT w/o delivery;

\*\* - VAT exempt.

Share of imports in the deliveries of materials and goods, forecast of availability of import sources in the future and potential alternative sources

***The share of imports in total deliveries of raw materials to NLMK:***

*for 9 months of 2015* - *0,35%*

*for 9 months of 2016* - *0,78%*

***The Issuer plans to continue cooperating with the a/m suppliers in the future, as they guarantee timely supplies of high-quality products. It is possible to cooperate with alternative suppliers of raw materials (incl. foreign ones) without any significant price increase, while maintaining the required qualitative characteristics.***

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

Main markets where the Issuer conducts its business:

*In Q3 2016 the Issuer sold metal products at the Russian and foreign markets. The share of sales in the Russian market amounted to 37% of the total physical volume of sales of steel products during the reporting period, the share of export sales accounted for 63%, including 61% in the foreign countries markets and 2% in the CIS markets.*

*The main buyers of the Issuer's steel products in the foreign market were trading companies Novex Trading (Swiss) S.A. (74% export) and Novexco (Cyprus) Limited (23%).*

*The largest foreign market in Q3 2016 was the European Union: 39% of export sales volume. The main import countries of steel products of the Issuer in this region remained Belgium, Denmark and Italy. The second geographical direction of exports in terms of deliveries was the North America, where the main buyer was the United States. 15% of exports were delivered to the countries of Central and South America, mainly to Mexico. 14% of sales in the foreign market are directed to the Middle East, mainly in Turkey. The Asian market accounted for 6% of export. The main importing countries were Indonesia and India. Sales in Africa amounted to 2% of exports and were mainly sent to Egypt.*

*The product structure of the steel product sales in the foreign markets was dominated by slabs (65% of the physical exports volume). HR flats (including pickled products) amounted to 14%, CR flats - 8%, electrical steel flats - 4%, cast iron - 3%. In the industrial structure of export sales steel companies prevailed (84%). The share of sales to the companies of mechanical engineering (including automotive industry, electrical and technical industry and household appliances manufacturing) made 6%. Also 6% were sold to the metalworking companies and steel service centers. Sales to the pipe and tube industry companies amounted to 4%.*

*In the geographical structure of sales to the CIS and neighbouring countries, Belarus was predominant in the reporting period: 88% of the physical volume of sales in this group of countries. Sales to Ukraine amounted to 9%. The product structure of sales was introduced as cold-rolled products (42%), color-coated rolled products (25%), hot-rolled products (19%) and electrical steel flats (14%).*

*Mechanical engineering was the main in the industry structure of sales to the CIS and neighbour countries - 24%, including automotive industry - 6%, household appliances - 15%, electrical machinery industry - 16%. Deliveries to the metalworking companies and steel service centers amounted to 15%, deliveries to the construction industry - 7%.*

*The Central economic region was the leader in the geographic structure of domestic sales of Issuer's steel products in the reporting period (41% of the physical volume of domestic sales). The share of the Volgo-Vyatsky economic region made 18%, the North-Caucasian region – 11%, the Povolzhsky region – 11%. the Central Black Earth Region – 9%, the Ural Region – 7%.*

*The product structure of local steel product sales was represented by slabs (16%), HR flats (38% including pickled flats), CR flats (20%), galvanized flats (14%) and pre-painted flats (11%). 1% of the physical volume of domestic sales is made by electrical steel flats and 0.1% is made by pig iron.*

*62% of sales in the domestic market were addressed to the construction industry, including 45% - to the metalworking companies and steel service centers, 17% - directly to the construction companies. Sales to the pipe industry made 22%, mechanical engineering companies - 7%, iron-and-steel enterprises - 5%.*

Factors that may undermine the Issuer's sales of products (works, services), and possible actions aimed at mitigation of such influence:

*Negative influence on the Issuer's export sales in 2016 may be done by a possible stagnation or decrease in global steel consumption, increased overcapacity, protectionism growth in the countries with low competitive power of production and a decrease in global prices for steel-making raw materials and steel products.*

*The Issuer's export sales in 2016 may be adversely affected by the possible stagnation in consumption of steel against the background of weak macro economic indicators in the country and the possible growth of import products deliveries sold at the prices below the production cost.*

### 3.2.5. Information on the Issuer's authorizations (licenses) or permits to certain types of works

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

*Natural Resources Committee for the Lipetsk region (the license was extended by the Department for Subsoil Usage for the Central Federal District)*

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: *ЛПЦ Reg. No. 54085 БЭ*

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit: ***Extraction of fresh underground water for industrial and potable water supply (Lipetsk and Borinskoye village, Lipetsk area, Lipetsk region, Russia)***

Date of issuance of an authorization (license) or a permit to certain types of works: **20/05/2003**

Validity of an authorization (license) or a permit to certain types of works: **01/03/2022**

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Federal Transport Supervision Service***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***Series ИРД No.4804462***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit:

***Hazardous cargo handling at railway transport***

Date of issuance of an authorization (license) or a permit to certain types of works: **27/02/2009**

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Administration of Federal Supervision Service for Consumer Rights Protection and Human Welfare in the Lipetsk region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***48.01.01.002.Л.000015.08.10***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit: ***Activities related to usage of ionization radiation sources (generating) (except for cases when these sources are used for medical purposes).***

Date of issuance of an authorization (license) or a permit to certain types of works: **27/08/2010**

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works: ***The Central Inter-Regional Territorial Nuclear and Radiation Safety Supervision Department of the Federal Service on Environmental, Technological and Nuclear Supervision***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***ИО-03-209-6143***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit:

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

Date of issuance of an authorization (license) or a permit to certain types of works: **13/07/2011**

Validity of an authorization (license) or a permit to certain types of works: **04/10/2016**

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Federal Service on Environmental, Technological and Nuclear Supervision***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***BX-00-014486***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit:

***Operation of fire explosive and chemically hazardous production facilities of I, II and III hazard ratings***

Date of issuance of an authorization (license) or a permit to certain types of works: **30/12/2013**

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Verkhnedonskoye Rostekhnadzor Department***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***BM-13-012488***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit:

***Activities related to handling explosive materials of industrial applications***

Date of issuance of an authorization (license) or a permit to certain types of works: **25/09/2014**

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Federal Transport Supervision Service***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***Series ИОГ № 4807048***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit: ***The license for railroad transportation of hazardous cargo***

Date of issuance of an authorization (license) or a permit to certain types of works: ***09/02/2015***

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Department of the Federal Security Service of Russia in the Lipetsk region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***5***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit: - ***works related to usage of national security information;***

Date of issuance of an authorization (license) or a permit to certain types of works: ***03/02/2016***

Validity of an authorization (license) or a permit to certain types of works: ***20/06/2018***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Department of the Federal Security Service of Russia in the Lipetsk region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***5/6***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit: - ***works related to usage of national security information;***

Date of issuance of an authorization (license) or a permit to certain types of works: ***03/02/2016***

Validity of an authorization (license) or a permit to certain types of works: ***20/06/2018***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Department of the Federal Security Service of Russia in the Lipetsk region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***7M***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit: ***Implementation of measures and (or) rendering of services related to protection of the national security information.***

Date of issuance of an authorization (license) or a permit to certain types of works: ***03/02/2016***

Validity of an authorization (license) or a permit to certain types of works: ***20/06/2018***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Department of Consumer market and price policy of the Lipetsk Region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***34***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit: ***Collection, storage, processing and sale of ferrous and non-ferrous scrap***

Date of issuance of an authorization (license) or a permit to certain types of works: ***14/03/2016***

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

An authority (organization) that issued a relevant authorization (license) or a permit to certain types of works:

***Rosprirodnadzor Department of the Lipetsk Region***

Number of an authorization (license) or a document confirming that a permit to certain types of works has been obtained: ***OT-13-000393 (48)***

A type of activity (works), with respect to which the Issuer obtained a relevant authorization (license) or a permit: ***Collection, transportation, disposal, processing, neutralization and management of wastes of I - IV class.***

Date of issuance of an authorization (license) or a permit to certain types of works: ***09/08/2016***

Validity of an authorization (license) or a permit to certain types of works: ***for an unlimited period***

***The Issuer's forecast with respect to possibilities to prolong special permits (licenses): NLMK plans to prolong its licenses for performing the kinds of activities in line with the legislation of the Russian Federation.***

### 3.2.6. Information on activities of certain categories of Issuers

The Issuer is not a stock investment fund, an insurance company, a credit company or a mortgage agency.

### 3.2.7. Additional information on Issuers specializing in mining operations

#### a) Mineral reserves

The list of mineral deposits having high financial and economic significance for the Issuer, the rights to use which belong to the Issuer or companies controlled by the Issuer

##### **1. Deposit name: Sitovka fluxing limestone area of Sokol-Sitovka deposit**

The owner of rights for the deposit

Full company name: *Open Joint-Stock Company "Studenovskaya Joint-Stock Mining Company"*

Abbreviated company name: *Stagdok*

Domicile: *Studenovskaya promploshadka, rural settlement Vvedensky local council, Lipetsk district, Lipetsk region, 398507 Russia*

TIN: *4825000880*

OGRN: *1024800824300*

Type of mineral reserve: *fluxing limestone.*

Proven reserves: *The Sitovka area of the Sokol-Sitovka deposit with limestone reserves of 147,520 thou. tons as of 01.01.2014, inclusive of 23,198 thou. tons of quality A, 16,751 thou. tons of quality B, 107,571 thou. tons of quality C1, confirmed by the State Mineral Reserves Committee (GKZ) Rosnedra (MoM #3782 dd. August 06, 2014) with regard to exploration works of the western side of the Sitovka area. In July 2012 exploration works of the western side of the Sitovka area of the Sokol-Sitovka fluxing limestone deposit were completed. Report on the geological survey results has been submitted for the expertise to the Federal State Budgetary Institution "State Reserves Committee". Based on the submitted report on the results of geological survey an opinion of the Expert Committee of the Federal State Budgetary Institution "State Reserves Committee" and a resolution of GKZ Rosnedra. In accordance with the resolution of GKZ Rosnedra the balance sheet reserves of fluxing limestone of the western side of the Sitovka area of the Sokol-Sitovka deposit are related to the Sitovka area of the Sokol-Sitovka deposit, i.e. the balance sheet reserves of the listed areas of subsoil are united. As of 01.10.2016 remaining balance reserves of the Sitovka area of the Sokol-Sitovka deposit amounts to 130,156.3 thousand tons. 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.*

Mining level for the respective reporting period (periods): *Limestone mining volume for 9 months 2016 was 4,261.4 thousand tons, including for Q3 2016 – 1,474.3 thousand tons.*

##### **2. Deposit name: Sitovsky 2 area**

The owner of rights for the deposit

Full company name: *Open Joint-Stock Company "Studenovskaya Joint-Stock Mining Company"*

Abbreviated company name: *Stagdok*

Domicile: *Studenovskaya promploshadka, rural settlement Vvedensky local council, Lipetsk district, Lipetsk region, 398507 Russia*

TIN: *4825000880*

OGRN: *1024800824300*

Type of mineral reserve: *fluxing limestone.*

Proven reserves: *Forecast resources of fluxing limestone of P1 category at Sitovsky 2 area are assessed as 46.8 mt (Minutes of meeting of FSUE "Central Research Institute of non-metallic mineral geology" #14/14 dd. 12.05.2014). Within the given mining lease the company has the right for exploration and extraction of fluxing limestone. Fluxing limestone is not extracted.*

##### **3. Deposit name: Bigildin and Prikaryerny areas of the Dankov dolomite deposit**

The owner of rights for the deposit

Full company name: *Open Joint-Stock Company “Dolomit”*

Abbreviated company name: *Dolomit*

Domicile: *1, Sverdlova Str., Dankov, Lipetsk region, Russia*

TIN: *4803003415*

OGRN: *1024800548520*

Type of mineral reserve: *Dolomite for iron and steel industry, construction materials and limestone (dolomite) powder.*

Proven reserves: *As of 01/10/2016 the Bigildin and Prikaryerny areas of the Dankov dolomite field had 364,019 thou. tons of balance sheet reserves of dolomite, inclusive of 229,284 thou. tons in the Bigildin area and 134,735 thou. tons in the Prikaryerny area. Totally Dankov deposit (in all areas) contains 632,496 thou. tons of dolomite on-balance reserves. The dolomite reserve evaluation was approved by Minutes No. 873 dd. 26.09.2003 of the State Mineral Reserves Committee (GKZ).*

Mining level for the respective reporting period (periods): *The mining volume for 9 months 2016 was 2,834 thousand tons of dolomite, including for Q3 2016 - 1,018 thousand tons of dolomite.*

#### **4. Deposit name: Stoilensky iron ore deposit**

The owner of rights for the deposit

Full company name: *Open Joint Stock Company “Stoilensky Mining & Processing Plant”*

Abbreviated company name: *Stoilensky*

Domicile: *Driveway 4, Fabrichnaya site, South-West industrial area, Stary Oskol, Belgorod region, Russia*

TIN: *3128011788*

OGRN: *1023102367750*

Type of mineral reserve: *high-grade iron ores, magnetite quartzites, oxidized quartzites, clay raw material, chalk, sand, crystalline slate, quartzitic sandstone, granite gneiss.*

Proven reserves: *The remaining license reserves as of 01.10.2016 was: high grade iron ore (dry weight) of category B+CI – 49,193 thou. tons; of category C2 – 3,165 thou. tons; magnetite quartzites of category B+CI – 4,927,860 thou. tons; of category C2 – 1,025,302 thou. tons. The State Mineral Reserves Commission with the Ecology and Natural Resources Ministry of the Russian Federation approved the reserves for quarry operations (500 meters to bedding rock) (MOM No. 3812 dd. January 29, 2014).*

Mining level for the respective reporting period (periods): *Mining volume for 9 months 2016 was: high-grade iron ore (natural weight) – 1,181 thousand tons; magnetite quartzite – 24,286 thousand tons, including Q3 2016: high grade iron ore (natural weight) amounted to 383 thousand tons; magnetite quartzites amounted to 8,132 thousand tons. Annual design capacity of the Company of high grade iron ore excavation is 1,200 thousand tons, magnetite quartzite – 42,000 thousand tons.*

#### **5. Deposit name: Stoilenskiy iron ore deposit**

The owner of rights for the deposit

Full company name: *Open Joint Stock Company “Stoilensky Mining & Processing Plant”*

Abbreviated company name: *Stoilensky*

Domicile: *Driveway 4, Fabrichnaya site, South-West industrial area, Stary Oskol, Belgorod region, Russia*

TIN: *3128011788*

OGRN: *1023102367750*

Type of mineral reserve: *ground water.*

Proven reserves: *Drainage groundwater reserves of Stoilensk deposit were approved according to Turonian Maastricht, Alb-Senoman aquifers and Archean Proterozoic aquifer system in the amount of 126.7 thousand m3/day under the category A+B (Minutes No. 1291 of GKZ dd. November 24, 2006).*

Mining level for the respective reporting period (periods): *Totally in Q3 2016 mine drainage accounted for 11,968.713 thousand m3, including utility and potable water - 779.741 thousand m3. OJSC Stoilensky GOK is*

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

Licenses for subsoil use obtained by the Issuer or companies controlled by the Issuer in order to use the deposits that have major financial and economic significance for the Issuer

Legal entity that obtained the license

Full company name: *Open Joint-Stock Company “Studenovskaya Joint-Stock Mining Company”*

Abbreviated company name: *Stagdok*

Domicile: *Studenovskaya promploshadka, rural settlement Vvedensky local council, Lipetsk district, Lipetsk region, 398507 Russia*

TIN: *4825000880*

OGRN: *1024800824300*

*1. License No.: series ЛИИЛ No. 54036 ТЭ*

The date of the license issuance: *30/05/2002*

License validity period: *31/12/2028*

Basis for licensing: *follow-up exploration and revaluation of reserves over the period of 1995-2000; change of field limit.*

Description of the subsoil area given for usage:

*Sitovka fluxing limestone area of Sokol-Sitovka deposit is located in the Lipetsk district of the Lipetsk region (3 km north of Lipetsk and 0.5 km west of village Voskresenovka in the Lipetsk district of the Lipetsk region). The subsoil area given for usage 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.*

License type: *The license for subsoil use. Designated purpose and types of works: mining of fluxed limestones.*

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities:

*Main liabilities of a subsoil user: 1) To extract limestone with observance of the following conditions: to determine the annual limestone extraction level on the basis of mining plan; to coordinate the plan of mining operations and norms for losses with Gosgortekhnadzor authorities on the annual basis. 2) To present statistical reports in form 5-zp to the Federal Geological Administration “Territorial Data Bank of the Central Federal District” by January 15 annually. 3) To present statistical reports in form 70-mn, 71-mn to organizations specified in these forms by January 25 annually. 4) To monitor groundwater through the existing observation network in the course of the field usage.*

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: *To effect payments for subsoil usage according to the effective regulatory documents: for the right to extract fluxing limestone in the amount of 6% of the extracted mineral value. Taxes and other mandatory payments shall be paid to the budget timely and in full.*

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence:

*The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.*

Legal entity that obtained the license

Full company name: *Open Joint-Stock Company “Studenovskaya Joint-Stock Mining Company”*

Abbreviated company name: *Stagdok*

Domicile: *Studenovskaya promploshadka, rural settlement Vvedensky local council, Lipetsk district, Lipetsk region, 398507 Russia*

TIN: *4825000880*

OGRN: *1024800824300*

**2. License No.: series ЖИИЦ No. 54401 ТЭ**

The date of the license issuance: **03/09/2007**

License validity period: **01/08/2027**

Basis for licensing: **Minutes of meeting of the Auction Committee of the Regional Subsoil Management Agency for the Central Federal District dd. 21.06.2007, order No. 181 dd. 25.06.2007 of the Regional Subsoil Management Agency for the Central Federal District "On results of the auction for the subsoil use".**

Description of the subsoil area given for usage:

**The western side of the Sitovka area of the Sokol-Sitovka deposit of fluxing limestone, located in the Lipetsk district, the Lipetsk region of the Russian Federation. The subsoil area given for use has a geological mining lease status.**

License type: **The license for subsoil use. Designated purpose and types of works: geological survey, exploration and extraction of the fluxed limestone.**

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities:

**Main liabilities of a subsoil user: 1) To complete the geological survey of the western side of the Sitovka area of the Sokol-Sitovka deposit within 60 months from the date of the license state registration. 2) On the basis of the reserves assessment results, to agree and duly approve the industrial operation plan for the deposit. 3) To develop the field and commission it not later than 36 months after the reserves confirmation. 4) To assess the background level of contamination of the subsoil area within 24 months from the date of the license state registration.**

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: **1) To effect in accordance with established procedure regular payments for the subsoil usage in the amount of RUR 6,300 per 1 km<sup>2</sup> of the subsoil area. 2) To pay the tax on minerals extraction, as well as other taxes and charges in accordance with the Russian Law.**

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence:

**The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.**

Legal entity that obtained the license

Full company name: **Open Joint-Stock Company "Studenovskaya Joint-Stock Mining Company"**

Abbreviated company name: **Stagdok**

Domicile: **Studenovskaya promploshadka, rural settlement Vvedensky local council, Lipetsk district, Lipetsk region, 398507 Russia**

TIN: **4825000880**

OGRN: **1024800824300**

**3. License No.: series ЖИИЦ No. 00284 ТР**

The date of the license issuance: **24/03/2015**

License validity period: **01/04/2040**

Basis for licensing: **auction results, order of Regional Subsoil management Agency for the Central District # 59 dd. "Approval of auction results for the right to use subsoil for the purpose of exploration and extraction of fluxing limestone at Sitovsky 2 area of Lipetsk region".**

Description of the subsoil area given for usage:

**Sitovsky 2 area is located in the territory of Lipetsk district, Lipetsk region (in 2.5 km to the north-east from the city of Lipetsk and in 7-12 km from railway station Chugun of South-East railway road). The subsoil area given for usage has a mining lease status. Subsoil area is 1.3 km<sup>2</sup>.**

License type: **The license for subsoil use. Designated purpose and types of works: fluxing limestone exploration and extraction at Sitovsky 2 area.**

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities:

**Main liabilities of a subsoil user: 1) Preparation and approval of a deposit exploration works scope in the established order. 2) Submission of explorarion result materials in the established order for state expertise of**



*natural resources reserves. 3) Preparation and approval of a deposit exploration basic engineering in the established order.*

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: *A subsoil user is liable to: 1) pay a lumpsum fee for subsoil usage in the amount of RUB 4,554,000; 2) pay regular fees for subsoil usage at exploration stage; 3) pay other fees, taxes and duties established by the Russian Law while using subsoil, land lots, basins.*

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence:

*The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.*

Legal entity that obtained the license

Full company name: *Open Joint-Stock Company "Dolomit"*

Abbreviated company name: *Dolomit*

Domicile: *1, Sverdlova Str., Dankov, Lipetsk region, Russia*

TIN: *4803003415*

OGRN: *1024800548520*

#### **4. License No.: ЛПД No. 54112 ТЭ**

The date of the license issuance: *01/10/2003*

License validity period: *01/01/2029*

Basis for licensing: *Renewal of the previous valid license due to change of the legal entity's (subsoil user's) name. The basis for prolongation of the license validity period: the subsoil user's initiative.*

Description of the subsoil area given for usage:

*Bigildin and Prikaryerny areas of the Dankov dolomite field are located 3-7 km to the north-east of the city and railway station with the same name – Dankov. The relief is relatively plain with ravine gully type network. The area of Bigildin area is 528 hectares, of Prikaryerny area – 316 hectares, the total area is 844 hectares. The areas are located on cropland that can be used for agricultural purposes. Minerals in the field are overlapped with sandy-clay deposits. Average stripping depth is 17.5 m, productive stratum – 23 m. In the lower part of the quarry dolomites are watered at 1-5 m. Mining depth is 40 m. Subsoil areas have the mining lease status.*

License type: *The license for subsoil use. The target purpose is a dolomite extraction at Bigildin and Prikaryerny areas of Dankov field in order to manufacture metallurgical raw materials and construction materials.*

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities:

*Main liabilities of a subsoil user: 1) To present reports in forms 5-2p, 70-mn, 71-mn, 2-ЛС, 4-ЛС to supervisory authorities on the annual basis. 2) To renew documents for mining leases in exploration areas in Gostekhnadzor of the Russian Federation in Verkhne - Donskoy region before 01.05.2005. 3) To write off dolomite reserves accounted by the State within the mining lease at the time of operations completion and fully reclaim dislocated soils. 4) To prepare the annual mining development plan for the next year and to agree it with Gostekhnadzor of the Russian Federation in Verkhne-Donskoy region before December 15. 5) Two years prior to license expiry date, the project of final liquidation of excavation and reclamation of dislocated soil shall be developed and approved.*

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: *1) To pay the tax on dolomite extraction for construction materials in the amount of 5.5% of the extracted mineral value. 2) To pay the tax on dolomite extraction for metallurgical raw materials in the amount of 6.0% of the extracted mineral value. 3) Double payments are effected in case of above-standard losses of the mineral product.*

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence:

*The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.*

Legal entity that obtained the license

Full company name: ***Open Joint Stock Company “Stoilensky Mining & Processing Plant”***

Abbreviated company name: ***Stoilensky***

Domicile: ***Driveway 4, Fabrichnaya site, South-West industrial area, Stary Oskol, Belgorod region, Russia***

TIN: ***3128011788***

OGRN: ***1023102367750***

***5. License No.: BE/I No. 13030 TЭ***

The date of the license issuance: ***24/03/2005***

License validity period: ***31/12/2017***

Basis for licensing: ***The license was granted on the basis of the resolution by the Federal Agency for Subsoil Use approved in accordance with Art. 10.1 of the Law of the RF “On Subsoil”. Following agreement and approval of the technical project in the established order the licence validity is extended for the period of minerals field excavation which is calculated based on feasibility of the minerals deposit development providing rational use and protection of subsoil by the request of the subsoil user.***

Description of the subsoil area given for usage:

***Stoilenskiy deposit of ferruginous quartzites is located within the southern slope of the Middle-Russian highland and covers a part of highly dissected with ravine gully type network of watershed area between feeders of the Oskol river, small rivers Oskolets northward (3 km far) and Chufichka southward (3.5 km far). Main gullies are Sazykin Log falling into the Oskolets river-valley and Popov Log falling into the Chufichka river-valley. Nearest locations are Stoilo, Lukyanovka, Verkhneye Chufichovo, Kotenevka settlements. Regional center, the city of Stary Oskol, is located 8 km to the south-east of the deposit. Subsoil area has the mining lease status. The square area of mining lease plane is 13.315 km<sup>2</sup>, land allotment area makes up 33.212 km<sup>2</sup>. Upper boundary of the mining lease is the daylight surface, lower – contour of ferruginous quartzite reserves calculation for open-pit excavation (elevation is -500 meters).***

License type: ***The license for subsoil use. The designated purpose is exploration and extraction of minerals including use of wastes of the mining and related recycling industries.***

Main provisions of the license with regard to the subsoil user’s liabilities, with indication of deadlines for performance of these liabilities:

***Main liabilities of a subsoil user: 1) Preparation and approval of a deposit exploration basic engineering in the established order agreed upon in accordance with the Law of the RF “On Subsoil” - not later than 12 months from the date of the state registration of the Amendments to the license. 2) Annually not later than February 15 of the year following the reporting year - to submit a report on the work done on the subsoil are given for usage to the appropriate areal authority of the Federal Agency for Subsoil Use in accordance with the procedure defined by the Federal Agency for Subsoil Use and its areal authorities. 3) Make regular payments, tax and duty payments for subsoil usage which are established by the RF legislation. 4) Submission of geological information on subsoil and conditions of its use to federal and areal funds of geological information in accordance with the established order.***

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: ***Rates are not set. In accordance with the valid legislation of the Russian Federation - to make monthly payments of taxes for minerals excavation.***

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence:

***The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company’s discharge of obligations ensuing from the license.***

Legal entity that obtained the license

Full company name: ***Open Joint Stock Company “Stoilensky Mining & Processing Plant”***

Abbreviated company name: ***Stoilensky***

Domicile: ***Driveway 4, Fabrichnaya site, South-West industrial area, Stary Oskol, Belgorod region, Russia***

TIN: ***3128011788***

OGRN: ***1023102367750***

**6. License No.: БЕ/Т No. 50162 БЭ**

The date of the license issuance: *13/01/2003*

License validity period: *01/11/2022*

Basis for licensing: *The license was granted on the basis of the "Application" and licensing documents submitted by OJSC Stoilensky GOK.*

Description of the subsoil area given for usage:

*Stoilenskiy iron ore deposit contains drainage groundwater reserves. Drainage groundwater reserves of Stoilensk deposit were approved according to Turonian Maastricht, Alb-Senoman aquifers and Archean Proterozoic aquifer system in the amount of 126.7 thousand m<sup>3</sup> /day under the category A+B (Minutes No. 1291 of GKZ dd. November 24, 2006). Turonian Maastricht aquifer is associated with the top fractured weathering zone of marl-chalk stratum with 60-90 meters depth of the same age. The aquifer is free-flow, static level is at 25-50 meters depth. The aquifer around the quarry is completely drained. Alb-Senoman aquifer is associated with 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 aquifer is free-flow, occurrence depth is 63-94 m. The decrease of groundwater level in the area of drained contour is 40-45 meters. Archean Proterozoic aquifer system with 150 m capacity is associated with the fractured area of crystalline rock at the depth of 120-140 meters. The aquifer is under pressure, piezometric level is at the depth of 75-100 meters, the aquifer within the quarry is drained.*

License type: *The license grants the right to extract drainage groundwater in order to dewater the quarry of Stoilensk ferruginous quartzite deposit*

Main provisions of the license with regard to the subsoil user's liabilities, with indication of deadlines for performance of these liabilities:

*Main liabilities of a subsoil user: 1) To regularly monitor water level in observation wells. 2) To control water quality as per the "Program of potable water quality industrial control " in line with the requirements of Sanitary Regulations & Standards 2.1.4.1074-01. 3) To submit the report in form 2-ТII (water management) to Main Department of Natural Resources in the Belgorod region on the annual basis. 4) To submit quarterly and annual reports on geoeological groundwater monitoring to Public Enterprise "Belgorodgeomonitoring".*

Mandatory payments to be effected by the subsoil user as per the terms and conditions of the license: *According to the license terms and conditions OJSC Stoilensky 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 within validity period of the license.*

The discharge of obligations arising from the licenses by the Issuer, its subsidiaries and affiliates, as well as any factors that can affect the discharge of the license obligations, with possibility of their occurrence:

*The obligations ensuing from the license are duly discharged by the Company. There are no factors that can affect the Company's discharge of obligations ensuing from the license.*

**b) Mineral resources processing**

Description of the main processing equipment:

*1. The equipment used for extraction and processing of fluxing limestone in the Sokol-Sitovka deposit: crushing and mineral processing equipment, excavating machinery, BELAZ trucks, drilling rigs, bulldozers, locomotives.*

*2. For the extraction of dolomite in the Bigildin and Prikaryerny areas of the Dankov dolomite deposit, electric full-rotary excavators manufactured by UZTM of ЭКГ-5А, ЭКГ-4,6Б and ЭКГ-5АУ type with 5 m<sup>3</sup>, 4.6 m<sup>3</sup> and 5.2 m<sup>3</sup> bucket capacity respectively and max. digging height of 10.3 m which corresponds to the height of the bench and overburden bench capacity are used. Drill works are done by roller-bit drilling rig of СБШ – 250МН type. Well diameter is 250 mm at drilling depth of 10-12 meters. Ore is crushed by jaw crushers with simple movement of ШДП 9х12 and ШДП 15х21 jaw with receiving opening of 900 mm x 1200 mm and 1500 mm x 2100 mm respectively and production capacity of 180 m<sup>3</sup>/h and 550 m<sup>3</sup>/h respectively. The material is additionally crushed in КСД –1750ГР and КСД –2200ГР cone medium crushers of 200 m<sup>3</sup>/h and 500 m<sup>3</sup>/h capacity respectively. Material is separated by fractions with the help of vibrating screens of ГЛ /ГуЛ/, ГЛ /ГуС/, ГЛ /ГуТ/, ГЛ /ГВН/ 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 the main production lines, i.e. jaw and cone crushers.*

3. Stoilenskiy iron ore deposit is excavated by the open-pit method: by a network of trenches. The excavation system involves external dumping. The open-pit mine depth is 375 m. Loose deposits are being exploited by rotor complex and cyclic excavators. Rock stripping, high grade ore and ferruginous quartzites are extracted by cyclic excavators with preliminary opening by drilling-and-blasting operations. Run-of-mine is taken out of the quarry by trucks, railway transport and conveyor transport.

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, three stages of milling, magnetic separation, desludging, dehydration of concentrate on vacuum filters. Hydrotransportation of mill tailings is forced/gravity-flowing type. Water recycling is used.

The following equipment is used:

3.1. Mining operations:

- drilling rigs СБШ 250 МНА-32; СБШ 270/311КП;
- cyclic excavators ЭКГ-15М, ЭКГ-12К, ЭКГ-10И, ЭКГ-10Р, ЭКГ-8И, ЭКГ-8УС, ЭКГ-4У, 5У, ЭШ10/70, ЭШ6.5/45;
- rotor complex KU-800.

3.2. Transportation of run-of-mine:

- dump trucks BELAZ 75131, 7555, CAT 773E; - electric locomotives ОПЭ-1, ОПЭ-1АМ, НП-1;
- locomotives ТЭМ-2, ТЭМ-7А, ТЭМ-18;
- dump cars 2BC-105;
- mobile conveyor as a part of rotor complex KU-800.

3.3. Crushing and mineral processing equipment:

- crushers – ШДП 2100/1500, ДМРиЭ14,5/13-1000, ДМР 17/14,5, ККД 1500/180, КСД 3000Т, КСД 2200, КМД 3000Т2-ДП, КМД 2200, Hydrocone CH880, CH890, CH895 (SANDVIK);
- screens ГИСТ-72, ГИТ-52Н, ГИТ-53, LF 3060D, ГСТ-82;
- Steck Sizer fine screens;
- high pressure grinding rollers 500/15-1000;
- mills МШЦУ 5,5х6,5, МШЦ 5,5х6,5;
- classifiers 2КСН 3,0х17,2;
- hydraulic cyclones ГЦ-650;
- separators ПБМ-П-120/300, ПБМ-П-150/200, ПБМ-ПП-150/200, ПБМ-ПП-120/300;
- desludgers МД-12;
- vacuum filters ДШ 100/2,5, ДТВО-100/2,58У, ДОО-100/2,5;
- process pumps ГРТ 1250/71, 350 ММС «Weir Minerals»;
- stationary, reverse, mobile belt conveyors.

4) Stoilensky drains groundwater through 245 draining rise wells and 6 filters drilled from 40.457 km long horizontal mine openings. Underground utility and drinking water intake includes 25 upward boreholes and a potable water supply pump station of shaft No. 3.

The Issuer, its subsidiaries and affiliates don't employ contractors for the processing of extracted minerals.

c) Product sales

Information on availability of permits issued by authorized governmental authorities for the sales of minerals and their derivative products, as well as quotas, including export ones:

1) Limestone from Sitovka area of the Sokol-Sitovka deposit can be used as raw material for production of the products conforming to the following requirements:

- CTO 00186855-040-2014 "Fluxing limestone. Technical specifications.";
- CTO 00186855-041-2014 "Industrial limestone for sugar industry. Technical Specifications";
- CTO 00186855-042-2014 "Crushed stone for construction. Technical Specifications";
- CTO 00186855-043-2015 "Limestone crushed. Technical Specifications";
- CTO 00186855-044-2014 "Screenings of fluxing limestone from beneficiation". Technical Specifications";
- CTO 00186855-045-2015 "Hypercrushed brick. Technical Specifications".

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

3) The permit of governmental authorities for the sales of sintering iron ore and iron-ore sintering concentrate is not required.

### 3.2.8. Additional information on the Issuers rendering communication services as a core activity

Rendering of communication services is not the Issuer's core activity.

### 3.3. The Issuer's future prospects

*There were no changes in the information relevant to this clause within the reporting quarter.*

### 3.4. The Issuer's participation in banking groups, banking holdings, holdings and associations

*There were no changes in the information relevant to this clause within the reporting quarter.*

### 3.5. Companies controlled by the Issuer that have major significance for the Issuer

Full company name: *Open Joint-Stock Company "Stoilensky Mining & Processing Plant"*

Abbreviated company name: *OJSC Stoilensky GOK*

Domicile

*Driveway 4, Fabrichnaya site, South-West industrial area, Stary Oskol, Belgorod region, Russia*

TIN: *3128011788*

OGRN: *1023102367750*

Grounds for the control exercised by the Issuer over the company controlled (interest in the company controlled by the Issuer, trust management contract making, conclusion of special partnership agreement, agency agreement, shareholder agreement, other agreement covering the exercise of rights certified by shares (interest) of the company controlled by the Issuer):

***Interest in the company controlled by the Issuer.***

Indicator of control exercised by the Issuer over the company: ***the right to dispose of over 50 percent of votes in the supreme management body of the company controlled by the Issuer***

Control type: ***direct control***

The Issuer's interest in the nominal capital of the controlled company: ***100%***

The share of the common stock owned by the Issuer: ***100%***

Interest of the controlled company in the Issuer's nominal capital: ***0%***

Share in the Issuer's common stock owned by the controlled company: ***0%***

Description of the company's core activity:

***Mining and beneficiation of iron ore and other mineral raw materials.***

The members of the company's Board of Directors (Supervisory Board)

***The Board of Directors (supervisory board) is not foreseen***

The company's single executive body

Full name:	Interest in the Issuer's nominal capital, %	Interest in the Issuer's common stock, %
Sergey A. Napolskikh	0	0

Members of the company's corporate executive body

***The corporate executive body is not foreseen***

Full company name: **Novex Trading (Swiss) S.A.**

Abbreviated company name: **Novex Trading (Swiss) S.A.**

Domicile

**2, Riva Paradiso, Palazzo Mantegazza, 6902 Lugano-Paradiso, Switzerland**

Grounds for the control exercised by the Issuer over the company controlled (interest in the company controlled by the Issuer, trust management contract making, conclusion of special partnership agreement, agency agreement, shareholder agreement, other agreement covering the exercise of rights certified by shares (interest) of the company controlled by the Issuer):

**Interest in the company controlled by the Issuer.**

Indicator of control exercised by the Issuer over the company: **the right to dispose of over 50 percent of votes in the supreme management body of the company controlled by the Issuer**

Control type: **indirect control**

all the companies controlled by the Issuer (a chain of companies under the Issuer's direct or indirect control), which are intermediate in the Issuer's indirect control over the company:

**1) NLMK exercises direct control over Limited Liability Company "NLMK Overseas Holdings" (domicile: Lipetsk 398040 Russia 2, Metallurgov sq., TIN 4823041480, OGRN 1114823002580).**

**2) Limited Liability Company "NLMK Overseas Holdings" exercises direct control over NLMK International B.V. (domicile: World Trade Center Amsterdam Strawinskylaan 1331, Tower B, 1077 XX Amsterdam, the Netherlands).**

**3) NLMK International B.V. exercises direct control over Novex Trading (Swiss) S.A.**

Interest of the controlled company in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the controlled company: **0%**

Description of the company's core activity:

**Metal products trade.**

Management bodies

Name of the management body: **Board of Directors**

Full name:	Interest in the Issuer's nominal capital, %	Interest in the Issuer's common stock, %
Alexander V. Kozlov	0	0
Giovanni Zukkolotto	0	0

Name of the management body: **Collective executive body**

Full name:	Interest in the Issuer's nominal capital, %	Interest in the Issuer's common stock, %
Andrey V. Mamyshev	0	0
Nicolo Bisconti	0	0

Full company name: **NLMK Pennsylvania LLC**

Abbreviated company name: **NLMK Pennsylvania LLC**

Domicile

**USA, 15 Roemer Blvd. Farrell, PA 16121**

Grounds for the control exercised by the Issuer over the company controlled (interest in the company controlled by

the Issuer, trust management contract making, conclusion of special partnership agreement, agency agreement, shareholder agreement, other agreement covering the exercise of rights certified by shares (interest) of the company controlled by the Issuer):

***Interest in the company controlled by the Issuer.***

Indicator of control exercised by the Issuer over the company: ***the right to dispose of over 50 percent of votes in the supreme management body of the company controlled by the Issuer***

Control type: ***indirect control***

all the companies controlled by the Issuer (a chain of companies under the Issuer's direct or indirect control), which are intermediate in the Issuer's indirect control over the company:

***1) NLMK exercises direct control over Limited Liability Company "NLMK Overseas Holdings" (domicile: Lipetsk 398040 Russia 2, Metallurgov sq., TIN 4823041480, OGRN 1114823002580).***

***2) Limited Liability Company "NLMK Overseas Holdings" exercises direct control over Top Gun Investment Corp. II (domicile: 32 West Loockerman Street, Suite 201, City of Dover, County of Kent 19904, State of Delaware, USA).***

***3) Top Gun Investment Corp. II exercises direct control over NLMK Pennsylvania LLC***

Interest of the controlled company in the Issuer's nominal capital: ***0%***

Share in the Issuer's common stock owned by the controlled company: ***0%***

Description of the company's core activity:

***Steel-making.***

Management bodies

Name of the management body: ***Board of Directors***

Full name:	Interest in the Issuer's nominal capital, %	Interest in the Issuer's common stock, %
Oleg V. Bagrin	0	0
Anton I. Batyrev	0	0

Name of the management body: ***Single executive body***

Full name:	Interest in the Issuer's nominal capital, %	Interest in the Issuer's common stock, %
Robert Miller	0	0

Name of the management body: ***Collective executive body***

Full name:	Interest in the Issuer's nominal capital, %	Interest in the Issuer's common stock, %
Oleg V. Bagrin	0	0
Robert Miller	0	0
Corine Grossetti	0	0
Kimberly Krantsevich	0	0

Full company name: **Limited Liability Company “NLMK-Kaluga”**

Abbreviated company name: **LLC NLMK-Kaluga**

Domicile

**20, Lyskina Str., village of Vorsino, Borovsky district, Kaluga region, 249020 Russia**

TIN: **4003033040**

OGRN: **1124025005873**

Grounds for the control exercised by the Issuer over the company controlled (interest in the company controlled by the Issuer, trust management contract making, conclusion of special partnership agreement, agency agreement, shareholder agreement, other agreement covering the exercise of rights certified by shares (interest) of the company controlled by the Issuer):

**Interest in the company controlled by the Issuer.**

Indicator of control exercised by the Issuer over the company: **the right to dispose of over 50 percent of votes in the supreme management body of the company controlled by the Issuer**

Control type: **direct control**

The Issuer's interest in the nominal capital of the controlled company: **100%**

Interest of the controlled company in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the controlled company: **0%**

Description of the company's core activity:

**Production of steel, semi-finished products (semis) for rerolling, hot-rolled steel flats as well as forged flats, cold-rolled steel flats, uncoated and with protective coatings.**

The members of the company's Board of Directors (Supervisory Board)

**The Board of Directors (supervisory board) is not foreseen/**

The company's single executive body

Full name:	Interest in the Issuer's nominal capital, %	Interest in the Issuer's common stock, %
Sergey V. Shalyaev	0	0

Members of the company's corporate executive body

**The corporate executive body is not foreseen.**

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

As of 30.09.2016

Unit of measurement: **RUB**

Description of fixed assets group	Initial (replacement) value	Accumulated amortization
Buildings*	28,744,517,762	8,874,393,397
Structures*	30,970,895,012	13,610,328,052
Machinery and equipment	142,402,768,444	79,435,981,216



Vehicles	3,668,233,161	2,100,730,584
Industrial, household tools	215,060,020	166,967,099
Perennial plants	1,370,647	424,511
Other fixed assets	2,954,602	386,967
Plots of land	1,052,339,148	0
<b>TOTAL</b>	<b>207,058,138,796</b>	<b>104,189,211,826</b>

Information on methods of depreciation charges accrual, split up by fixed assets groups:

*Fixed assets items are depreciated by straight-line method based on their initial (replacement) cost and norms of depreciation rates, calculated on the basis of their useful life. Useful life of fixed assets is determined by Committees appointed by orders of managers of the Company's subdivisions according to Classification No. 1 approved by Provision of the RF Government dd. 01.01.2002.*

*Accrual of depreciation is suspended if fixed assets items are put to conservation for a 3-month period or longer upon the decision of the Company's authorized person, as well as during the period of items reconstruction lasting for over 12 months.*

*Note:*

*\* - the value of real estate that is being registered as of 30/09/2016 was also accounted for – RUB 3,660,749,057, accrued amortization – RUB 435,041,808.*

Reporting date: **30.09.2016**

Results of the latest fixed assets and long-term leased fixed assets revaluation performed in the course of the latest completed fiscal year, with indication of revaluation date, full and residual (net of depreciation) book value of fixed assets before revaluation both full and residual (net of amortization) replacement value of fixed assets considering this revaluation. The specified information is presented split up by fixed assets items groups. Information on methods of depreciation charges accrual, split up by fixed assets items groups.

***Fixed assets were not revaluated within the specified period***

Information on plans related to acquisition, replacement, retirement of fixed assets, the value of which constitutes 10 percent and more of the total assets value, and other fixed assets at the Issuer's discretion, as well as information on all events of the Issuer's fixed assets encumbrance (with indication of the encumbrance type, the date of its occurrence, its validity and other conditions at the Issuer's discretion):

***Plans on acquisition, replacement, retirement of fixed assets, the value of which constitutes 10 percent and more of the Issuer's total assets value:***

***In Q4 2016 NLMK does not plan to acquire, replace or retire fixed assets, the value of which constitutes 10 percent and more of the fixed assets value.***

***Information on fixed assets encumbrance as of the date of the reporting period end:***

***Encumbered assets: fixed assets of NLMK (real estate, machinery and equipment, vehicles, furniture, office equipment, commercial equipment, sports equipment), original cost of which amounts to RUB 2,331,387,597.***

***Encumbrance type: leased and handed over for free temporary use***

***Date of encumbrance: starting from the handover date***

***Validity of charging: up to one year under agreements***

***Other terms of encumbrance: none.***

## Section IV. Information on the Issuer's business performance

### 4.1. Issuer's business performance

Dynamics of indicators characterizing the Issuer's business performance including its profitability and unprofitability calculated on the basis of accounting (financial) statements data.

The standard (rules) according to which the accounting (financial) statements have been prepared, used as a base for calculations: **RAS**

Unit of measurement for the uncovered loss: **RUB thou.**

Indicator description	2015, 9 months	2016, 9 months
Net profit margin, %	19.3	17
Asset turnover ratio, times	0.63	0.6
Return on assets, %	12.3	10.3
Return on equity, %	19.4	17.1
Uncovered loss as of the reporting date	0	0
Ratio of the uncovered loss as of the reporting date and assets book value, %	0	0

#### Notes:

1. Indicator "Asset turnover ratio, times" = Sales revenue / ((Assets as of the beginning of the year + Assets as of the end of the year) / 2). Assets value corresponds to the data of "Balance sheet" accounting (financial) statements form (form as per OKUD 0710001);

2. Indicator "Return on assets, %" = Net profit / ((Assets as of the beginning of the year + Assets as of the end of the year) / 2).

3. "Return on equity, %" indicator = Net profits / ((Equity as of the beginning of the year + Equity as of the end of the year) / 2), where Equity = Capital and reserves + Deferred income;

4. "Asset turnover ratio, times", "Return on assets, %", and "Return on equity, %" indicators for 9 months of 2015 and 9 months of 2016 are given on the basis of additional calculation up to annual values.

Economic analysis of the Issuer's profitability/unprofitability, based on the dynamics of specified indicators, as well as reasons that, in the opinion of management bodies, resulted in losses/profits of the Issuer, reflected in accounting (financial) statements:

#### **Net profit margin.**

**For 9 months of 2016 NLMK's net profit margin decreased to 17.0% (vs. 19.3% for 9 months 2015). Increased production cost of the products against less significant growth of revenues from their sales has led to a decrease in sales profit for 9 months of 2016, which was the main factor for decline in net profit vs. the level of January-September of 2015.**

#### **Asset turnover ratio.**

**Asset turnover ratio for 9 months 2016 was at the level of the previous year and made 0.6.**

#### **ROA and ROE.**

**In the analysed period return on assets decreased down to 10.3%, return on equity – to 17.1% due to decrease in net profit.**

The opinions of the Issuer's management bodies about the reasons or the degree of their influence on the Issuer's business performance do not coincide: **No**

Member of Board of Directors (Supervisory Board) or a collective executive body of the Issuer has a dissenting opinion on the above reasons and/or the degree of their influence on the Issuer's performance indicators, reflected in Minutes of Meeting of the Issuer's Board of Directors (Supervisory Board) or a collective executive body where the

relevant issues were discussed, and such member insists on reflecting such opinion in the quarterly report: *No*

## 4.2. The Issuer's liquidity, sufficiency of equity and current assets

Dynamics of indicators characterizing the Issuer's liquidity calculated on the basis of information contained in accounting (financial) statements

The standard (rules) according to which the accounting (financial) statements have been prepared, used as a base for calculations: **RAS**

Unit of measurement for 'net working capital' indicator: **RUB thou.**

Indicator description	2015, 9 months	2016, 9 months
Net working capital	150,586,077	197,050,573
Current ratio	2.7	3.6
Quick ratio	2.3	3.1
Equity capital autonomy ratio	0.64	0.62

Upon discretion of the Issuer, additionally the dynamics of indicators characterizing the Issuer's liquidity, calculated on the basis of consolidated accounting (financial) statements of the Issuer included in the quarterly report can be specified: *No*

### *Indicator calculation methods:*

- 1. Net working capital = (current assets – other current assets) – (short-term liabilities – deferred income);*
- 2. Current ratio (CR) = (current assets – other current assets) / (short-term liabilities – deferred income);*
- 3. Quick ratio (QR) = (current assets – other current assets – inventories) / (short-term liabilities – deferred income);*
- 4. Equity-assets ratio = (equity + deferred income) / total assets.*

All indicators calculated on the basis of recommended calculation procedures: *No*

Economic analysis of the Issuer's liquidity and financial solvency, sufficiency of the Issuer's equity for the short-term liabilities performance and current operational expenses covering on the basis of economic analysis of the above indicators dynamics describing the factors which according to the Issuer's management bodies had the most significant impact on the Issuer's liquidity and financial solvency:

### *Net working capital.*

*Within 9 months of 2016 net working capital value grew by 31% as compared to the level of 9 months of 2015.*

### *Current ratio and quick ratio.*

*As of 30.09.2016 the current ratio and quick ratio were higher than the respective ratios as of 30.09.2015 (3.6 and 3.1 vs. 2.7 and 2.3, respectively), current assets and current liabilities ratio remains at the quite high level. The existing ratios correspond to recommended norms (Cr>2 and Qr>1). Furthermore, the quick ratio attests to the Company's ability to completely repay its short-term liabilities without sales of inventories.*

### *Equity capital autonomy factor.*

*This factor stands for the nominal capital share in the assets and characterizes the degree of the Issuer's financial independence from creditors. The financial independence indicator as of 30.09.2016 is high and allows the Issuer to feel confident.*

The opinions of the Issuer's management bodies about the reasons or the degree of their influence on the Issuer's business performance do not coincide: *No*

Member of Board of Directors (Supervisory Board) or a collective executive body of the Issuer has a dissenting opinion on the above reasons and/or the degree of their influence on the Issuer's performance indicators, reflected in Minutes of Meeting of the Issuer's Board of Directors (Supervisory Board) or a collective executive body where the

relevant issues were discussed, and such member insists on reflecting such opinion in the quarterly report: *No*

#### 4.3. The Issuer's financial investments

As of 30.09.2016

The Issuer's financial investments accounting for 5% and more of all its financial investments as of the date of the reporting period closure

Investments in issue-grade securities

Kind of securities: *shares*

Full name of the Issuer: *Joint-Stock Company "Stoilensky GOK"*

Abbreviated name of the Issuer: *JSC Stoilensky GOK*

Domicile of the Issuer: *Driveway 4, Fabrichnaya site, South-West industrial area, Stary Oskol, Belgorod region, Russia*

TIN: *3128011788*

OGRN: *1023102367750*

Date of the issue (issues) state registration:	Registration number	Registering authority
12.08.2010	1-02-00154-A	FFMS of Russia

Quantity of securities owned by the Issuer: *283,121*

Total par value of securities owned by the Issuer: *RUB 3,114,331 x 1*

Total balance-sheet value of securities owned by the Issuer: *21,196,293,253*

Unit of measurement: *RUB*

*The Issuer of securities is a subsidiary and (or) affiliated company with respect to the Issuer, who has drawn this quarterly report.*

*Dividends on common stock declared in 2016 upon 2015 performance, payment period: NLMK, being the sole shareholder of JSC Stoilensky GOK, takes the decision on distribution of the Company's net profit at its sole discretion. On 26.04.2016 the sole shareholder of JSC Stoilensky GOK made the following decision: "Declare dividends for 2015 upon issued common stock of JSC Stoilensky GOK in cash in the amount of RUB 60,045 (Sixty thousand and forty five rubles) per one common share. Taking into account the interim dividend payment made in the amount of RUB 60,045 (Sixty thousand and forty five rubles) per one common share, no additional dividend payment shall be made. Profit that is not spent on dividend payments shall remain at JSC Stoilensky GOK's disposal."*

The amount of fixed percentage or other yield on the bonds and other debt issue-grade securities or the procedure to define it, payment deadline;

the amount of dividend on preferred shares or the procedure to define it when it is defined in the charter of a issuing joint-stock company, payment deadline;

the amount of declared dividend on common shares (if there is no data on the amount of the declared dividend on common shares in the current year - specify the amount of the dividend declared in the previous year)?  
payment deadline;

Additional information:

*none*

Kind of securities: *shares*  
 Full name of the Issuer: *Joint-Stock Company "Altai-Koks"*  
 Abbreviated name of the Issuer: *JSC "Altai-Koks"*  
 Domicile of the Issuer: *2, ul. Pritayezhnaya, Zarinsk, Altai Territory, 659107 Russia*  
 TIN: *2205001753*  
 OGRN: *1022200704712*

Date of the issue (issues) state registration:	Registration number	Registering authority
14.09.2010	1-02-10134-F	Regional Branch of Federal Financial Markets Service of Russia in Siberian Federal District

Quantity of securities owned by the Issuer: *123,519,729*  
 Total par value of securities owned by the Issuer: *RUB 988,157,832 x 1*  
 Total balance-sheet value of securities owned by the Issuer: *18,477,301,896*  
 Unit of measurement: *RUB*

*The Issuer of securities is a subsidiary and (or) affiliated company with respect to the Issuer, who has drawn this quarterly report.*

*Dividends on common stock declared in 2016 upon 2015 performance, payment period: NLMK, being the sole shareholder of JSC Altai-Koks, takes the decision on distribution of the Company's net profit at its sole discretion. On 26.04.2016 the sole shareholder of JSC Altai-Koks made the following decision: "Declare dividends for 2015 on issued common stock of JSC Altai-Koks in cash in the amount of RUB 42 (Forty two rubles) and 11 kopecks per common share. Taking into account the interim dividend payment made in the amount of RUB 26 (Twenty six rubles) and 73 kopecks per common share, make an additional payment of RUB 15 (Fifteen rubles) and 38 kopecks per common share from the retained profit of JSC Altai-Koks of previous years. Set the date of determining the list of persons entitled to dividends as May 10, 2016. Profit that is not spent on dividend payments shall remain at JSC Altai-Koks's disposal.*

*Dividends on common stock declared in 2016 upon H1 2016 performance, the payment period: On 26.08.2016 NLMK, the sole shareholder of JSC Altai-Koks, made the decision: "Pay dividends for H1 2016 upon issued common shares of JSC "Altai-Koks" in cash in the amount of RUB 8.10 (Eight, 10/100 Rubles) per common share. To set the date of determining the list of persons entitled to dividends on September 6, 2016."*

The amount of fixed percentage or other yield on the bonds and other debt issue-grade securities or the procedure to define it, payment deadline;  
 the amount of dividend on preferred shares or the procedure to define it when it is defined in the charter of a issuing joint-stock company, payment deadline;  
 the amount of declared dividend on common shares (if there is no data on the amount of the declared dividend on common shares in the current year - specify the amount of the dividend declared in the previous year)?  
 payment deadline;

Additional information:  
*none*

Investments in non-issue-grade securities

*There were no investments into non-issue-grade securities covering 5 or more per cent of all financial investments.*

Other financial investments

***Financial investment is an interest in the nominal (reserve) capital***

Full name of the business entity, where the Issuer has an interest in the nominal (reserve) capital (unit fund):

***Limited Liability Company "NLMK Overseas Holdings"***

Abbreviated company name: ***LLC "NLMK Overseas Holdings"***

Domicile: ***Lipetsk, Russia***

TIN: ***4823041480***

OGRN: ***1114823002580***

The investment amount in monetary terms: ***57,764,771,519***

Unit of measurement: ***RUB***

The investment percentage of the nominal (reserve) capital (unit fund): ***100***

Level of income from the interest subject or the procedure of its determination, payment period:

***NLMK, being the sole owner of LLC "NLMK Overseas Holdings", takes the decision on distribution of the Company's net profit at its sole discretion. On 26.04.2016 the sole owner of LLC "NLMK Overseas Holdings" made the following decision: "Net profit of LLC "NLMK Overseas Holdings" for 2015 shall not be distributed. (It shall remain at LLC "NLMK Overseas Holdings"'s disposal)."***

Additional information:

***none***

***Financial investment is an interest in the nominal (reserve) capital***

Full name of the business entity, where the Issuer has an interest in the nominal (reserve) capital (unit fund):

***Limited Liability Company "VIZ-Steel"***

Abbreviated company name: ***"VIZ-Steel" Ltd.***

Domicile: ***28, ul. Kirova, Yekaterinburg 620219 Russia***

TIN: ***6658084667***

OGRN: ***1026602312923***

The investment amount in monetary terms: ***404,199,518.59***

Unit of measurement: ***RUB***

The investment percentage of the nominal (reserve) capital (unit fund): ***100***

Level of income from the interest subject or the procedure of its determination, payment period:

***NLMK, being the sole owner of "VIZ-Steel" Ltd., takes the decision on distribution of the Company's net profit at its sole discretion.***

***On 26.04.2016 the sole owner of "VIZ-Steel" Ltd. made the following decision: Distribute the 2015 net profit of "VIZ-Steel" Ltd. in the amount of RUB 5,600,000,000 (Five billion six hundred million rubles) to the sole stockholder of "VIZ-Steel" Ltd. Taking into account the interim distribution of net profit of "VIZ-Steel" Ltd. in the amount of RUB 1,600,000,000 (One billion six hundred million rubles), distribute the retained profit of "VIZ-Steel" Ltd. of previous years in cash in the amount of RUB 4,000,000,000 (Four billion rubles) to the sole stockholder of "VIZ-Steel" Ltd. The profits not distributed to the sole stockholder of "VIZ-Steel" Ltd. shall remain at the disposal of "VIZ-Steel" Ltd.***

***On 26.04.2016 the sole owner of "VIZ-Steel" Ltd. made the following decision: "Distribute a part of net profit of "VIZ-Steel" Ltd. for H1 2016 in cash in the amount of RUB 2,400,000,000 (Two billion four hundred million Rubles) to the sole stockholder of "VIZ-Steel" Ltd."***

Additional information:

***none***

***Financial investment is an interest in the nominal (reserve) capital***

Full name of the business entity, where the Issuer has an interest in the nominal (reserve) capital (unit fund):

***Limited Liability Company "NLMK Kaluga"***

Abbreviated company name: **NLMK Kaluga**

Domicile: **20, Lyskina Str., Vorsino Village, Borovsky district, Kaluga region, 249020 Russia**

TIN: **4003033040**

OGRN: **1124025005873**

The investment amount in monetary terms: **30,000,000,000**

Unit of measurement: **RUB**

The investment percentage of the nominal (reserve) capital (unit fund): **100**

Level of income from the interest subject or the procedure of its determination, payment period:

**NLMK, being the sole owner of NLMK-Kaluga, takes the decision on distribution of the Company's net profit at its sole discretion. On 26.04.2016 the sole owner of NLMK-Kaluga made the following decision: "Net profit of NLMK-Kaluga for 2015 shall not be distributed (it shall remain at NLMK-Kaluga's disposal)."**

Additional information:

**none**

**Financial investment is an interest in the nominal (reserve) capital**

Full name of the business entity, where the Issuer has an interest in the nominal (reserve) capital (unit fund):

**Limited Liability Company "Uralvtorchermet"**

Abbreviated company name: **LLC Uralvtorchermet**

Domicile: **office 501, 3, Novinskaya Str., Yekaterinburg, Sverdlovsk region 620024 Russia**

TIN: **6679065866**

OGRN: **1156679002391**

The investment amount in monetary terms: **12,899,000,000**

Unit of measurement: **RUB**

The investment percentage of the nominal (reserve) capital (unit fund): **100**

Level of income from the interest subject or the procedure of its determination, payment period:

**NLMK, being the sole owner of LLC Uralvtorchermet, takes the decision on distribution of the Company's net profit at its sole discretion. On 26.04.2016 the sole owner of LLC Uralvtorchermet made the following decision: "Net profit of LLC Uralvtorchermet for 2015 shall not be distributed (it shall remain at LLC Uralvtorchermet's disposal)."**

Additional information:

**none**

Information on the amount of potential losses caused by insolvency of companies (enterprises), which the Company invested in, split by investment types:

**No such investments.**

Information on losses is provided in the Issuer's assessment of financial investments, accounted over the period from the reporting year opening to the last reporting quarter closure.

Accounting standards (rules) used to make calculations that are included in this clause of the quarterly report:

**Financial investments are accounted by NLMK on the basis of Provision on accounting "Accounting of financial investments" RAS 19/02, approved by Order of the RF Ministry of Finance No. 126н dd. 10.12.2002, as well as by Provision on accounting policy of NLMK for book-keeping accounting approved by Order of the Company No. 1057 dd. 15.12.2015 "On accounting policies of NLMK for the purposes of bookkeeping and taxation", as amended by NLMK's Order dd. 19.02.2016 No. 135 "On amendments and additions to Order dd. 15.12.2015 No. 1057 "On accounting policies of NLMK for the purposes of bookkeeping and taxation".**

#### 4.4. Intangible assets of the Issuer

As of 30.09.2016

Unit of measurement: **RUB**

Description of intangible assets group	Initial (replacement) value	Accumulated amortization
Sole rights for PC applications and databases	123,721,247	109,319,067
Sole rights for inventions, utility models and industrial designs	26,468,655	8,923,436
Sole rights for trademarks and service marks	601,519	476,853
Sole rights for artwork, science work, literature publications	2,073,065	2,071,283
Other rights	25,000	25,000
Deferred expenses related to software acquisition (at the warehouse)	14,505,692	0
Deferred expenses related to software acquisition (in operation)	648,403,076	0
TOTAL	815,798,254	120,815,639

Accounting standards (rules) used by the Issuer to present information on its intangible assets:

*Information on intangible assets of the Company is prepared and reflected in financial statements in accordance with the Provision on accounting "Accounting of intangible assets" RAS 14/2007, approved by Order of the RF Ministry of Finance No. 153n dd. 27.12.2007 as well as by Provision on accounting policy of NLMK approved by Order of NLMK No. 1057 dd. 15.12.2015 "On accounting policies of NLMK for the purposes of bookkeeping and taxation", as amended and supplemented by Order dd. 19.02.2016 No. 135 "On amendments and additions to Order dd. 15.12.2015 No. 985 "On accounting policies of NLMK for the purposes of bookkeeping and taxation".*

Reporting date: 30.09.2016

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

*NLMK's policy in the field of technological progress in the reporting period has been governed by its quality management policy.*

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

*List of patents for inventions and useful models received during 9 months 2016 is given in the Table.*

**List of patents for inventions received during 9 months 2016.**

No. of item	Description of invention	Issue date of the patent	Validity of patent
1.	<i>Method of production of anisotropic electrical steel with a high set of magnetic properties</i>	<i>13.01.2016</i>	<i>20 years</i>
2.	<i>Method of adjusting strip thickness at the cold-rolling reversing mill</i>	<i>01.03.2016</i>	<i>20 years</i>
3.	<i>Method of blast furnace tuyere preparation for operation</i>	<i>10.08.2016</i>	<i>20 years</i>



**List of Certificates for trademarks of NLMK**  
valid as of 30/09/2016

<b>Item #</b>	<b>Description of trademark</b>	<b>Issue date of the certificate</b>	<b>Validity period of the certificate</b>
1.	<i>Pictorial trademark</i>	<i>20.04.1975</i>	<i>till 14.10.2024</i>
2.	<i>Trademark “STINOL”</i>	<i>17.06.1991</i>	<i>till 11.10.2020</i>
3.	<i>Pictorial trademark</i>	<i>17.06.1991</i>	<i>till 11.10.2020</i>
4.	<i>Trademark “STINOL”</i>	<i>16.10.1992</i>	<i>till 20.12.2021</i>
5.	<i>Pictorial trademark</i>	<i>16.10.1992</i>	<i>till 20.12.2021</i>
6.	<i>Trademark “STINOL”</i>	<i>07.05.1999</i>	<i>till 17.06.2017</i>
7.	<i>Pictorial trademark</i>	<i>16.10.1998</i>	<i>till 17.06.2017</i>
8.	<i>Trademark “STINOL”</i>	<i>13.07.2001</i>	<i>till 03.04.2020</i>
9.	<i>Trademark “СТИХОЛ”</i>	<i>13.07.2001</i>	<i>till 17.04.2020</i>
10.	<i>Pictorial trademark</i>	<i>27.05.2002</i>	<i>till 03.04.2020</i>
11.	<i>Trademark “СТИХОЛ”</i>	<i>04.10.2002</i>	<i>till 11.08.2020</i>
12.	<i>Trademark “STINOL”</i>	<i>17.06.2003</i>	<i>till 11.08.2020</i>
13.	<i>Trademark “LIPSTAL”</i>	<i>06.08.2002</i>	<i>till 24.10.2020</i>
14.	<i>Trademark “ЛИПМЕТ”</i>	<i>17.09.2002</i>	<i>till 23.10.2020</i>
15.	<i>Trademark “ЛИПСТАЛЬ”</i>	<i>20.09.2002</i>	<i>till 24.10.2020</i>
16.	<i>Trademark “NOVOLIP”</i>	<i>02.10.2002</i>	<i>till 30.10.2020</i>
17.	<i>Trademark “НОВОЛИП”</i>	<i>02.10.2002</i>	<i>till 30.10.2020</i>
18.	<i>Trademark “LIPMET”</i>	<i>22.11.2002</i>	<i>till 24.10.2020</i>
19.	<i>Trademark “НОВОМЕТ”</i>	<i>05.07.2004</i>	<i>till 30.10.2020</i>
20.	<i>Trademark “NOVOMET”</i>	<i>05.07.2004</i>	<i>till 30.10.2020</i>
21.	<i>Trademark “НЛМК”</i>	<i>19.07.2005</i>	<i>till 18.03.2024</i>
22.	<i>Trademark “NLMK”</i>	<i>20.12.2005</i>	<i>till 18.03.2024</i>

*Constant control over prompt payment of all patent fees for inventions and utility models, over prolongation of trade mark registration validity is the course aimed at prevention of forfeiture of NLMK’s rights for intellectual property.*

*R&D and Design & Experimental costs financed by NLMK's own funds within 9 months of 2016 accounted for RUB 5,705 thousand, including expenses for obtaining of patents and licenses for application of trade marks in the amount of RUB 2,464 thousand.*

#### 4.6. Analysis of development trends in the Issuer's core business

*World steel production within 9 months 2016 amounted to 1,197.2 million tons (-0.5% YOY).<sup>3</sup> The largest decrease in steel-making was in Africa (-11.6% YOY), South America (-11.4%), the EU (-4.8%). In North America steel-making reduced by 1.4%, in the Middle East – by -0.8%. In Asia steel-making grew by 0.6%.*

*The global net apparent consumption of flats in the reporting period went down by 3.3% vs. Q2 2016.<sup>4</sup> Decline in consumption was noted in Asia (-4.9% to Q2), in North America (-0.3%), in EC countries market (-5.3%) and in Middle East (-3.8%).*

*Steel production in Russia in January-September 2016 decreased by 1.3% YOY to 51.9 mt <sup>5</sup> Production of ferrous metal flats made 44.9 mt (-1.5%).*

Products	2011	2012	2013	2014	2015	9 months 2016	changed vs. 9 months '15
pig iron	48.0	50.5	50.0	51.4	53.7	38.8	-0,9%
steel	68.2	70.4	68.8	70.6	69.4	51.9	-1.3%
finished flats	59.5	58.9	59.2	61.2	60.3	44.9	-1.5%

*Source: Rosstat.*

*In Q3 2016 Russian export of metal products (including slabs and square billets) increased by 10.8% YOY to 6.95 m t. <sup>6</sup>*

*Import of ferrous metals flats in Russia also decreased by 12% YOY during the reporting period and reached 1.15 million tons.*

*The apparent consumption of ferrous metals flats in the Q3 2016 reduced by 14.3% YOY, including consumption of flat products - by 17.2%, long products - by 10.8%.*

*Prices index of steel manufacturers and finished steel goods manufacturers in January-September of 2016 made 106.7% YOY.<sup>7</sup>*

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

*Main factors that can significantly influence the activity and financial results of the Company:*

##### **Change in domestic steel market demand**

*Apparent steel consumption in the Russian market in Q3 2016 reduced as compared to the similar period of the last year against the background of stock consumption by steel service companies created in the period of active growth of prices in Q2 2016.*

*The key steel-consuming industries were noticed as having a variety of trends Manufacture of machinery and equipment in January-September 2016 increased by 3.7% due to production growth of agricultural machinery and household appliances, at the same time, the production of passenger cars decreased by 11.8% Construction works in 9 months 2016 decreased by 4.4% YOY. Commissioning of residential buildings decreased by 5.5% within 9 months 2016, however, in Q3 2016 the growth of commissioning by 1.8% was noted.*

*In Q4 2016 consumption of steel products is expected to be lower than in Q3 2016 due to seasonal demand slow-down in the construction sector.*

<sup>3</sup> Crude Steel Production. World Steel Association, 20 October 2016.

<sup>4</sup> CRU Steel Sheet Product Market Outlook, October 2016.

<sup>5</sup> Industrial production in H1 2016. Rosstat, October 2016.

<sup>6</sup> Metal Expert, October 2016.

<sup>7</sup> About price index of industrial product manufacturers in September 2016. Rosstat, October 2016.

### Change in export metal markets demand

*A variety of trends in demand for steel products depending on a region was observed in foreign markets in Q3 2016.*

*In China the steel demand grew by 5% as compared to Q3 2015, while the export shrank by 8%. Apparent consumption in the USA was at the same level as in the previous year and showed growth as compared to April-June 2016 only due to sustainable demand in the construction sector. EC demand in Q3 2016 was traditionally weak as compared to April-June 2016, however, it was higher than in similar period of the previous year. Sustainable demand for steel is maintained in the European automotive sector, sales of passenger cars increased by 7.2%<sup>8</sup> YOY within 9 months 2016.*

*In Q4 2016 some drop in flat products consumption over the previous quarter is expected due to weak seasonal demand.*

### Issuer's products price change

*In Q3 2016 a variety of steel price movements in the global markets was noted. For the period under review the prices in the USA dropped in average by 14% vs. the last year, in EC and China they grew by 7%. Prices for iron ore in the global market in Q3 2016 were 4% higher in average vs. Q2 2016. Global prices for coking coal were 42% higher in average than in April-June 2016<sup>9</sup>.*

*Export quotations of Russian slabs in the Black Sea region were 10% lower in average vs. Q2 2016, however, the significant growth was recorded in the middle of September. Export quotations for HR sheets in July–September 2016 went down by 13%<sup>10</sup> as compared to April-June 2016.*

*During Q3 2016 average prices of hot-rolled sheet flats manufacturers in Russian ruble equivalent increased by 3.3% vs. Q2, average prices of rebar manufacturers decreased by 5.1% vs. Q2 2016.*

*In the export markets prices are expected to stabilize at lower pressure from imports in Q4 2016.*

### Analysis of factors which influenced the change of sales proceeds, cost and profit (losses) from the Issuer's core operations

Indicator description	9 months of 2016 to 9 months of 2015
Dynamics of sales proceeds, %	+3%
Dynamics of cost of sales (incl. commercial and administrative expenses), %	+4%
Dynamics of profit from product sales, %	-2%

*The Issuer's sales proceeds mostly depend on the following factors: sales structure, prices for the products sold in sales markets, national currency exchange rate.*

*For 9 months 2016 values of NLMK's sales revenues increased by 3% against the respective period of 2015. Main factors driving higher NLMK revenues where steel product export share in tonnage is 64%: exchange rate*

<sup>8</sup> ACEA.

<sup>9</sup> Based on Bloomberg quotations.

<sup>10</sup> Based on Metal Bulletin quotations.

*growth (high impact) and change of the structure of steel products sold (low impact). At that decline in prices for steel products sold exerted negative influence.*

*Cost of products sold, including commercial and administrative expenses increased by 4% within 9 months 2016 against 9 months of 2015. Main factors driving that increase include: change in exchange rate (high impact), growth of railway tariff (low impact), and increase of labor costs (low impact).*

*As a result of the growth of production costs with less revenue from their sales the profit on sales decreased by 2%.*

#### **4.8. The Issuer's competitors**

*The main competitors of NLMK in the domestic market in Q3 2016 were:\**

- in the hot- and cold-rolled flats segment - MMK, Severstal and also suppliers from the Ukraine (Zaporozhstal, Mariupol Iron and Steel Plant named after Ilyich, Azovstal) and Kazakhstan (ArcelorMittal Temirtau);*
- in the galvanized flats segment – MMK, Severstal, Kashira plant of Pre-painted steel and also suppliers from Kazakhstan (ArcelorMittal Temirtau), China (Anhui Technology, Tianjin Xinyu Color Plate, Shandong Guanzhou), the Ukraine (Ilyich Mariupol Iron and Steel Plant ), South Korea (Hyundai Steel), Belgium (ArcelorMittal);*
- in the pre-painted flats segment – MMK, Severstal and also suppliers from China (Anshan Iron & Steel, Shandong Guanzhou, Donge Yike Panel, Dalian Posco), Belgium (ArcelorMittal), Kazakhstan (ArcelorMittal Temirtau), Vietnam (Nam Kim Steel Joint Stock Company), South Korea (Dongkuk Steel, Dongbu Incheon Steel, Posco);*
- in the NGO steel segment – Severstal.*

*The main competitors of NLMK in the foreign market were:*

- in the segment of commodity slabs - Evraz Group (NTMK and ZSMK), as well as suppliers from Ukraine (Azovstal, Alchevsk Iron and Steel Works), Brazil (ArcelorMittal Tubarao, Gerdau Acominas), Japan (JFE);*
- since the main sales markets of NLMK's hot-rolled and cold-rolled products are the EU countries and the Middle East, in these segments main competitors, along with local producers, are the providers from the EU, Ukraine, India, South Africa, Turkey and Asian countries, as well as from MMK, Severstal;*
- in the electrical steel flats segment – suppliers from China (Wuhan, Baosteel), South Korea (Posco), the EU (ThyssenKrupp, ArcelorMittal, Cogent Power, Stalprodukt), Japan (Nippon Steel, JFE Steel) and the USA (AK Steel, ATI Allegheny Ludlum).*

*Competitiveness factors of NLMK which have profound influence on competitiveness of the steel products produced:*

- a high level of vertical integration into low cost raw material;*
- highly efficient and revamped production facilities;*
- wide geography of production capacities;*
- high quality of steel products and price competitiveness;*
- high level of diversification of the product range;*
- access to the most efficient administrative and technical practices of foreign assets.*

*\*- Domestic market – based on the data from IA Metal Expert about domestic shipment of enterprises and import volumes in Russia. Foreign market – based on the export volumes of the respective products into markets where NLMK is available. Countries and suppliers are shown in the order of the volumes decreasing.*

## Section V. Detailed information on members of the Issuer's governing bodies, business operation control bodies, and brief data on the Issuer's employees

### 5.1. Information on structure and competence of the Issuer's governing bodies

*There were no changes in the information relevant to this clause within the reporting quarter.*

### 5.2. Information on members of the Issuer's governing bodies

#### 5.2.1. The Issuer's Board of Directors (Supervisory Board)

Full name: *Vladimir S. Lisin*  
(Chairman)

Year of birth: *1956*

Education:  
*post- graduate vocational*

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK	Chairman of the Board of Directors
2011	present time	Limited Liability Company "RUMELCO"	Chief Consultant
2011	present time	Limited Liability Company "RUMELCO"	Chairman of the Board of Directors
2011	2012	Academy of National Economy under the Government of the Russian Federation (Moscow)	Professor of Market Issues and Economic Mechanisms Faculty (pluralistically)
2011	present time	All-Russian Social Organization "Russian natural scientific academy"	Corresponding member (pluralistically)
2011	2013	Autonomous non-profit health and fitness organization "Sports club "Lipetsk Metallurg"	President, Member of the Board of Founders
2011	present time	Non-profit Partnership "Russian Steel" Consortium	Member of the Supervisory Board
2011	present time	Charity Fund "Social Development Institute"	Chairman of the Foundation Council
2011	present time	All-Russian sports public organization Federation of bullet and shotgun shooting "Shooting Union of Russia"	President
2011	present time	Non-profit partnership "National Sporting Federation (sports and hunting shooting)"	Chairman of the Management Board (President)
2011	present time	Regional Employers' Association (non-profit entity) "Union of Industrialists and Entrepreneurs of Lipetsk Region"	Chairman of Regional Association, Chairman of the Management Board of Regional Association
2011	present time	Russian Union of Industrialists and Entrepreneurs	Member of the Management Board, Member of the Board Bureau, Member of the Presidium of the Federal Council, the Chairman of the Tax Policy Committee

2011	present time	Non-profit charity organization "Russian Olympic athletes support fund"	Member of the Foundation Board (Member of the Fund), member of the Fund's Board of Trustees
2011	2012	Non-profit charity organization "Russian Olympic athletes support fund"	Member of the Presidium of the Fund's Board of Trustees
2011	present time	World Steel Association	Member of the Board of Directors as a Director
2011	2015	Limited Liability Company "Congress-Center Konstantinovskiy"	Member of the Board of Directors
2011	2012	Open Joint Stock Company "United Shipbuilding Corporation"	Chairman of the Board of Directors
2011	present time	European Shooting Confederation	President
2011	present time	International Shooting Sport Federation (ISSF)	Member of the Administrative Board
2011	present time	All-Russian Social Association Union "All-Russian Association for Summer Olympic Sports"	President
2011	present time	All-Russian Social Association Union "Olympic Committee of Russia"	Vice-President, Member of the Executive committee
2011	present time	Independent Non-Profit Organization "Industrial Development Institute"	Member of the Board of Trustees
2011	present time	Nonprofit Foundation "Analytical Center "Forum"	Member of the Board of Trustees
2012	2013	Non-profit Partnership "Russian Steel" Consortium	President
2013	present time	International Shooting Sport Federation (ISSF)	Member of the Executive Committee
2014	present time	International Shooting Sport Federation (ISSF)	Vice-President

***This person does not hold any share of the Issuer's nominal capital/common stock.***

Information on the participation in Board of Directors committee work

Committee name	Chairman
Strategic Planning Committee	Yes
HR, Remunerations and Social Policy Committee	No

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: **Oleg V. Bagrin**

Year of birth: **1974**

Education:

**post- graduate vocational**

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK	Member of the Board of Directors
2011	2012	Joint Stock Company Investment Company "Libra Capital"	Director
2011	present time	NLMK Pennsylvania LLC	Member of the Board of Directors, member of the collective executive body
2011	present time	Sharon Coating LLC	Member of the Board of Directors, member of the collective executive body
2011	present time	NLMK Indiana LLC	Member of the Board of Directors, member of the collective executive body
2011	2016	NLMK International B.V.	Member of the Board of Managing Directors
2011	present time	Joint Stock Company Investment Company "Libra Capital"	Member of the Board of Directors
2011	present time	Joint Stock Company Managing Company "Libra Capital"	Member of the Board of Directors
2012	2015	Open Joint Stock Company "First Freight Company"	Member of the Board of Directors
2012	2012	NLMK	Executive Vice-President (pluralistically)
2012	present time	NLMK	President (Chairman of the Management Board)
2013	present time	Joint Stock Company Investment Company "Libra Capital"	Chairman of the Board of Directors
2013	present time	Joint Stock Company Managing Company "Libra Capital"	Chairman of the Board of Directors
2015	2016	Open Joint Stock Company "First Freight Company"	Member of the Board of Directors
2016	present time	NLMK International B.V.	Member of the Board of Directors

***This person does not hold any share of the Issuer's nominal capital/common stock.***

Information on the participation in Board of Directors committee work

Committee name	Chairman
Strategic Planning Committee	No

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Thomas Veraszto***

***Independent member of the Board of Directors***

Year of birth: ***1962***

Education:

***higher***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2013	Open joint-stock company "Severstal"	Deputy General Director / Senior Vice President
2014	2015	Limited Liability Company "Boston Consulting Group"	Partner and Managing Director
2016	present time	NLMK	Member of the Board of Directors

***This person does not hold any share of the Issuer's nominal capital/common stock.***

Information on the participation in Board of Directors committee work

Committee name	Chairman
Strategic Planning Committee	No

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any



bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Helmut Wieser***

***Independent member of the Board of Directors***

Year of birth: ***1953***

Education:

***higher***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2011	Alcoa Inc.	Executive Vice-President, President of Global Rolled Products & Rigid Packaging Group, member of the Executive Council
2011	present time	International Graduate University of Washington, D.C.	Member of the Board of Directors
2011	present time	NLMK	Member of the Board of Directors
2014	present time	Rain Carbon Inc. (Rain CII)	Member of the Board of Directors
2014	present time	AMAG Austria Metall AG	Member of the Management Board
2014	present time	AMAG Austria Metall AG	Director General

***This person does not hold any share of the Issuer's nominal capital/common stock.***

Information on the participation in Board of Directors committee work

Committee name	Chairman
Strategic Planning Committee	No
HR, Remunerations and Social policy Committee	No

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: **Nikolai A. Gagarin**

Year of birth: **1950**

Education:

**higher vocational**

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	Advocate Bureau "Reznik, Gagarin & Partners", Moscow	Chairman of the Board, Managing Partner
2011	present time	NLMK	Member of the Board of Directors
2011	2013	Closed Joint Stock Company "Chernomorneftegaz"	Chairman of the Board of Directors
2011	2012	Open Joint Stock Company "Tuapse Sea Trade Port"	Member of the Board of Directors
2011	present time	FLETCHER GROUP HOLDINGS LIMITED	Director, Member of the Board of Directors
2011	present time	Open Joint Stock Company "North Oil and Gas Company"	Member of the Board of Directors

***This person does not hold any share of the Issuer's nominal capital/common stock.***

Information on the participation in Board of Directors committee work

Committee name	Chairman
Audit Committee	No

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: **Karen R. Sarkisov**

Year of birth: **1963**

Education:

**higher vocational**

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK	Advisor of Chairman of the Board of Directors on Foreign Economic Relations
2011	2016	NLMK International B.V.	Member of the Board of Managing Directors
2011	present time	NLMK	Member of the Board of Directors
2016	present time	NLMK International B.V.	Member of the Board of Directors

***This person does not hold any share of the Issuer's nominal capital/common stock.***

Information on the participation in Board of Directors committee work

Committee name	Chairman
Strategic Planning Committee	No
Audit Committee	No

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Stanislav V. Shekshnya***

***Independent member of the Board of Directors***

Year of birth: ***1964***

Education:

***post- graduate vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	Joint Stock Company "LEADERSHIP VECTOR"	Senior partner

2011	present time	INSEAD Business School	Full business professor
2011	present time	NIS j.s.c. Novi Sad	Member of the Board of Directors
2011	2012	Ener1	Member of the Board of Directors
2015	present time	NLMK	Member of the Board of Directors
2015	present time	Limited Liability Company "Russian fishing company"	Chairman of the Board of Directors

***This person does not hold any share of the Issuer's nominal capital/common stock.***

Information on the participation in Board of Directors committee work

Committee name	Chairman
Audit Committee	No
HR, Remunerations and Social policy Committee	Yes

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Benedict Sciortino***

***Independent member of the Board of Directors***

Year of birth: ***1950***

Education:

***higher***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	Duferco S.A.	A (executive) member of the Board of Directors
2011	present time	Duferco S.A.	Member of the Board of Directors
2011	2015	Duferco Steel Processing (Pty) Ltd.	Acting Director (Member of the Board of Directors)
2011	present time	Duferco Steel Inc.	Member of the Board of Directors

2011	present time	DufEnergy Trading S.A.	President and Director General, Member of the Board of Directors
2011	2015	Sharon Coating LLC	Member of the Board of Directors, Manager
2011	present time	Duferco Asia Pte Ltd.	Member of the Board of Directors
2011	present time	Duferco Morel S.A.	Member of the Board of Directors
2011	present time	Vanchem Vanadium Products (Pty) Ltd.	Member of the Board of Directors
2011	present time	Duferdofin – Nucor S.r.l.	Member of the Board of Directors
2011	2012	San Zeno Acciai – Duferco Srl	Member of the Board of Directors
2011	present time	TPP – Travi e Profilati di Pallanzeno S.r.l.	Member of the Board of Directors
2011	present time	Acofer Prodotti Siderurgici S.r.l.	Member of the Board of Directors
2011	2012	Dufenergy International Trading S.A.	Member of the Board of Directors
2011	present time	South African Japan Vanadium Corporation (Pty) Ltd (“SAJV”)	Chairman of the Board of Directors
2011	2015	NLMK Indiana LLC	Member of the Board of Directors
2011	present time	Ultima Holding S.A.	Vice-President, Member of the Board of Directors
2011	present time	Duferco Vanadium Investment Holding S.A.	President, Member of the Board of Directors
2011	present time	Ultima Holding LLC	Manager
2011	2012	Project Integration S.A.	Vice-President, Member of the Board of Directors
2011	present time	Successful Expectations S.A.	Vice-President, Member of the Board of Directors
2011	present time	Dufenergy Global Commodities SA	Vice-President, Member of the Board of Directors
2011	present time	Duferco Long Products S.A.	Vice-President, Member of the Board of Directors
2011	2015	NLMK Pennsylvania LLC	Member of the Board of Directors
2011	present time	Duferco Participations Holding S.A.	Vice-President, Member of the Board of Directors
2011	present time	Duferco International Trading Holding S.A.	A (executive) member of the Board of Directors
2011	present time	Duferco International Trading Holding S.A.	Member of the Board of Directors
2012	present time	Duferco Industrial S.A.	Vice-President, Member of the Board of Directors
2012	present time	NLMK	Member of the Board of Directors
2012	2014	Dufenergy Succursale di Lugano	Manager

*This person does not hold any share of the Issuer’s nominal capital/common stock.*

Information on the participation in Board of Directors committee work

Committee name	Chairman
Strategic Planning Committee	No
Audit Committee	Yes

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Franz Struzl***

***Independent member of the Board of Directors***

Year of birth: ***1942***

Education:

***higher***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK	Member of the Board of Directors
2011	present time	RHI AG	Director General
2011	present time	RHI AG	Member of the Management Board

***This person does not hold any share of the Issuer's nominal capital/common stock.***

Information on the participation in Board of Directors committee work

Committee name	Chairman
Strategic Planning Committee	No
Audit Committee	No

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

### 5.2.2. Information on the Issuer's sole executive body

Full name: ***Oleg V. Bagrin***

Year of birth: ***1974***

Education:

***post- graduate vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK	Member of the Board of Directors
2011	2012	Joint Stock Company Investment Company "Libra Capital"	Director
2011	present time	NLMK Pennsylvania LLC	Member of the Board of Directors, member of the collective executive body
2011	present time	Sharon Coating LLC	Member of the Board of Directors, member of the collective executive body
2011	present time	NLMK Indiana LLC	Member of the Board of Directors, member of the collective executive body
2011	2016	NLMK International B.V.	Member of the Board of Managing Directors
2011	present time	Joint Stock Company Investment Company "Libra Capital"	Member of the Board of Directors
2011	present time	Joint Stock Company Managing Company "Libra Capital"	Member of the Board of Directors
2012	2015	Open Joint Stock Company "First Freight Company"	Member of the Board of Directors
2012	2012	NLMK	Executive Vice-President (pluralistically)
2012	present time	NLMK	President (Chairman of the Management Board)
2013	present time	Joint Stock Company Investment Company "Libra Capital"	Chairman of the Board of Directors

2013	present time	Joint Stock Company Managing Company "Libra Capital"	Chairman of the Board of Directors
2015	2016	Open Joint Stock Company "First Freight Company"	Member of the Board of Directors
2016	present time	NLMK International B.V.	Member of the Board of Directors

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

### 5.2.3. Members of the Issuer's collective executive body

Full name: ***Oleg V. Bagrin***

***(Chairman)***

Year of birth: ***1974***

Education:

***post- graduate vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK	Member of the Board of Directors
2011	2012	Joint Stock Company Investment Company "Libra Capital"	Director
2011	present time	NLMK Pennsylvania LLC	Member of the Board of Directors, member of the collective executive body
2011	present time	Sharon Coating LLC	Member of the Board of Directors, member of the collective executive body
2011	present time	NLMK Indiana LLC	Member of the Board of Directors, member of the collective executive body
2011	2016	NLMK International B.V.	Member of the Board of



			Managing Directors
2011	present time	Joint Stock Company Investment Company "Libra Capital"	Member of the Board of Directors
2011	present time	Joint Stock Company Managing Company "Libra Capital"	Member of the Board of Directors
2012	2015	Open Joint Stock Company "First Freight Company"	Member of the Board of Directors
2012	2012	NLMK	Executive Vice-President (pluralistically)
2012	present time	NLMK	President (Chairman of the Management Board)
2013	present time	Joint Stock Company Investment Company "Libra Capital"	Chairman of the Board of Directors
2013	present time	Joint Stock Company Managing Company "Libra Capital"	Chairman of the Board of Directors
2015	2016	Open Joint Stock Company "First Freight Company"	Member of the Board of Directors
2016	present time	NLMK International B.V.	Member of the Board of Directors

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Brijesh Kumar Garg***

Year of birth: ***1964***

Education:

***higher***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2012	Public Joint Stock Company "ArcelorMittal Kryvyi Rih"	Chief Procurement Officer
2012	present time	NLMK	Vice-President, Procurement
2012	present time	NLMK	Member of the Management Board

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Ilya V. Guschin***

Year of birth: ***1976***

Education:

***post- graduate vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2011	Limited Liability Company "SIBUR"	Deputy Manager for Economics and Finance, Plastic Material and Organic Synthesis Division
2011	2012	Limited Liability Company "SIBUR"	Advisor of Vice-President for Planning, Logistics and Sales Support
2011	2012	Open joint-stock company "Plastic"	Member of the Board of Directors
2011	2012	Kemerovo Joint Stock Company "Orton"	Member of the Board of Directors
2012	2012	Limited Liability Company "SIBUR"	Advisor of Managing Director
2012	2013	Limited Liability Company "SIBUR International GmbH"	Branch Manager
2013	present time	NLMK	Vice- President, Sales
2014	present time	NLMK	Member of the Management Board

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Barend de Vos***

Year of birth: ***1967***

Education:

***higher***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK La Louviere S.A.	Member of the Board of Directors, Director General
2011	present time	Tubes de Haren et Nimy (THN) S.A.	Member of the Board of Directors
2011	present time	La Stephanoise de Laminage S.A.	Member of the Board of Directors
2011	present time	NLMK Belgium Holdings S.A.	Member of the Board of Directors, Head of business unit for flats production
2011	present time	NLMK Manage Steel Center S.A.	Chairman of the Board of Directors, Director General
2011	present time	NLMK Jemappes Steel Center S.A.	Chairman of the Board of Directors, Director General
2011	present time	NLMK Coating S.A.	Chairman of the Board of Directors, Managing Director (Chairman of the collective executive body)
2012	present time	NLMK Strasbourg S.A.	Chairman of the Board of Directors, Managing Director (Chairman of the collective executive body)
2014	present time	NLMK Colours France S.N.C.	Managing Director (Sole Manager)
2014	2015	NLMK Distribution France S.A.	Member of the Board of Directors
2015	present time	NLMK Distribution France S.A.	Chairman of the Board of Directors, Director General
2016	present time	NLMK International B.V.	Chairman of the Board of Managing Directors
2016	present time	NLMK	Vice-President, International Operations
2016	present time	NLMK	Member of the Management Board

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Yuri I. Larin***

Year of birth: ***1952***

Education:

***post- graduate vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK	Member of the Management Board
2011	2013	NLMK	Vice-President, Long-Term Development & Environment
2011	2012	Limited Liability Company "VIZ-Steel"	Member of the Board of Directors
2011	2012	NLMK DanSteel A/S	Member of the Board of Directors, member of the collective executive body
2013	2016	NLMK	Vice-President, Process Development & Operational Efficiency
2014	2014	Open Joint Stock Company "Stoilensky Mining & Processing Plant"	Director General (pluralistically)
2016	present time	NLMK	Advisor to the President (Chairman of the Management Board) for development programs

The entity's share in the Issuer's nominal capital, %: ***0.00083***

Share in the Issuer's common stock owned by the entity, %: ***0.00083***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Sergey K. Likharev***

Year of birth: ***1964***

Education:

***post- graduate vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2012	Limited Liability Company "Basel Aero"	Director General
2012	2013	Open Joint Stock Company "RM"	Director of Business Area
2013	2013	Limited Liability Company "Russian Machines"	Director for aircraft business in Administration of Moscow Branch
2013	2014	Open Joint Stock Company "Aviakor - Aviation Plant"	Chairman of the Board of Directors
2013	2014	NLMK	Deputy Vice-President, Logistics
2014	present time	NLMK	Vice-President, Logistics
2014	present time	NLMK	Member of the Management Board

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: **Grigory V. Fedorishin**

Year of birth: **1979**

Education:

**post- graduate vocational**

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2011	Joint Stock Company Investment Company “Libra Capital”	Investment Projects Manager
2011	2012	Joint Stock Company Investment Company “Libra Capital”	Investment Projects Manager (pluralistically)
2011	2013	NLMK	Director, Strategic Development
2012	present time	NLMK	Member of the Management Board
2013	present time	NLMK	Vice-President, CFO
2016	present time	Limited Liability Company “NLMK-Long Products”	Director General (pluralistically)
2016	present time	NLMK International B.V.	Member of the Board of Directors

***This person does not hold any share of the Issuer’s nominal capital/common stock.***

The person’s share in the nominal (reserve) capital (unit fund) of the Issuer’s subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer’s governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: **Sergey V. Filatov**

Year of birth: **1959**

Education:

**post- graduate vocational**

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2012	Open Joint Stock Company “EVRAZ Nizhniy Tagil Iron and Steel Works”	Chief Engineer/Project Director

2012	2013	NLMK	Deputy Senior Vice-President – Director General, Production and Technology
2013	present time	NLMK	Managing Director
2013	present time	NLMK	Member of the Management Board

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Stanislav E. Tsyrlin***

Year of birth: ***1968***

Education:

***higher vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	present time	NLMK	Member of the Management Board
2011	present time	NLMK	Vice-President, HR & Management System
2011	present time	All-Russian Industrial Employers' Association "Association of Steel and Mining Industrialists of Russia".	Member of Presidium (Management Board)

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

### **5.3. Information on fees, benefits and/or reimbursement of expenses to each management body of the Issuer**

Information on the amount of remuneration paid to each management body (excluding the individual acting as a sole executive body of the Issuer). All remuneration types, including salaries, bonuses, fees, benefits and( or) reimbursement of expenses and other material provisions:

Remunerations

Board of Directors

Unit of measurement: **RUB**

Indicator description	2016, 9 months
Remuneration for participation in the Management Body's operation	146,018,628
Salary	0
Bonuses	0
Commission remuneration	0
Other kinds of remuneration	0
<b>TOTAL</b>	<b>146,018,628</b>

Information on the existing agreements with regard to such payments in the current financial year:

***Remunerations can be paid and expenses related to the performance of their functions by the members of the Board of Directors can be reimbursed to the members of the Board of Directors within the period of their duties execution. Amounts of such remunerations and compensation shall be determined by the Regulation on remuneration of members of NLMK's Board of Directors approved by the resolution of the General Shareholders' Meeting of the Company.***

Collective executive body

Unit of measurement: **RUB**

Indicator description	2016, 9 months
Remuneration for participation in the Management Body's operation	0
Salary	131,349,832
Bonuses	385,375,000
Commission remuneration	0
Benefits	0
Other kinds of remuneration	4,382,055
<b>TOTAL</b>	<b>521,106,887</b>

Information on the existing agreements with regard to such payments in the current financial year:



*In accordance with the Regulations on the Management Board, approved by the decision of the General Meeting of Shareholders, the Management Board members during the performance of their duties shall be paid remuneration and compensation of expenses related to the performance of their duties as members of the Management Board. Terms and procedure of payment of remuneration to the members of the Management Board are determined by the contract concluded with the members of the Management Board on the proposal of the Committee for Human Resources, Remunerations and Social Policy.*

Reimbursements

Unit of measurement: **RUB**

Name of the management body:	2016, 9 months
Board of Directors	1,119,191
Collective executive body	1,913,487

#### **5.4. Information on the structure and competence of the Issuer's business operation control bodies and also on arrangement of risk management system and of internal control**

Full description of the structure of the Issuer's business operation control bodies and their competence in line with the Issuer's charter (constituent documents) and internal documents:

*In the Company business operations are controlled by the Audit Commission of the company, the Company's Auditor, Audit Department, Corporate Risk Department, Internal Control Department, Repair and Construction Control Department.*

##### ***The Audit Commission***

*The Audit Commission of the Company consists of five persons, is elected by the General Shareholders' Meeting for a period until the following annual general shareholders' meeting and operates in accordance with the Regulations on the Audit Commission approved by the General Shareholders' Meeting.*

*In case the number of members of the Audit Commission becomes less than three persons, the Board of Directors shall convoke an extraordinary General Shareholders' Meeting in order to elect a new composition of the Audit Commission.*

*The Regulation on the Audit Commission governs the Audit Commission's procedures, powers of its members, composition, rate of remuneration and procedure of remuneration payment and expense reimbursement to the members of the Audit Commission.*

*The Company's Audit Commission members may not simultaneously be members of the Company's Board of Directors and hold any other positions in managerial bodies of the Company.*

*Inspection (audit) of financial and economic activities of the Company is based on yearly performance results and can at any time be initiated by the Company's Audit Commission, by General Shareholders' Meeting, the Board of Directors, or 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 the conformity of the information presented in the annual report and the annual accounting (financial) statements to norms and requirements of the existing legislation, internal regulatory documents, performs selective investigation of evidence proving the numeric data from the book records and notes to financial statements.*

*Based on the results of the Company's financial and economic activities audit, the Audit Commission makes a report on authenticity of the data contained in the Company's annual report and annual accounting (financial) statement.*

**Auditor** *An Auditor is appointed by the General Shareholders' Meeting as proposed by the Board of Directors. The Company's Auditor audits the Company's financial and economic activities according to the contract signed between the Auditor and the Company (the data on the Auditor were submitted in item 1.2 of the quarterly report).*

*The Audit Committee with the Board of Directors is established in the Company.*

Main functions of the Audit Committee:

*The main purpose of the Audit Committee is elaboration and submission of recommendations to the Board of Directors of the Company regarding assurance of effective participation of the Company's Board of Directors in the control over financial and economic activities of the Company, including elaboration and submission of recommendations to the Board of Directors of the Company regarding the annual independent external audit of the Company's accounting (financial) statements, quality of services rendered by the auditor and his compliance with the requirements of auditor's independence; the process of valuation of property by an independent appraiser, when it is required by legislation of the Russian Federation and in other cases.*

*The main objectives of the Audit Committee are an enhancement of efficiency of the internal control systems, risk management, and corporate governance; control over the reliability of the Company's accounting (financial) statements, internal audit and external audit performance, as well as counteraction against unethical practices or fraud by employees and third parties.*

*The Audit Committee is a consulting body and reports on its activities to the Board of Directors of the Company.*

Members of the Audit Committee with the Board of Directors

Full name:	Chairman
Benedict Sciortino	Yes
Karen R. Sarkisov	No
Nikolai A. Gagarin	No
Stanislav V. Shekshnya	No
Franz Struzl	No

Information on availability of a separate structural subdivision (subdivisions) of the Issuer for risk management and internal control (other, different from the Audit Committee (auditor), body (structural subdivision) controlling internally the business operations of the Issuer), its tasks and functions:

*Corporate Risk Department is established in accordance with President's (Chairman of the Management Board) Order No. 358 dd. 03.06.2013 for an indefinite period and is administratively subordinated to the Vice-President for Risk Management.\**

*The headcount of NLMK's Corporate Risk Department (payroll as of 30.09.2016 amounts to 5 persons).*

*Competence of the Corporate Risk Department includes:*

- arrangement of NLMK risk management process;*
- coordination of risk management at NLMK's subsidiaries and affiliates;*
- formation of Insurance Policy of NLMK Group companies;*
- coordination of NLMK Group Companies business in the insurance area.*

*Corporate Risk Department is managed by the Head of the Department to whom the chief specialist for implementation of the corporate risk management system and the chief specialist for risk analysis are directly subordinated.*

*Internal Control Department is established in accordance with President's (Chairman of the Management Board) Order No.358 dd. 03.06.2013 and is subordinated to the Vice-President for Risk Management.\**

*The headcount of the Internal Control Department (payroll of the Internal Control Department as of 30.09.2016 – 9 persons).*

*The objectives of the Internal Control Department are:*

- establishment of the efficient internal control system of NLMK;*
- improvement and increase in efficiency of internal control system of NLMK business processes;*
- coordination of NLMK Group companies business in the area of functioning of corporate internal control system.*

*The main functions of the Internal Control Department are:*

- methodological guidance in the Company and support to internal control and formation of competence of NLMK Group employees within establishment of an effective internal control system;*

- coordination of activities of structural subdivisions and companies of NLMK Group to do self-evaluation of internal control efficiency;
- performance of diagnostics of internal control arrangement and development of recommendations for its improvement;
- administration of the Guarantee chart and keeping it updated.

*Repair and Construction Control Department is established in accordance with the President (Chairman of the Management Board) Order No.1083 dd. 24.12.2015 and is subordinate to the Vice President for Risk Management.\**

*The headcount of the Repair and Construction Control Department (payroll of the Repair and Construction Control Department as of 30.09.2016 – 40 persons).*

*The objectives of the Repair and Construction Control Department are:*

- establishment of an efficient system of pricing, costs control and accounting for construction and repair of NLMK facilities.

*The main functions of the Repair and Construction Control Department are:*

- maintaining up to date methods of determination the cost of construction and installation works and repairs pricing;
- control over justifiability of repair and construction work cost formation as pertaining to NLMK's facilities;
- coordination of NLMK Group companies' activities in pricing and control over construction and repair costs.

*\*- In accordance with NLMK Order No.1083 dd. 24.12.2015 "On change of the management structure" from 01.01.2016:*

- Repair and Construction Control Department was established;
- Corporate Risk Management, Internal Control and Repair and Construction Control Department are administratively subordinated to the Vice-President for Risk Management;
- Vice-President for Risk Management is subordinated to the President (Chairman of the Management Board) of the Company;
- the title Director for Internal Control and Risk Management was abolished. In accordance with NLMK Order No. 125лс dd. 24.12.2015 "On position transfer" Evgeny A. Ovcharov, Director for Internal Control and Risk Management, was transferred to the position of Vice-President for Risk Management from 01.01.2016.

#### *Additional information:*

*The Risk Management Committee is established in the Company.*

*The main objective of the Risk Management Committee is to ensure efficiency of risk management processes within NLMK Group.*

*The main tasks of the Risk Management Committee are elaboration of risk management projects, development of solutions to risk management issues, coordination of activities of all subdivisions and employees involved in the risk management process.*

*Members of Risk Management Committee are:*

*Oleg V. Bagrin - Chairman of the Risk Management Committee;*

*Grigory V. Fedorishin;*

*Evgeny A. Ovcharov;*

*Alexander I. Kravchenko;*

*Sergey P. Melnik.*

*Information on availability of a separate structural subdivision (department) of internal audit, its tasks and functions: Internal Audit Service - Audit Department (from 21.09.2006 till 30.06.2016 – Internal Audit Department), established under General Director's Order dd. 17.04.1997 for an indefinite period.*

*Audit Department is presided by Audit Director.*

*The Audit Director is functionally accountable to the Board of Directors (Audit Committee), and administratively*

accountable to the President (Chairman of the Management Board).

The payroll of the Audit Department of NLMK as of 30.09.2016 is 24 persons.

The main objectives of internal audit are:

- rendering assistance to the executive bodies and employees of NLMK Group companies in the development and monitoring of procedures and measures aimed at improvement of risk management and internal control systems, and corporate governance of NLMK Group;
- coordinating activities with consultants in the sphere of risk management, internal control and corporate governance;
- carrying out internal audits of controlled companies in line with the established procedure;
- preparing and submitting performance reports of the internal audit department to the Board of Directors (Audit Committee) and to the executive bodies;
- checking observance of legislative acts and internal policies of NLMK Group regarding the insider information and anti-corruption measures, observance of NLMK Group code of ethics by the members of NLMK Group's executive bodies and their employees.

Main functions of internal audit include:

- efficiency evaluation of internal control system;
- efficiency evaluation of risk management system;
- corporate governance evaluation;
- consulting.

The Internal Audit Department performance is reported to the Board of Directors (Audit Committee) and to the President (Chairman of the Management Board).

In the process of its activity the Internal Audit Department cooperates with auditing companies working for the Company on a contract basis.

Issuer's policy in the field of risk management and internal control is described by the Issuer in clause 2.4 of this quarterly report.

The Issuer approved an internal document establishing the rules aimed at prevention of illegal use of confidential and insider information.

Information on the availability of the Issuer's internal document establishing the rules aimed at prevention of illegal use of confidential and insider information:

1) Regulation on Information Policy of NLMK (new revision), which contains, inter alia, the rules of prevention of illegal use of insider information was approved by the resolution of NLMK's Board of Directors on 15 August 2011 (MoM No. 195);

2) Regulation on Insider Information of NLMK was approved by the NLMK's President's (Chairman of the Management Board) Order No. 950 dd. December 14, 2011.

Additional information:

none.

## 5.5. Information on members of bodies executing control over the Issuer's business operations

Name of the Issuer's business operation control body: **Audit Commission**

Full name: **Mikhail Yu. Makeev**

(Chairman)

Year of birth: **1976**

Education:

**higher vocational**

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		

2011	2011	NLMK	Head of Consolidated Financial Statements Department
2011	2016	NLMK	Director for Consolidated Financial Statements
2016	present time	NLMK	Audit Director

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Violetta A. Voronova***

Year of birth: ***1970***

Education:

***higher vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2015	NLMK	Head of the Managerial Audit Sector
2015	present time	NLMK	Chief Auditor of the information and analytical group

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Tatyana V. Gorbunova***

Year of birth: ***1971***

Education:

***higher vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2015	NLMK	Lead Auditor of the Methodology Sector
2015	present time	NLMK	Lead Auditor of the information and analytical group

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Yulia V. Kunikhina,***

Year of birth: ***1983***

Education:

***higher vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2015	NLMK	Lead Auditor of Management Audit Division, Risks Management Bureau

2015	present time	NLMK	Lead Auditor of the information and analytical group
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***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Full name: ***Oksana A. Putilina.***

Year of birth: ***1975***

Education:

***higher vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2015	NLMK	Lead Auditor of Management Audit Division, Risks Management Bureau
2015	present time	NLMK	Lead Auditor of Audit Management, "Flat Product" Division, Corporate Audit Group.

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Name of the Issuer's business operation control body: ***Other***  
***Corporate Risk Department***

Information on the Head of such individual structural subdivision (body) of the Issuer

Job title of the structural subdivision head: ***Acting Head, Corporate Risks Department***

Full name: ***Olga I. Kotina***

Year of birth: ***1980***

Education:

***higher vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2015	Public joint-stock company "TRANSKAPITALBANK"	Deputy Head of the Risk Management Sector
2015	present time	NLMK	Category manager (credit risks)

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Name of the Issuer's business operation control body: ***Other***  
***Internal Control Department***

Information on the Head of such individual structural subdivision (body) of the Issuer

Job title of the structural subdivision head: ***Director for Internal Control***

Full name: ***Sergey B. Kazantsev***

Year of birth: ***1981***



Education:

**higher vocational**

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2013	Limited Liability Company "Sibur - business support centre"	Deputy Director General
2013	2014	Limited Liability Company "Sibur - business support centre"	Director General
2014	2016	Open joint-stock company "Oil and Gas Company Rosneft"	Deputy Director of IT and Business Processes Development Department
2016	2016	NLMK	Head of Internal Control Department
2016	present time	NLMK	Director for Internal Control

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Name of the Issuer's business operation control body: ***Other***

***Construction and Repair Control Department***

Information on the Head of such individual structural subdivision (body) of the Issuer

Job title of the structural subdivision head: ***Head of Repair and Construction Control Department***

Full name: ***Alexey B. Khripunkov***

Year of birth: ***1975***

Education:

**higher vocational**

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2015	NLMK	Head of Capital Expenses

			Audit Centre of the Internal Audit Division
2015	2016	NLMK	Head of Repair and Construction Audit Department of Internal Audit Division
2016	present time	NLMK	Head of Repair and Construction Control Department

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

Name of the Issuer's business operation control body: ***Other***

***Audit Division***

Information on the Head of such individual structural subdivision (body) of the Issuer

Job title of the structural subdivision head: ***Audit Director***

Full name: ***Mikhail Yu. Makeev***

Year of birth: ***1976***

Education:

***higher vocational***

All offices held by this person with the Issuer or other organizations over the last 5 years and at the present time in chronological order, including a plurality of offices.

Period		Company	Title
from	till		
2011	2011	NLMK	Head of Consolidated Financial Statements Department
2011	2016	NLMK	Director for Consolidated Financial Statements
2016	present time	NLMK	Audit Director

***This person does not hold any share of the Issuer's nominal capital/common stock.***

The person's share in the nominal (reserve) capital (unit fund) of the Issuer's subsidiaries and affiliates

***The person does not hold such shares***

Information on the nature of any kinship with persons being members of the Issuer's governing bodies and/ or business operation control bodies:

***No said kinship***

Information on any administrative actions 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 the state:

***The person has never been held liable for said offences***

Information on executive offices held by this person with any commercial organizations within the period, when any bankruptcy proceedings were brought against these organizations in line with the Russian Federation insolvency (bankruptcy) legislation:

***The person did not hold such offices***

## **5.6. Information on remunerations and (or) reimbursement of expenses over the bodies controlling the Issuer's financial and economic performance**

### **Remunerations**

Remuneration of all kinds are described for each authority controlling the financial and economic performance of the Issuer (except for any physical person, acting as (in its capacity) the auditor of the Issuer) stating their amount, including the salaries of the members of the bodies of control over financial and economic performance of the Issuer, which are (were) its employees, including those working (worked) on a part-time basis, bonuses, fees, remunerations separately paid for participation in the work of the concerned body of control over financial and economic performance of the Issuer, other forms of remuneration that were paid by the Issuer during the relevant reporting period, as well as with the indication of the amount of the costs related to the performance of the members' functions of the bodies of control over financial and economic activity of the Issuer, compensated by the Issuer during the relevant reporting period.

Name of the Issuer's business operation control body: ***Audit Commission***

Remuneration for participation in the control body's operation

Unit of measurement: ***RUB***

Indicator description	2016, 9 months
Remuneration for participation in the body controlling the Issuer's financial and economic performance	0
Salary	5,279,823
Bonuses	2,276,916
Commission remuneration	0
Other kinds of remuneration	0
TOTAL	7,556,739

Information on the existing agreements with regard to such payments in the current financial year:

***The amount and procedure of remuneration and compensation payment to NLMK's Audit Commission members are established by Regulations on Remuneration & Compensation to the members of NLMK Audit Commission approved by the Extraordinary General Shareholders' Meeting held on 3 December, 2004 (Minutes of Meeting No.20).***

Name of the Issuer's business operation control body: **Corporate Risk Department**

Remuneration for participation in the control body's operation

Unit of measurement: **RUB**

Indicator description	2016, 9 months
Remuneration for participation in the body controlling the Issuer's financial and economic performance	0
Salary	5,695,824
Bonuses	1,516,880
Commission remuneration	0
Other kinds of remuneration	442,891
TOTAL	7,655,595

Information on the existing agreements with regard to such payments in the current financial year:

***The Corporate Risk Department is a structural subdivision of NLMK. Remuneration and stimulation of employees at NLMK is done in accordance with the RF Labor Code, NLMK Collective Agreement and Regulations on payment and stimulation of labour effective at NLMK.***

Name of the Issuer's business operation control body: **Internal Control Department**

Remuneration for participation in the control body's operation

Unit of measurement: **RUB**

Indicator description	2016, 9 months
Remuneration for participation in the body controlling the Issuer's financial and economic performance	0
Salary	10,706,624
Bonuses	2,184,650
Commission remuneration	0
Other kinds of remuneration	190,787
TOTAL	13,082,061

Information on the existing agreements with regard to such payments in the current financial year:

***Internal Audit Division is a structural subdivision of NLMK. Remuneration and stimulation of employees at NLMK is done in accordance with the RF Labor Code, NLMK Collective Agreement and Regulations on payment and stimulation of labour effective at NLMK.***

Name of the Issuer's business operation control body: **Construction and Repair Control Department**

Remuneration for participation in the control body's operation

Unit of measurement: **RUB**

Indicator description	2016, 9 months
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Remuneration for participation in the body controlling the Issuer's financial and economic performance	0
Salary	13,563,163
Bonuses	6,167,875
Commission remuneration	0
Other kinds of remuneration	175,113
TOTAL	19,906,151

Information on the existing agreements with regard to such payments in the current financial year:  
***Construction and Repair Control Department is a structural subdivision of NLMK. Remuneration and stimulation of employees at NLMK is done in accordance with the RF Labor Code, NLMK Collective Agreement and Regulations on payment and stimulation of labour effective at NLMK.***

Name of the Issuer's business operation control body: ***Audit Division***

Remuneration for participation in the control body's operation

Unit of measurement: ***RUB***

Indicator description	2016, 9 months
Remuneration for participation in the body controlling the Issuer's financial and economic performance	0
Salary	9,956,083
Bonuses	5,772,267
Commission remuneration	0
Other kinds of remuneration	1,007,030
TOTAL	16,735,380

Information on the existing agreements with regard to such payments in the current financial year:  
***Audit Division is a structural subdivision of NLMK. Remuneration and stimulation of employees at NLMK is done in accordance with the RF Labor Code, NLMK Collective Agreement and Regulations on payment and stimulation of labour effective at NLMK.***

Reimbursements

Unit of measurement: ***RUB***

Name of control body (structural division)	2016, 9 months
Audit Commission	0
Corporate Risk Department	0
Internal Control Department	0
Construction and Repair Control Department	0
Audit Division	0

## 5.7. Information on headcount and summarized data on personnel (employees) of the Issuer, as well as on changes in the Issuer's headcount

Unit of measurement: **RUB**

Indicator description	2016, 9 months
Average headcount, persons	27,126
Fund of gross payroll over the reporting period	13,726,393,470
Social payments to employees over the reporting period	240,058,383

*Changes in the Issuer's headcount (employees) number within the reporting period were not significant for the Issuer.*

*NLMK's employees established a shop-floor trade-union organization of the Miners' & Metallurgical Workers' Union of Russia (GMPR).*

## 5.8. Information on any Issuer obligations towards personnel (employees) related to their possible interest in the Issuer's equity capital

*The Issuer has no obligations towards its personnel (employees) related to their possible interest in the Issuer's equity capital.*

# Section 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 (stockholders)

Total number of persons with nonzero balances on personal accounts, registered in the Issuer's shareholder register as at the closure date of the reporting quarter: **8,525**

Total number of nominal holders of the Issuer's shares: **1**

Total number of persons listed in the latest list of persons who were (are) entitled to participate in the Issuer's General Shareholders' Meeting (a different list of persons made for the purpose of exercising (implementing) rights vested in the Issuer's shares and for the compilation of which the nominal holders of the Issuer's shares submitted the data on persons in the interests of which they owned (own) the Issuer's shares): **15,519**

The date of the list of persons included in the latest list of persons who were (are) entitled to participate in the Issuer's General Shareholders' Meeting (a different list of persons made for the purpose of exercising (implementing) rights vested in the Issuer's shares and for the compilation of which the nominal holders of the Issuer's shares submitted the data on persons in the interests of which they owned (own) the Issuer's shares): **05.09.2016**

Owners of the Issuer's common stock entitled to be listed in this list: **15,519**

Information on the number of own shares on the balance sheet of the Issuer at the closing date of the reporting quarter

*No own shares on the Issuer's balance sheet.*

Information on the number of shares of the Issuer owned by the entities controlled by it.

*No Issuer's shares owned by its controlled entities.*

**6.2. Information on the Issuer's participants (shareholders) owning not less than 5 percent of its equity capital or not less than 5 percent of its common stock, as well as information on persons controlling such participants (shareholders) or, in the absence of such controlling persons, - on their participants (shareholders) owning not less than 20 per cent of the equity capital or not less than 20 per cent of their common stock**

Participants (shareholders) of the Issuer owning at least 5 percent of its equity capital or at least 5 percent of its common stock

**1. Full company name: *FLETCHER GROUP HOLDINGS LIMITED***

Abbreviated company name: ***FLETCHER GROUP HOLDINGS LIMITED***

Domicile

***Vasilissis Freiderikis, 20 EL GRECO HOUSE, Flat/Office 104 P.C. 1066, Nicosia, Cyprus***

The entity's share in the Issuer's nominal capital: **85.54%**

Share in the Issuer's common stock owned by the entity: **85.54%**

Entities controlling the Issuer's shareholder

**1.1. Full company name: *Megamatic Management Limited***

Abbreviated company name: ***Megamatic Management Limited***

Domicile

***29a, Annis Komninis Street, 1520, Nicosia, Cyprus***

Basis for control executed by the entity controlling the Issuer's shareholder (stockholding in an entity which is an Issuer's shareholder, partnership agreement, agency agreement, shareholder agreement, other agreement covering the exercise of rights certified by shares (interest) of the legal entity which is the Issuer's shareholder):

***Interest in a legal entity being an Issuer's shareholder.***

Evidence of the entity controlling the Issuer's shareholder exercising such control: ***the right to dispose of over 50 percent of votes in the supreme management body of the legal entity being an Issuer's participant (shareholder)***

Control type: ***direct control***

Share of this entity in the equity (reserve) capital (unit fund) of the Issuer's shareholder, %: **89.49**

Other information stated by the Issuer at its discretion:

***none***

**1.2. Full name: *Vladimir S. Lisin***

Basis for control executed by the entity controlling the Issuer's shareholder (stockholding in an entity which is an Issuer's shareholder, partnership agreement, agency agreement, shareholder agreement, other agreement covering the exercise of rights certified by shares (interest) of the legal entity which is the Issuer's shareholder):

***Interest in a legal entity being an Issuer's shareholder.***

Evidence of the entity controlling the Issuer's shareholder exercising such control: ***the right to dispose of over 50 percent of votes in the supreme management body of the legal entity being an Issuer's participant (shareholder)***

Control type: ***indirect control***

All organizations (chain of organizations directly or indirectly controlled by the person controlling the Issuer's shareholder) controlled by the entity which controls the Issuer's shareholder, via which the entity controlling the Issuer's shareholder exercises indirect control. Full and abbreviated company name of each such company, their domiciles, TIN (if applicable), OGRN (Main State Registration Number) (if applicable):

***Name of legal entity directly controlled by Mr. Vladimir S. Lisin: Megamatic Management Limited***

***Domicile of legal entity directly controlled by Mr. Vladimir S. Lisin: 29a, Annis Komninis Street, 1520, Nicosia, Cyprus***

Other information stated by the Issuer at its discretion:

***none***

### **6.3. Information on the interest of the state or municipality in the Issuer's equity capital, availability of a special right ("golden share")**

Information on managers of state, municipal equity stakes

*No such persons.*

Entities which perform functions of the Issuer's shareholder on behalf of the Russian Federation, a Russian Federation constituent or a municipality

*Ownership of the Russian Federation constituent entities*

Description: *State Budgetary (Regional) Educational Institution for Orphans and Children without Parental Custody, Children's Home No.6*

Domicile: *65, Lenina Str., Village of Borinskoye, Lipetsk district, Lipetsk region 398510 Russia*

The interest of the state (federal interest, interest of the RF units), municipality in the equity capital: **0.022782**

Availability of a special right for participation of the Russian Federation, constituents of the Russian Federation, municipalities in the management of the Issuer – joint-stock company ("golden share"), special right ("golden share") validity period

*No such right.*

### **6.4. Information on limitations imposed on participation in the Issuer's equity capital**

*There are no limitations imposed on the interest in the Issuer's equity capital.*

### **6.5. Information on changes in composition and extent of participation of the Issuer's shareholders (participants) owning at least 5% of its equity capital or at least 5% of its common stock**

The composition of the Issuer's shareholders (participants) owning 5 or more percent of the Issuer's charter capital, and for Issuers which are joint-stock companies - also 5 or more percent of the Issuer's common stock, determined as of the date of the list of persons entitled to participate in every General Shareholders' (participants') Meeting of the Issuer held in the course of the latest completed fiscal years preceding the date of the reporting quarter closure, as well as from the date of the current year beginning to the date of the reporting quarter closure on the basis of the list of persons entitled to participate in every such meeting

Date of compiling the list of persons entitled to participate in the Issuer's General Shareholders' Meeting: **17.04.2015**

The list of shareholders (stockholders)

Full company name: **FLETCHER GROUP HOLDINGS LIMITED**

Abbreviated company name: **FLETCHER GROUP HOLDINGS LIMITED**

Domicile: **Flat/Office 104 P.C., 20 EL GRECO HOUSE, Vasilissis Freiderikis, 1066, Nicosia, Cyprus**

**Not a resident of the Russian Federation**

The entity's share in the Issuer's nominal capital, %: **85.54**

Share in the Issuer's common stock owned by the entity, %: **85.54**

Date of compiling the list of persons entitled to participate in the Issuer's General Shareholders' Meeting: **24.08.2015**

The list of shareholders (stockholders)

Full company name: **FLETCHER GROUP HOLDINGS LIMITED**

Abbreviated company name: **FLETCHER GROUP HOLDINGS LIMITED**

Domicile: **Flat/Office 104 P.C., 20 EL GRECO HOUSE, Vasilissis Freiderikis, 1066, Nicosia, Cyprus**

**Not a resident of the Russian Federation**

The entity's share in the Issuer's nominal capital, %: **85.54**



Share in the Issuer's common stock owned by the entity, %: **85.54**

Date of compiling the list of persons entitled to participate in the Issuer's General Shareholders' Meeting: **03.11.2015**

The list of shareholders (stockholders)

Full company name: **FLETCHER GROUP HOLDINGS LIMITED**

Abbreviated company name: **FLETCHER GROUP HOLDINGS LIMITED**

Domicile: **Flat/Office 104 P.C., 20 EL GRECO HOUSE, Vasilissis Freiderikis, 1066, Nicosia, Cyprus**

**Not a resident of the Russian Federation**

The entity's share in the Issuer's nominal capital, %: **85.54**

Share in the Issuer's common stock owned by the entity, %: **85.54**

Date of compiling the list of persons entitled to participate in the Issuer's General Shareholders' Meeting: **15.04.2016**

The list of shareholders (stockholders)

Full company name: **FLETCHER GROUP HOLDINGS LIMITED**

Abbreviated company name: **FLETCHER GROUP HOLDINGS LIMITED**

Domicile: **Flat/Office 104 P.C., 20 EL GRECO HOUSE, Vasilissis Freiderikis, 1066, Nicosia, Cyprus**

**Not a resident of the Russian Federation**

The entity's share in the Issuer's nominal capital, %: **85.54**

Share in the Issuer's common stock owned by the entity, %: **85.54**

Date of compiling the list of persons entitled to participate in the Issuer's General Shareholders' Meeting: **05.09.2016**

The list of shareholders (stockholders)

Full company name: **FLETCHER GROUP HOLDINGS LIMITED**

Abbreviated company name: **FLETCHER GROUP HOLDINGS LIMITED**

Domicile: **Flat/Office 104 P.C., 20 EL GRECO HOUSE, Vasilissis Freiderikis, 1066, Nicosia, Cyprus**

**Not a resident of the Russian Federation**

The entity's share in the Issuer's nominal capital, %: **85.54**

Share in the Issuer's common stock owned by the entity, %: **85.54**

## 6.6 Information on interested-party transactions concluded by the Issuer

Information on the number and volume (in money terms) of the Issuer's transactions recognized as per the Russian law as interested-party transactions, which required the approval of the authorized Issuer's management body, based on the last reporting quarter results

Unit of measurement: **RUB**

Indicator description	Total number, pcs.	Total volume in money terms
The Issuer's interested-party transactions within the reporting period, which required the approval of the Issuer's authorized management body	7	RUB 1,546,270,869 / EUR 2,105,855 / USD 1,100,000
The Issuer's interested-party transactions within the reporting period, which were approved by the General Shareholders' (stockholders') Meeting of the Issuer	0	0
The Issuer's interested-party transactions within the reporting period, which were approved by the Issuer's Board of Directors (Supervisory Board)	7	RUB 1,546,270,869 / EUR 2,105,855 / USD 1,100,000
The Issuer's interested-party transactions within the reporting	0	0

period, which required the approval of the Issuer's authorized management body but were not approved		
--	--	--

Transactions (groups of inter-related transactions) whose price makes five or more percent of the Issuer's assets book value determined on the basis of the Issuer's accounting statements as of the last reporting date before the conclusion of transaction made by the Issuer in the last reporting period

*No such transactions.*

Interested-party transactions (groups of related interested-party transactions), which were not approved by the Issuer's Board of Directors (Supervisory Board) or the General Shareholders' (participants') Meeting, when such an approval was mandatory as per the Russian law

*No such transactions.*

## 6.7. Information on the amount of the accounts receivable

As of 30.09.2016

Unit of measurement: **RUB**

Indicator description	Indicator value
Accounts receivable of buyers and customers	11,665,925,809
of them overdue	513,517,661
Accounts receivable under notes receivable	0
of them overdue	0
Accounts receivable of stockholders (founders) on contributions into equity capital	0
of them overdue	0
Other accounts receivable	43,243,222,227
of them overdue	388,630,906
Total amount of accounts receivable	54,909,148,036
including total overdue accounts receivable	902,148,567

Debtors accounting for at least 10% of total accounts receivable in the specified reporting period

Full company name: **"Joint Stock Company NLMK-Ural"**

Abbreviated company name: **NLMK Ural**

Domicile: **3, Karla Libknehta str., Revda, Sverdlovsk region, Russia**

TIN: **6646009256**

OGRN: **1026602051288**

Accounts receivable: **18,369,088,437**

Unit of measurement: **RUB**

Amount and terms and conditions of the overdue accounts receivable (interest rate, penalties, fines):

**There are no overdue accounts receivable.**

The debtor is the Issuer's affiliated party: **Yes**

The Issuer's share in the nominal capital of the business entity: **92.59%**

The Issuer's share of common stock of such Joint-Stock Company: **92.59%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

Full company name: **Limited Liability Company “NLMK Overseas Holdings”**  
 Abbreviated company name: **LLC “NLMK Overseas Holdings”**  
 Domicile: **Lipetsk, Russia**  
 TIN: **4823041480**  
 OGRN: **1114823002580**

Accounts receivable: **12,305,970,267**

Unit of measurement: **RUB**

Amount and terms and conditions of the overdue accounts receivable (interest rate, penalties, fines):

**There are no overdue accounts receivable.**

The debtor is the Issuer's affiliated party: **Yes**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

## Section VII. Accounting (financial) statements of the Issuer and other financial information

### 7.1. The Issuer's annual accounting( financial) statements

Not included in this reporting quarter.

### 7.2. The Issuer's intermediate accounting (financial) statements

#### Balance sheet as of 30.09.2016

Company: **Novolipetsk Steel**

Taxpayer Identification Number

Activity: **Production of cold-rolled flats with and without protective coatings**

Organizational and legal form/ form of incorporation: **Public company / Joint private and foreign property**

Unit of measurement: **RUB thou.**

Domicile (address): **2, Metallurgov sq., Lipetsk, Lipetsk region, 398040 Russia**

Form acc. to OKUD

Date

acc. to OKPO

TIN:

acc. to OKVED

acc. to OKOPF/  
OKFS

acc. to OKEI

Codes

**0710001**

**30.09.2016**

**05757665**

**4823006703**

**27.17**

**12247 / 34**

**384**

Clarifications	ASSET	Line code	As of 30.09.2016	As of 31.12.2015	As of 31.12.2014
1	2	3	4	5	6
	I. NON-CURRENT ASSETS				
	Intangible assets	1110	720,278	479,344	346,166

	R&D results	1120	22,216	28,414	30,947
	Fixed assets	1150	130,653,226	131,024,265	135,334,350
	Financial investments	1170	145,518,903	152,520,560	140,632,205
	Deferred tax assets	1180	151,521	148,597	128,932
	Other non-current assets	1190	2,068,800	1,846,963	1,053,135
	TOTAL for Section I	1100	279,134,944	286,048,143	277,525,735
	II. CURRENT ASSETS				
	Stocks	1210	40,407,715	42,543,057	37,431,161
	Input value added tax	1220	5,526,156	7,914,804	8,058,219
	Accounts receivable	1230	52,840,348	123,496,442	111,139,719
	Financial investments (excluding cash equivalents)	1240	74,482,948	90,796,881	50,329,556
	Cash assets and cash equivalents	1250	100,176,965	14,628,783	17,873,488
	Other current assets	1260	67	67	67
	TOTAL for Section II	1200	273,434,199	279,380,034	224,832,210
	BALANCE (assets)	1600	552,569,143	565,428,177	502,357,945

Clarifications	LIABILITIES	Line code	As of 30.09.2016	As of 31.12.2015	As of 31.12.2014
1	2	3	4	5	6
	III. EQUITY				
	Authorized capital (shareholders' capital, authorized fund, co-partners' contributions)	1310	5,993,227	5,993,227	5,993,227
	Revaluation of non-current assets	1340	3,308,690	3,333,289	3,340,884
	Additional capital (without revaluation)	1350	771,777	771,777	771,777
	Reserve capital	1360	299,661	299,661	299,661
	Retained profit (uncovered loss)	1370	333,030,580	317,835,836	304,320,422
	TOTAL for Section III	1300	343,403,935	328,233,790	314,725,971
	IV. LONG-TERM LIABILITIES				
	Borrowed funds	1410	121,838,761	137,275,933	96,384,209
	Deferred tax liabilities	1420	10,889,858	11,079,929	9,786,365
	Other liabilities	1450	53,030	22,861	409,869
	TOTAL for Section IV	1400	132,781,649	148,378,723	106,580,443
	V. SHORT-TERM LIABILITIES				
	Borrowed funds	1510	18,136,223	27,893,440	23,556,046
	Accounts payable	1520	54,506,043	59,011,078	56,053,228
	Estimated liabilities	1540	3,741,293	1,911,146	1,442,257
	TOTAL for Section V	1500	76,383,559	88,815,664	81,051,531
	BALANCE (liabilities)	1700	552,569,143	565,428,177	502,357,945

**Statement on financial performance  
for January - September 2016**

		Form acc. to OKUD	Codes
		Date	<b>30.09.2016</b>
Company: <b>Novolipetsk Steel</b>		acc. to OKPO	<b>05757665</b>
Taxpayer Identification Number		TIN:	<b>4823006703</b>
Activity: <b>Production of cold-rolled flats with and without protective coatings</b>		acc. to OKVED	<b>27.17</b>
Organizational and legal form/ form of incorporation: <b>Public company / Joint private and foreign property</b>		acc. to OKOPF/ OKFS	<b>12247 / 34</b>
Unit of measurement: <b>RUB thou.</b>		acc. to OKEI	<b>384</b>
Domicile (address): <b>2, Metallurgov sq., Lipetsk, Lipetsk region, 398040 Russia</b>			

Clarifications	Indicator description	Line code	For 9 months of 2016	For 9 months of 2015
1	2	3	4	5
	Revenue	2110	253,142,435	246,015,897
	including sales of metal products	2110.1	252,114,775	244,830,414
	Cost of sales	2120	(178,552,634)	(172,575,353)
	including sold metal products	2120.1	(176,551,723)	(170,509,300)
	Gross profit (loss)	2100	74,589,801	73,440,544
	Commercial expenses	2210	(19,541,174)	(18,626,964)
	Administrative expenses	2220	(8,465,449)	(7,331,902)
	Sales profit (loss)	2200	46,583,178	47,481,678
	Income from shareholding in other organizations	2310	9,725,731	13,408,973
	Interest receivable	2320	1,614,176	2,965,102
	Interest payable	2330	(5,294,453)	(4,832,695)
	Other income	2340	163,938,766	175,438,048
	Other expenses	2350	(164,358,733)	(179,017,774)
	Profit (loss) before tax	2300	52,208,665	55,443,332
	Current profit tax	2410	(9,402,756)	(6,884,479)
	including fixed tax liabilities (assets)	2421	(1,231,972)	(3,180,073)
	Change in deferred tax liabilities	2430	190,071	(1,039,364)
	Change in deferred tax assets	2450	2,924	15,250
	Other	2460	(20,184)	(41,567)
	Net profit (loss)	2400	42,978,720	47,493,172
	Total financial result for the period	2500	42,978,720	47,493,172

### 7.3. Consolidated financial statements of the Issuer

***The Issuer is liable to make interim consolidated financial statements prepared in line with the International Financial Reporting Standards or other internationally recognized rules rather than IFRS.***

2016, 6 months - IFRS/GAAP

Reporting period

Year: **2016**

Quarter: **II**

The standards (rules) used to prepare consolidated financial accounting statements to be disclosed in this clause of the quarterly report

**IFRS**

#### ***Report on overview revision of the interim condensed consolidated financial statements***

Shareholders and Board of Directors of NLMK

#### **Introduction**

We have performed an overview revision of the attached NLMK and its subsidiaries' (hereinafter –“ the Group”) interim condensed consolidated financial statement as of June 30, 2016 and the respective interim condensed consolidated financial statements on profit and loss, other total income for three and six months ended as of the given date, changes in equity and cash flow for six months ended as of the given date. The management is responsible for preparation and submission of this interim condensed consolidated financial statement in accordance with International Financial Reporting Standards (IAS) 34 “Interim Financial Statement”. We are responsible for the submission of conclusion from this interim condensed consolidated financial statement on the basis of the overview revision performed by us.

#### **Overview revision volume**

We performed an overview revision in accordance with International standard on overview revisions 2410 “Overview Revision of the interim financial statements performed by an independent company auditor”. The overview revision of interim financial statements is restricted to the interrogation of officials mainly responsible for the financial and accounting matters and analytical and other procedures of the overview revision. The scope of the overview revision is considerably less than the volume of the audit which is held in accordance with International Audit Standards that is why the overview revision does not ensure that we learn all the significant aspects which could have been revealed in course of audit. Therefore, we do not give an auditor's opinion.

#### **Conclusion**

Based on the results of the performed overview revision nothing being the evidence of the fact that the attached interim condensed consolidated financial statement was not prepared in all the significant aspects in line with International Financial Reporting Standards (IAS) 34 “Interim Financial Statement” attracted our attention.

July 28, 2016.

Moscow, the Russian Federation

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T: +7 495 967 6000, F: +7 495 967 6001, [www.pwc.ru](http://www.pwc.ru)*

**Novolipetsk Steel**  
**Interim condensed consolidated statement of financial position**  
**as of June 30, 2016 (unaudited information) and December 31, 2015**  
*(in million Russian rubles)*

	Note	As of June 30, 2016	As of December 31, 2015
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	21,016.1	24,999.6
Short-term financial investments	5	84,116.3	90,564.1
Trade and other accounts receivable	6	63,713.3	67,114.4
Stocks	7	84,089.5	87,846.7
Other current assets		504.0	640.8
		<b>253,439.2</b>	<b>271,165.6</b>
<b>Non-current assets</b>			
Long-term financial investments	5	5,548.6	16,021.5
Investments into associated companies and other companies accounted using equity method	5	13,411.7	8,575.8
Fixed assets	8	323,479.6	324,495.2
Goodwill	9	15,435.4	15,637.4
Other intangible assets	9	7,896.5	8,182.0
Deferred tax assets on income tax		6,159.0	4,971.4
Other non-current assets		1,287.7	1,014.4
		<b>373,218.5</b>	<b>378,897.7</b>
<b>Total assets</b>		<b>626,657.7</b>	<b>650,063.3</b>
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Trade and other accounts payable	10	48,044.1	52,945.1
Short-term loans and credits	11	39,063.4	40,802.7
Current profit tax liability		2,446.1	2,016.2
		<b>89,553.6</b>	<b>95,764.0</b>
<b>Long-term liabilities</b>			
Long-term loans and credits	11	140,694.1	154,244.8
Deferred tax liability on profit tax		25,906.2	24,729.3
Other long-term liabilities		825.3	887.4
		<b>167,425.6</b>	<b>179,861.5</b>
<b>Total liabilities</b>		<b>256,979.2</b>	<b>275,625.5</b>
<b>Equity related to NLMK shareholders</b>			
Common stock		5,993.2	5,993.2
Additional capital		658.3	658.3
Other accumulated total costs		(4,419.9)	(4,217.5)
Retained profit		366,536.6	371,161.7
		<b>368,768.2</b>	<b>373,595.7</b>
<b>Non-controlling holding</b>		<b>910.3</b>	<b>842.1</b>
<b>Total equity</b>		<b>369,678.5</b>	<b>374,437.8</b>
<b>Total liabilities and equity</b>		<b>626,657.7</b>	<b>650,063.3</b>

Interim condensed consolidated financial statements given on pages 104 – 120 were approved on July 28, 2016.

**Deputy Vice-President for Finance**  
**S.M. Karataev (Power of Attorney No. 238 dd. 25.07.2016)**



**Novolipetsk Steel**
**Interim condensed consolidated statement of profit or loss  
for 3 and 6 months ended on June 30, 2015 and June 30, 2015**
**(unaudited information)** (in million Russian rubles unless stated otherwise)

	Note	For 6 months ended on June 30, 2016	For 6 months ended on June 30, 2015	For 3 months ended on June 30, 2016	For 3 months ended on June 30, 2015
Revenue	15	240,355.9	250,476.3	123,150.1	112,679.2
Cost of sales		(168,013.9)	(167,890.0)	(81,266.2)	(78,932.0)
<b>Gross profit</b>		<b>72,342.0</b>	<b>82,586.3</b>	<b>41,883.9</b>	<b>33,747.2</b>
General & administrative expenses		(10,353.6)	(8,056.8)	(6,313.7)	(4,047.0)
Commercial expenses		(23,046.7)	(24,467.4)	(12,133.5)	(11,863.2)
Other operating income		142.9	490.3	358.6	283.0
Taxes except for income tax		(2,212.6)	(2,582.4)	(1,047.1)	(1,321.7)
<b>Operating profit up to share in net losses of associated and other companies accounted using equity method, impairment as well as assets writing-off</b>		<b>36,872.0</b>	<b>47,970.0</b>	<b>22,748.2</b>	<b>16,798.3</b>
Profit from fixed assets retirement		508.7	6.3	447.2	95.2
Losses from assets impairment and writing-off		(414.0)	(32.3)	(257.7)	(26.9)
Share in net losses of associated companies and other companies accounted using equity method		(2,610.1)	(2,353.3)	(1,409.2)	(920.3)
Investment (losses) / profit	5	(7.6)	3,347.0	(7.6)	(364.2)
Financial income		1,536.2	1,394.6	765.3	674.4
Financial expenses		(4,424.6)	(2,819.3)	(2,876.2)	(1,156.4)
Loss from exchange rate difference, net	13	(6,310.5)	(8,918.1)	(1,858.6)	(2,135.8)
Other expenses, net		(2,067.0)	(1,049.8)	(611.2)	(39.5)
<b>Profit before tax on income</b>		<b>23,083.1</b>	<b>37,545.1</b>	<b>16,940.2</b>	<b>12,924.8</b>
Expenses related to tax on income	14	(6,317.7)	(9,083.5)	(4,713.5)	(4,429.4)
<b>Profit for the period</b>		<b>16,765.4</b>	<b>28,461.6</b>	<b>12,226.7</b>	<b>8,495.4</b>
Profit / (loss) related to:					
<b>NLMK's shareholders</b>		<b>16,710.8</b>	<b>28,434.4</b>	<b>12,135.2</b>	<b>8,513.8</b>
<b>Non-controlling interest</b>		<b>54.6</b>	<b>27.2</b>	<b>91.5</b>	<b>(18.4)</b>
<b>Income per share – basic and diluted:</b>					
Profit pertaining to NLMK's shareholders, per share (USD)		2.7883	4.7444	2.0248	1.4206
Weighted average number of common shares: basic and diluted value (thou)	12	5,993,227	5,993,227	5,993,227	5,993,227

**Novolipetsk Steel**  
**Interim condensed consolidated statement of comprehensive income**  
**for 3 and 6 months ended on June 30, 2015 and June 30, 2015**  
**(unaudited information)** *(in million Russian rubles)*

	<b>Note</b>	<b>For 6 months ended on June 30, 2016</b>	<b>For 6 months ended on June 30, 2015</b>	<b>For 3 months ended on June 30, 2016</b>	<b>For 3 months ended on June 30, 2015</b>
Profit for the period		16,765.4	28,461.6	12,226.7	8,495.4
Other total income:					
Articles which can be later reclassified to profit or loss					
Cumulative adjustment for currency conversion		(188.8)	3,475.0	(2,018.6)	(300.6)
<b>Total comprehensive income for the period pertaining to</b>		<b>16,576.6</b>	<b>31,936.6</b>	<b>10,208.1</b>	<b>8,194.8</b>
NLMK's shareholders		16,508.4	31,913.8	10,116.6	8,213.2
Non-controlling interest		68.2	22.8	91.5	(18.4)

**Novolipetsk Steel**  
**Interim condensed consolidated statement of changes in equity**  
**for 6 months ended on June 30, 2016 and June 30, 2015**  
**(unaudited information)** *(in million Russian rubles)*

	Note	NLMK's shareholders					Total equity
		Common stock	Additional capital	Other accumulated total costs	Retained profit	Non-controlling holding	
<b>Balance as of December 31, 2014</b>		<b>5,993.2</b>	<b>-</b>	<b>(3,821.3)</b>	<b>348,981.7</b>	<b>825.3</b>	<b>351,978.9</b>
Profit for the period		-	-	-	28,434.4	27.2	28,461.6
Cumulative adjustment for currency conversion		-	-	3,479.4	-	(4.4)	3,475.0
Dividends to shareholders	12	-	-	-	(19,178.3)	-	(19,178.3)
<b>Balance as of December 31, 2015</b>		<b>5,993.2</b>	<b>-</b>	<b>(341.9)</b>	<b>358,237.8</b>	<b>848.1</b>	<b>364,737.2</b>
<b>Balance as of December 31, 2015</b>		<b>5,993.2</b>	<b>658.3</b>	<b>(4,217.5)</b>	<b>371,161.7</b>	<b>842.1</b>	<b>374,437.8</b>
Profit for the period		-	-	-	16,710.8	54.6	16,765.4
Cumulative adjustment for currency conversion		-	-	(202.4)	-	13.6	(188.8)
Dividends to shareholders	12	-	-	-	(21,335.9)	-	(21,335.9)
<b>Balance as of June 30, 2016</b>		<b>5,993.2</b>	<b>658.3</b>	<b>(4,419.9)</b>	<b>366,536.6</b>	<b>910.3</b>	<b>369,678.5</b>

**Novolipetsk Steel**  
**Interim condensed consolidated cash flow statement**  
**for 6 months ended on June 30, 2016 and June 30, 2015**  
**(unaudited information) (in million Russian rubles)**

	Note	For 6 months ended on June 30, 2016	For 6 months ended on June 30, 2015
<b>Operational cash flow</b>			
<b>Profit for the period</b>		<b>16,765.4</b>	<b>28,461.6</b>
<b>Adjustments for bringing profit and net cash from operations in correspondence:</b>			
Depreciation		15,083.2	17,111.9
Profit from fixed assets retirement		(508.7)	(6.3)
Investment losses / (profit)		7.6	(3,347.0)
Financial income		(1,536.2)	(1,394.6)
Financial expenses		4,424.6	2,819.3
Share in net losses of associated companies and other companies accounted using equity method		2,610.1	2,353.3
(Income) / expenses for deferred profit tax		(173.8)	1,150.2
Losses from assets impairment and writing-off		414.0	32.3
Unrealized losses on foreign currency exchange		6,572.9	4,479.3
Other adjustments		95.1	(189.7)
<b>Changes in operating assets and liabilities</b>			
Increase in trade and other accounts receivable		(1,808.4)	(4,945.2)
Stock reduction		1,520.4	5,694.8
Reduction / (increase) of other current assets		136.8	(289.7)
Increase/(decrease) in trade and other accounts payable		8,283.8	(1,094.9)
Increase/(decrease) of liabilities in terms of current profit tax		523.8	(293.2)
<b>Net cash from operating activities</b>		<b>52,410.6</b>	<b>50,542.1</b>
<b>Investment cash flow</b>			
Acquisition and construction of fixed assets		(19,422.6)	(16,605.7)
Inflow from sales of fixed assets		804.3	503.0
Acquisition of financial investments and loans granted, net		-	(3,149.7)
Placement of bank deposits, net		(1,559.0)	(1,222.3)
Interest received		836.5	969.3
Contribution to the capital of company accounted by the equity method		-	(1,336.7)
Change of VAT advance payments related to imported equipment		158.6	(1,582.9)
<b>Net cash used in investment activities</b>		<b>(19,182.2)</b>	<b>(22,425.0)</b>
<b>Financial cash flow</b>			
Received loans		48,766.1	4,714.3
Repayment of received loans		(46,258.3)	(16,333.1)
Interest paid		(3,125.8)	(2,473.1)
Dividends to shareholders		(33,022.7)	(2,177.4)
<b>Net cash used in financial activities</b>		<b>(33,640.7)</b>	<b>(16,269.3)</b>
<b>Net increase of cash and cash equivalents</b>		<b>(412.3)</b>	<b>11,847.8</b>
Impact of exchange rate dynamics on cash and cash equivalents		(3,571.2)	(1,153.5)
Opening cash and cash equivalents	4	24,999.6	30,897.7
<b>Cash and cash equivalents as of the period end</b>	4	<b>21,016.1</b>	<b>41,592.0</b>
<b>Additional information on cash flow:</b>			
<b>Cash paid within the period:</b>			
Payments of income tax		(6,061.5)	(8,226.4)
Placement of deposits in banks		(32,360.2)	(19,952.0)
Refund of deposits from banks		30,801.2	18,729.7
<b>Non-cash investment activity:</b>			
Loan conversion into an equity contribution	5	8,966.9	-

Attached notes constitute an integral part of this Interim condensed consolidated financial statements.

**Novolipetsk Steel**  
**Notes to interim condensed consolidated financial statement**  
**as of June 30, 2016 and December 31, 2015 and**  
**for 3 and 6 months ended on June 30, 2015 and June 30, 2015**  
**(unaudited information) (in million Russian rubles)**

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**1 Information on the Group**

Novolipetsk Steel (hereinafter referred to as “Parent Company”) with its subsidiaries (hereinafter jointly referred to as “Group”) is one of the leading integrated steel producers in the global metallurgy. The Group is a vertically-integrated metallurgical company and Russia’s largest manufacturer of steel products. The Group also operates in the mining segment.

The core production sites of the Group are located in the Russian Federation, the European Union and the USA and are subject to legislative acts of the authorities of states and regions where these subsidiaries are located. Parent company legal address: 2, pl. Metallurgov, Lipetsk 398040, Russian Federation

**2 Main principles of preparation**

The present unaudited interim condensed consolidated financial statement was made in accordance with IFRS No. 34 “Interim Financial Statement” and shall be considered jointly with the audited consolidated financial statements of the Group as of December 31, 2015 and for the year ended on this date prepared in accordance with the requirements of IFRS.

Functional currency of all Russian Group’s companies is Russian ruble. Functional currency of most foreign subsidiaries is local currencies of their domicile countries.

From January 2016, the Group has been recalculating incomes and expenses into the presentation currency at the weighted average exchange rate for each month. The exchange rates of RUB to USD established by the Central Bank of the Russian Federation as of the reporting dates and weighted average exchange rates for the respective quarters of the reporting periods are given below.

	<u>2016</u>	<u>2015</u>
For Q1	74.6283	62.1919
As of March 31	67.6076	58.4643
For Q2	65.8883	52.6543
As of June 30	64.2575	55.5240
As of December 31	<u>                    </u>	<u>72.8827</u>

**3 Main provisions of the accounting policy**

The accepted principles of the accounting policy correspond to the principles which were used during the preparation of consolidated financial statements for the year ended on December 31, 2015. The changes in IFRS applicable for the year ending on December 31, 2016 will not make a significant influence on the Group.

**Novolipetsk Steel**  
**Notes to interim condensed consolidated financial statement**  
**as of June 30, 2016 and December 31, 2015 and**  
**for 3 and 6 months ended on June 30, 2015 and June 30, 2015**  
**(unaudited information) (in million Russian rubles)**

**4 Cash and cash equivalents**

	As of June 30, 2016	As of December 31, 2015
<b>Cash</b>		
Russian Rubles	1,232.6	1,490.2
US Dollars	6,298.3	7,212.5
EUR	2,708.4	3,005.0
Other currencies	162.5	121.3
<b>Deposits</b>		
Russian Rubles	2,013.3	2,160.1
US Dollars	7,288.2	10,225.0
EUR	1,278.2	1.8
Other currencies	11.6	778.4
<b>Other cash equivalents</b>	23.0	5.3
	<b>21,016.1</b>	<b>24,999.6</b>

**5 Financial Investments**

The classification of financial investments in the interim condensed consolidated statement of financial position:

	As of June 30, 2016	As of December 31, 2015
<b>Short-term financial investments</b>		
Loans to related parties (Note 16(c))	4,293.1	4,764.9
Bank deposits, including:	78,830.8	85,395.8
- Russian rubles	-	1,078.0
- US dollars	73,094.9	79,492.9
- EURs	5,735.4	4,824.9
- other currencies	0.5	-
Other short-term financial investments	992.4	403.4
	84,116.3	90,564.1
<b>Long-term financial investments</b>		
Loans to related parties (Note 16(c))	5,540.2	16,015.3
Bank deposits and other long-term financial investments	8.4	6.2
	5,548.6	16,021.5
<b>Total financial investments</b>	<b>89,664.9</b>	<b>106,585.6</b>

**Novolipetsk Steel**  
**Notes to interim condensed consolidated financial statement**  
**as of June 30, 2016 and December 31, 2015 and**  
**for 3 and 6 months ended on June 30, 2015 and June 30, 2015**  
**(unaudited information) (in million Russian rubles)**

**5 Financial investments (continued)**

*Investments into associated companies and other companies accounted using equity method*

	Share of as of June 30, 2016	Share of as of December 31, 2015	As of June 30, 2016	As of December 31, 2015
NLMK Belgium Holdings S.A.	51.0%	51.0%	12,803.4	7,930.2
TBEA & NLMK (Shenyang) Metal Product Co., Ltd.	50.0%	50.0%	608.3	645.6
			<b>13,411.7</b>	<b>8,575.8</b>

In March 2015, the Group and SOGEPA signed an agreement on increasing SOGEPA's holding in NBH from 20.5% to 49%, and on joint control over NBH assets. The Group showed the disposal of 28.5% holding in NBH (loss on disposal in the amount of RUB 1,320.8 million) and disposal of options, previously recorded within other long-term liability (profit of RUB 4,741.9 million) in the line "Investment (losses)/profit" of the interim condensed consolidated P&L statements for 6 months ended on June 30, 2015 totalling to RUB 3,421.1 million. Under the agreement, the Group and SOGEPA conducted additional deposits into NBH's equity in pro rata the shareholding (RUB 1,336.7 million and RUB 1,284.3 million, respectively). The GROUP and SOGEPA have also agreed on supporting NBH in financing of its working capital.

In June 2016 the Group converted loans granted to NBH's equity for the amount of RUB 8,966.9 million. These investments are also a part of the agreement signed in March 2015. These contributions had no effect on the Group's share in NBH.

The Management analysed the NBH's financial performance in H1 2016 as well as assessed the replacement value of the company accounted by the equity method as of June 30, 2016 by analysing and assessing the changes in the main assumptions used in impairment models as of December 31, 2015 and believes that there is no necessity to do any adjustment of the replacement value in the accounting.

**6 Trade and other accounts receivable**

	As of June 30, 2016	As of December 31, 2015
<b>Financial assets</b>		
Trade accounts receivable	44,490.7	44,721.0
Provision for trade accounts receivable impairment	(1,263.5)	(1,184.9)
Other accounts receivable	1,783.8	2,939.0
Provision for other accounts receivable impairment	(1,310.9)	(1,118.0)
	<b>43,700.1</b>	<b>45,357.1</b>
<b>Non-financial assets</b>		
Advances made to suppliers	3,534.9	3,933.7
Provision for impairment of advances made to suppliers	(131.7)	(304.3)
VAT and other tax receivables	16,476.7	18,023.6
Settlements with personnel	133.3	104.3
	<b>20,013.2</b>	<b>21,757.3</b>
	<b>63,713.3</b>	<b>67,114.4</b>

**Novolipetsk Steel**  
**Notes to interim condensed consolidated financial statement**  
**as of June 30, 2016 and December 31, 2015 and**  
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**(unaudited information) (in million Russian rubles)**

**6 Trade and other accounts receivable (continued)**

Book value of trade and other accounts receivable corresponds approximately to its fair value.

As of June 30, 2016 and December 31, 2015, accounts receivable in the amount of RUB 8,942.9 million and RUB 5,390.5 million, respectively, served as security in some facility agreements (Note 11).

**7 Inventories**

	As of June 30, 2016	As of December 31, 2015
Raw materials	37,350.2	38,043.7
Work in progress	26,094.1	29,173.1
Finished products and goods for reselling	23,583.0	24,832.7
	87,027.3	92,049.5
Evaluation before net selling price	(2,937.8)	(4,202.8)
	<b>84,089.5</b>	<b>87,846.7</b>

As of June 30, 2016 and December 31, 2015, inventories in the amount of RUB 18,573.8 million and RUB 22,120.7 million, respectively, served as security in some facility agreements (Note 11).

**8 Fixed assets**

	As of June 30, 2016	As of December 31, 2015
Plots of land	7,332.5	7,364.7
Buildings	91,777.8	92,071.0
Structures	116,538.0	79,334.5
Machinery and equipment	329,125.6	366,412.7
Vehicles	13,358.4	12,720.3
Construction in progress	79,285.7	69,253.7
Other fixed assets	4,311.2	5,638.2
	641,729.2	632,795.1
Accumulated depreciation	(318,249.6)	(308,299.9)
	<b>323,479.6</b>	<b>324,495.2</b>

The Group updated its classification of fixed assets regarding articles “Structures” and “Machinery and Equipment” as of June 30, 2016. Also, updated were the similar data as of December 31, 2015.

The amount of capitalized loan costs was RUB 1,235.5 million and RUB 1,360.0 million for 6 months ended on June 30, 2016 and June 30, 2015, respectively.

The amount of capitalized loan costs was RUB 638.1 million and RUB 539.9 million for 3 months ended on June 30, 2016 and June 30, 2015, respectively.



**Novolipetsk Steel**  
**Notes to interim condensed consolidated financial statement**  
**as of June 30, 2016 and December 31, 2015 and**  
**for 3 and 6 months ended on June 30, 2015 and June 30, 2015**  
**(unaudited information) (in million Russian rubles)**

**8 Fixed assets (continued)**

The Management have analysed the financials of main cash-generating units for H1 2016 and finds it infeasible to re-examine the estimations made as of December 31, 2015 in regard to the impairment of fixed assets and goodwill.

According to the management's estimates as of June 30, 2016 and December 31, 2015, outstanding contracts for the supply of equipment and construction and installation works amount to RUB 31,180.8 million and RUB 41,158.5 million, respectively.

**9 Intangible assets**

	As of June 30, 2016	As of December 31, 2015
Goodwill	15,435.4	15,637.4
Rights to resource development	17,418.1	17,418.1
Contract on favourable conditions	559.1	634.1
	33,412.6	33,689.6
Depreciation accrued	(10,080.7)	(9,870.2)
	<b>23,331.9</b>	<b>23,819.4</b>

**10 Trade and other accounts payable**

	As of June 30, 2016	As of December 31, 2015
<b>Financial liabilities</b>		
Trade accounts payable	27,016.2	24,953.2
Dividends payable	195.1	11,751.0
Other creditors	891.7	1,167.4
	28,103.0	37,871.6
<b>Non-financial liabilities</b>		
Advance payments received	5,641.9	4,583.0
Taxes except for income tax	4,822.7	2,855.4
Accounts payable and accrued liabilities to personnel	9,476.5	7,635.1
	19,941.1	15,073.5
	<b>48,044.1</b>	<b>52,945.1</b>

The estimated fair value of trade and other accounts payable is approximately equal to its book value.

**Novolipetsk Steel**  
**Notes to interim condensed consolidated financial statement**  
**as of June 30, 2016 and December 31, 2015 and**  
**for 3 and 6 months ended on June 30, 2015 and June 30, 2015**  
**(unaudited information) (in million Russian rubles)**

**11 Short- term and long-term credits and loans**

<b>Rates</b>	<b>Currency</b>	<b>Maturity</b>	<b>As of June 30, 2016</b>	<b>As of December 31, 2015</b>
<b>Bond loans</b>				
8% to 11.5%	RUB	2016-2017	25,792.1	25,538.2
4.45% to 4.95%	USD	2018-2023	84,441.7	87,167.3
<b>Credits</b>				
LIBOR +1.875% to LIBOR +3% and PRIME +0.875%	USD	2016-2019	37,023.4	42,518.5
EURIBOR +0.9% to EURIBOR +2%	EUR	2016-2022	32,500.3	39,823.5
			<b>179,757.5</b>	<b>195,047.5</b>
Minus: short-term loans and current portion of long-term loans and bond loans			(39,063.4)	(40,802.7)
<b>Long-term loans and credits</b>			<b>140,694.1</b>	<b>154,244.8</b>

Book and fair values of long-term bond loans are given in the table below:

	<b>As of June 30, 2016</b>		<b>As of December 31, 2015</b>	
	<b>Book value</b>	<b>Fair value</b>	<b>Book value</b>	<b>Fair value</b>
Bond loans	93,759.2	95,541.4	95,877.6	94,803.2

Fair value of the current credits and loans corresponds to their book value. Fair value of the short-term credits and loans approximates their book value. Fair value of the bonds is determined based on cash flows discounted according to the applicable rate and is related to Level 2 of fair value hierarchy.

In June 2016 the Group issued Eurobonds for RUB 46,221 million with a coupon rate of 4.5% per annum and maturity in 2023 for general corporate purposes and refinancing of the current debt. This issue did not change the main terms of the Group's credit facility agreements.

**Security in credit facility agreements**

As of June 30, 2016 and December 31, 2015 the total amount of security granted under facility agreements of the Group's companies made RUB 27,516.7 million and RUB 27,511.2 million, respectively.

**12 Earnings per share**

	<b>For 6 months ended on June 30, 2016</b>	<b>For 6 months ended on June 30, 2015</b>
Profit for the period, attributable to NLMK's shareholders (RUB m)	16,710.8	28,434.4
Weighted average number of shares	5,993,227,240	5,993,227,240
<b>Basic and diluted profit per share (Russian rubles)</b>	<b>2.7883</b>	<b>4.7444</b>

**Novolipetsk Steel**  
**Notes to interim condensed consolidated financial statement**  
**as of June 30, 2016 and December 31, 2015 and**  
**for 3 and 6 months ended on June 30, 2015 and June 30, 2015**  
**(unaudited information) (in million Russian rubles)**

**12 Earnings per share (continued)**

	<b>For 3 months ended on June 30, 2016</b>	<b>For 3 months ended on June 30, 2015</b>
Profit for the period, attributable to NLMK's shareholders (RUB m)	12,135.2	8,513.8
Weighted average number of shares	5,993,227,240	5,993,227,240
<b>Basic and diluted profit per share (Russian rubles)</b>	<b>2.0248</b>	<b>1.4206</b>

Basic profit per one common share is calculated by dividing profit for the period, attributable to NLMK's shareholders, by weighted average number of common shares circulating within the reporting period. The Parent Company does not have any financial instruments with a potentially diluting effect in circulation.

In June 2015 the Parent Company announced the dividends for the year that ended on December 31, 2014 in the amount of RUB 2.44 per share for the total amount of RUB 14,623.5 million (including interim dividends for 6 months ended on June 30, 2014 in the amount of RUB 0.88 per share in the total amount of RUB 5,274.0 million) as well as for 3 months ended on March 31, 2015 in the amount of RUB 1.64 per share in the total amount of RUB 9,828.9 million.

In June 2016 the Parent Company announced the dividends for Q4 2015 in the amount of RUB 2.43 per share for the total amount of RUB 14,563.6 million as well as for 3 months ended on March 31, 2016 in the amount of RUB 1.13 per share in the total amount of RUB 6,772.3 million.

**13 Exchange rate difference**

	<b>For 6 months ended on June 30, 2016</b>	<b>For 6 months ended on June 30, 2015</b>
Loss from exchange rate differences applicable to cash and cash equivalents	(3,975.7)	(2,069.3)
Loss from exchange rate differences applicable to financial instruments	-	(19.4)
Loss from exchange rate differences applicable to financial investments	(20,306.0)	(5,293.1)
Profit from exchange rate difference of debt financing	17,708.7	2,902.5
Profit / (loss) from other assets and liabilities	262.5	(4,438.8)
	<b>(6,310.5)</b>	<b>(8,918.1)</b>
	<b>For 3 months ended on June 30, 2016</b>	<b>For 3 months ended on June 30, 2015</b>
Loss from exchange rate differences applicable to cash and cash equivalents	(1,556.1)	(263.4)
Loss from exchange rate differences applicable to financial instruments	-	(12.0)
Loss from exchange rate differences applicable to financial investments	(7,782.4)	(5,353.4)
Profit from exchange rate difference of debt financing	7,874.7	4,143.2
Loss from other assets and liabilities	(394.8)	(650.2)
	<b>(1,858.6)</b>	<b>(2,135.8)</b>

#### **14 Profit tax**

Profit tax for 6 months ended on June 30, 2016 was calculated on the basis of the expected annual effective profit tax rate determined by the management. In calculations of profit tax expense for 6 months ended on June 30, 2016 and June 30, 2015, the expected annual effective rate did not apply to certain operations. A higher effective profit tax rate for 6 months ended on June 30, 2016 was mainly attributable to the increased share of losses for which the deferred tax assets were not recognised in the total pre-tax profit amount. A lower effective profit tax for 3 months ended on June 30, 2016 was mainly attributable to application of the carried forward losses not recognised before.

#### **15 Information by segments**

The Group has five segments disclosed separately in the reporting: Flat products Russia, Foreign rolling assets, Russia long products, Raw material extraction and processing and Investments into associated company NBH. These segments include different subsidiaries and other companies accounted by equity method, having their own management and selling different products and services. The five a/m segments meet the criteria to be disclosed separately in the reporting. Subsidiaries are included into the segment they are attributed to due to the products produced by them and within which their activity is managed.

The revenue of segments whose figures do not exceed certain thresholds is attributed mostly to two operational segments of the Group. These segments include insurance and other services. None of these segments exceeded the threshold of quantitative indicators to be singled out as a segment disclosed separately.

The Group's management treats asset sales and transfers between segments as sales or transfers to third parties. The Group's management evaluates the segment activity results based on revenue, gross profit, operational profit up to share in net losses of associated and other companies accounted using equity method, impairment as well as assets writing-off and profit for the year.

Operations and balances between segments include exclusion of intragroup dividends included in line Profit / (loss) for the period paid to segment Flat products Russia by other segments and other adjustments related to intragroup exclusions, including the elimination of NBH obligations towards NLMK Group companies. Deconsolidational adjustments on NBH include complete elimination of NBH revenue with further Group revenue from NBH recognition, elimination of unsold profit, recognition of investments into associated company, recognition of impairment and share in NBH loss as well as other consolidation adjustments.

**Novolipetsk Steel**
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**(unaudited information) (in million Russian rubles)**
**15 Information by segments (continued)**

Information on segment profit or loss for 6 months ended on June 30, 2016 as well as their assets and liabilities as of that date is given in the table below:

	Extraction and processing of raw materials	Russia Flats	Russia Long	Foreign rolling assets	Investments into associated company NBH	Others	Operations and balances between segments	Deconsolidational adjustments on NBH	Total
Revenue from external buyers	4,387.2	134,293.4	28,631.5	49,951.4	41,637.5	274.9	-	(18,820.0)	240,355.9
Revenue from operations between segments	13,157.0	42,030.6	7,008.0	-	1,386.9	2.0	(62,197.6)	(1,386.9)	-
Gross profit / (loss)	10,834.4	55,063.5	6,435.2	5,554.5	2,314.4	51.7	(5,597.3)	(2,314.4)	72,342.0
Operating profit / (loss)*	7,801.9	28,198.4	1,673.4	1,932.1	(2,754.1)	17.4	(2,751.2)	2,754.1	36,872.0
Profit / (loss) for the period	5,607.9	15,748.8	1,832.7	1,006.6	(5,129.9)	14.3	(4,827.5)	2,512.5	16,765.4
Segment assets	115,143.3	461,083.4	67,543.4	69,537.5	94,544.0	797.5	(102,699.4)	(79,292.0)	626,657.7
Segment liabilities	(25,074.2)	(243,068.7)	(35,875.8)	(49,723.1)	(77,216.4)	(49.9)	122,627.7	51,401.2	(256,979.2)
Depreciation	(1,367.4)	(9,642.2)	(1,549.6)	(2,513.8)	(2,616.5)	(10.2)	-	2,616.5	(15,083.2)

Information on segment profit or loss for 6 months ended on June 30, 2015 as well as their assets and liabilities as of December 31, 2015 is given in the table below:

	Extraction and processing of raw materials	Russia Flats	Russia Long	Foreign rolling assets	Investments into associated company NBH	Others	Operations and balances between segments	Deconsolidational adjustments on NBH	Total
Revenue from external buyers	5,794.3	142,223.6	28,421.8	46,207.2	39,713.1	352.3	-	(12,236.0)	250,476.3
Revenue from operations between segments	11,346.3	42,767.7	7,642.5	-	2,089.8	2.5	(61,759.0)	(2,089.8)	-
Gross profit / (loss)	10,398.0	67,170.5	4,170.1	(2,133.1)	6,579.8	279.9	2,700.9	(6,579.8)	82,586.3
Operating profit / (loss)*	6,735.5	41,060.7	118.2	(4,952.1)	(3,343.1)	259.4	4,748.3	3,343.1	47,970.0
Profit / (loss) for the period	4,485.1	28,372.0	(1,015.7)	(4,347.5)	(3,920.7)	272.4	3,058.8	1,557.2	28,461.6
Segment assets	107,620.6	547,313.3	69,484.6	75,546.7	108,256.5	846.9	(160,019.1)	(98,986.2)	650,063.3
Segment liabilities	(23,758.8)	(262,613.7)	(41,236.4)	(106,326.5)	(93,411.1)	(72.7)	195,255.3	56,538.4	(275,625.5)
Depreciation	(1,129.4)	(11,803.8)	(2,218.4)	(1,960.3)	(2,283.1)	-	-	2,283.1	(17,111.9)

\* Operating profit / (loss) before the participation in net losses of associated and other companies accounted using equity method, impairment as well as assets writing-off

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**(unaudited information) (in million Russian rubles)**
**15 Information by segments (continued)**

Information on segment profit or loss for 3 months ended on September 30, 2016 is given in the table below:

	Extraction and processing of raw materials	Russia Flats	Russia Long	Foreign rolling assets	Investments into associated company NBH	Others	Operations and balances between segments	Deconsolidational adjustments on NBH	Total
Revenue from external buyers	2,523.6	65,442.9	16,381.0	26,349.1	21,163.3	182.4	-	(8,892.2)	123,150.1
Revenue from operations between segments	7,050.4	26,349.3	5,227.5	-	760.3	1.3	(38,628.5)	(760.3)	-
Gross profit / (loss)	6,138.7	30,015.1	5,528.3	4,327.2	907.4	35.9	(4,161.3)	(907.4)	41,883.9
Operating profit / (loss)*	4,161.0	15,536.0	2,765.0	2,503.2	(861.6)	15.2	(2,232.2)	861.6	22,748.2
Profit / (loss) for the period	2,958.4	9,278.6	2,413.4	2,293.5	(2,769.7)	11.9	(3,317.8)	1,358.4	12,226.7
Depreciation	(689.7)	(4,832.5)	(793.2)	(1,198.1)	(1,248.4)	(5.0)	-	1,248.4	(7,518.5)

Information on segment profit or loss for 3 months ended on June 30, 2015 is given in the table below:

	Extraction and processing of raw materials	Russia Flats	Russia Long	Foreign rolling assets	Investments into associated company NBH	Others	Operations and balances between segments	Deconsolidational adjustments on NBH	Total
Revenue from external buyers	2,927.4	63,257.3	14,046.7	20,111.8	19,076.2	352.3	-	(7,092.5)	112,679.2
Revenue from operations between segments	5,811.5	21,517.9	4,977.1	-	650.0	2.5	(32,309.0)	(650.0)	-
Gross profit / (loss)	5,019.7	26,105.4	1,409.3	(1,760.2)	3,567.4	280.0	2,693.0	(3,567.4)	33,747.2
Operating profit / (loss)*	3,212.9	13,254.8	(474.5)	(3,111.9)	(1,173.2)	282.1	3,634.9	1,173.2	16,798.3
Profit / (loss) for the period	1,128.0	9,857.5	(1,317.9)	(3,080.8)	(1,817.7)	222.4	2,613.2	890.7	8,495.4
Depreciation	(667.0)	(5,989.6)	(861.2)	(898.9)	(1,032.8)	-	-	1,032.8	(8,416.7)

\* Operating profit / (loss) before the participation in net losses of associated and other companies accounted using equity method, impairment as well as assets writing-off

## 16 Operations with related parties

The parties are considered to be related if they are under common control and when one of them has a possibility to control or considerably influence or jointly control the operating and financial decisions of the other party, as provided in IFRS (IAS) 24 “Disclosure of Information on Related Parties”. When considering the relations with each of the possibly related parties not only legal form but also the economic content of such relations is taken into account. The Group makes transactions with the related parties in line with market principles.

### (a) Sales to and purchases from related parties

	For 6 months ended on June 30, 2016	For 6 months ended on June 30, 2015
<b>Sales</b>		
NBH Group companies	22,999.9	25,326.0
Other related parties	65.2	119.8
<b>Procurement</b>		
Universal Cargo Logistics Holding Group’s companies (companies which are under common control of a beneficiary owner)	10,779.1	8,771.6
Other related parties	1,601.4	2,303.2
	<b>For 3 months ended on June 30, 2016</b>	<b>For 3 months ended on June 30, 2015</b>
<b>Sales</b>		
NBH Group companies	13,753.2	13,950.6
Other related parties	36.1	73.3
<b>Procurement</b>		
Universal Cargo Logistics Holding Group’s companies (companies which are under common control of a beneficiary owner)	6,251.4	4,852.4
Other related parties	908.1	808.7

### (b) Related parties’ accounts receivable and payable

	As of June 30, 2016	As of December 31, 2015
<b>Accounts receivable and advances made</b>		
NBH Group companies	15,269.0	16,089.4
Other related parties	3,509.0	1,986.3
<b>Accounts payable</b>		
Universal Cargo Logistics Holding Group’s companies (companies which are under common control of a beneficiary owner)	566.0	420.3
Other related parties	1,165.3	1,374.4

## 16 Related-party operations (continued)

### (c) Financial operations

	As of June 30, 2016	As of December 31, 2015
Loans granted to NBH Group companies	9,833.3	20,780.2
Deposits and settlement accounts at PJSC ZENITH Bank and PJSC Lipetskcombank (companies which are under significant influence of the Group's controlling shareholder)	871.1	1,761.5

### (d) Financial guarantees granted

As of June 30, 2016 and December 31, 2015 the guarantees provided by the Group for loans issued to NBH group companies made RUB 18,056.4 million and RUB 19,911.5 million, respectively, which is the maximum potential amount of future payments reimbursable upon request of the guarantee beneficiary. None of the amounts under guarantee obligations of the Group has been accrued in these interim condensed consolidated financial statements as the Group evaluates the possibility of cash outflow under these guarantees as low.

Deadlines of liability repayment provided by guarantees given below:

	As of June 30, 2016	As of December 31, 2015
Less than 1 year	5,166.3	5,976.4
From 1 to 2 years	719.7	1,042.2
Over 2 years	12,170.4	12,892.9
	<b>18,056.4</b>	<b>19,911.5</b>

## 17 Events after the reporting date

In July 2016 the Parent Company repaid early a part of the bond issues in Russian rubles for the total amount of RUB 5 billion for the purpose of debt portfolio optimization.

The Group's management made an assessment of the events after the reporting date and found none except for those stated above, from July 1, 2016 to July 28, 2016 when these interim condensed consolidated financial statements may be issued.

### 7.4. Information on the Issuer's accounting policy

*There were no changes in the information relevant to this clause within the reporting quarter.*

### 7.5. Information on the total exports and the share of exports in the total sales

Unit of measurement: **RUB thou.**

Indicator description	2016, 9 months
The total amount of the Issuer's profits from exports of products (goods, works, services)	140,490,595
The share of such profits in the sales revenues %	55.5



## **7.6. Information on significant changes in the Issuer's property as of the closure date of the last completed reporting year**

Information on significant changes in the Issuer's property within 12 months before the reporting quarter closure

*There were no major changes in the Issuer's property within 12 months before the reporting quarter closure date.*

## **7.7. Information on the Issuer's participation in any legal procedures, if this participation can significantly affect its business**

*The Issuer was / is not involved in any legal proceedings that affected / may affect the financial and economic activity, within the period from the beginning of the latest completed fiscal year to the end of the reporting quarter.*

# **Section VIII. Additional information on the Issuer and the issue-grade securities it distributed**

## **8.1. Additional information on the Issuer**

### **8.1.1. Information on the amount and structure of the Issuer's nominal capital**

Amount of the Issuer's nominal capital as of the date of the reporting quarter closure, RUB: **5,993,227,240**

Common stock

Total par value: **5,993,227,240**

Share in the nominal capital, %: **100**

Preferred stock

Total par value: **0**

Share in the nominal capital, %: **0**

Information on compliance of the nominal capital amount specified in this item with the Issuer's constituent documents:

*The amount of the nominal capital of the Company is in compliance with the Charter of Public Joint-Stock Company Novolipetsk Steel (new revision) approved by the General Shareholders' Meeting of Open Joint-Stock Company Novolipetsk Steel on December 21, 2015 (Minutes of Meeting No. 42) registered by the Interregional Inspectorate of the Federal Tax Service No. 6 in Lipetsk region on December 29, 2015.*

*Circulation of the Issuer's shares outside the Russian Federation is arranged through the depositary securities (securities of a foreign Issuer, evidencing the rights in respect of the shares of the Russian Issuer).*

Categories (types) of stock the circulation of which is arranged outside the Russian Federation:

Type of securities: **shares**

Stock category: **common**

Share of stock circulation of which is arranged outside the Russian Federation in the total quantity of stock of the corresponding category (type): **8.3**

Foreign Issuer whose securities certify rights in respect of the Issuer's stock of the corresponding category (type)

Full company name: **Deutsche Bank Trust Company Americas**

Domicile: **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 depositary securities certifying the rights in respect of the stock 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 Global Depositary Share certifies rights for 10 common shares of NLMK.**

Information on obtaining of a permit issued by the Bank of Russia and (or) authorized public authority (authorized state body) of the Russian Federation for distribution and/or arrangement of circulation of the Issuer's shares of corresponding category (type) outside the Russian Federation:

**In accordance with Notification of the Federal Financial Markets Service of Russia on the permit issue for NLMK's issue-grade securities circulation outside the Russian Federation dd. 03.05.2005 No.05-BF-03/6941, the circulation of uncertified registered common stock of Novolipetsk Steel outside the Russian Federation has been permitted.**

Name of the foreign trade arranger (-s) in charge of circulation of the Issuer's securities (depositary securities representing rights in respect of the Issuer's shares) (if such circulation exists):

**London Stock Exchange plc**

Other information on arrangement of the Issuer's securities circulation outside the Russian Federation stated by the Issuer at its discretion:

**none**

#### **8.1.2. Information on the changed amount of the Issuer's nominal capital**

**No changes in the nominal capital within this period.**

#### **8.1.3. Information on the procedure of convocation and conduction of the Issuer's supreme management body meeting**

**There were no changes in the information relevant to this clause within the reporting quarter.**

#### **8.1.4. Information on profit-making entities, in which the Issuer holds not less than 5 percent of the nominal capital or not less than 5 percent of common stock**

The list of profit-making organizations where the Issuer holds not less than 5 percent of the nominal (reserve) capital (unit fund) or not less than 5 percent of common stock as of the closure date of the last reporting quarter

**1. Full company name: Limited Liability Company VIZ Steel**

Abbreviated company name: **VIZ Steel**

Domicile

**28, Kirova Str. Yekaterinburg, 620219 Russia**

TIN: **6658084667**

OGRN: **1026602312923**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**2. Full company name: Limited Liability Company Vtorchermet NLMK**

Abbreviated company name: **Vtorchermet NLMK**

Domicile

**3, Novinskaya str., Yekaterinburg, 620024 Russia**

TIN: **7705741770**

OGRN: **1067746805554**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**3. Full company name: Limited Liability Company Mining and Benefication Complex "Zhernovsky-1"**

Abbreviated company name: **Zhernovsky-1**

Domicile

**Offices 503 - 506, 11A, Pavlovskogo Str. Novokuznetsk, Kemerovo region, 654007 Russia .**

TIN: **4217148881**

OGRN: **1124217009245**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**4. Full company name: Limited Liability Company Mining and Benefication Complex "Usinsky-3"**

Abbreviated company name: **Usinsky-3**

Domicile

**30, Kommunisticheskaya Str. Syktyvkar, Republic of Komi, Russia**

TIN: **1101097696**

OGRN: **1121101012361**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**5. Full company name: Limited Liability Company Hotel Complex "Metallurg"**

Abbreviated company name: **LLC Hotel Complex "Metallurg"**

Domicile

**36, Lenina Str. Lipetsk 398020 Russia**

TIN: **4825068367**

OGRN: **1104823005210**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**6. Full company name: Limited Liability Company "NLMK-Information Technologies"**

Abbreviated company name: **LLC NLMK – Information Technologies**

Domicile

**Lipetsk, Russia**

TIN: **4823055193**

OGRN: **1124823012500**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**7. Full company name: Limited Liability Company NLMK Kaluga**

Abbreviated company name: **NLMK Kaluga**

Domicile

**20, Lyskina Str., village of Vorsino, Borovsky district, Kaluga region, 249020 Russia**

TIN: **4003033040**

OGRN: **1124025005873**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**8. Full company name: Limited Liability Company NLMK-Metiz**

Abbreviated company name: **LLC NLMK-Metiz**

Domicile

**5, Koltsevaya Str. Berezovsky, Sverdlovsk region, 623704 Russia**

TIN: **6604029211**

OGRN: **1116604001348**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**9. Full company name: Limited Liability Company NLMK-Communications**

Abbreviated company name: **LLC NLMK-Communications**

Domicile

**Lipetsk, Russia**

TIN: **4823071371**

OGRN: **1154827021502**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**10. Full company name: Limited Liability Company "NLMK-Long Products"**

Abbreviated company name: **NLMK-Long**

Domicile

**3, Novinskaya str., Yekaterinburg, 620024 Russia**

TIN: **6658352210**

OGRN: **1096658016036**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**11. Full company name: Limited Liability Company "NLMK-Accounting Centre"**

Abbreviated company name: **LLC NLMK-Accounting Center**

Domicile

**Lipetsk, Russia**

TIN: **4823040990**

OGRN: **1104823017419**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**12. Full company name: Limited Liability Company "NLMK Overseas Holdings"**

Abbreviated company name: **NLMK Overseas Holdings**

Domicile

***Lipetsk, Russia***

TIN: **4823041480**

OGRN: **1114823002580**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**13. Full company name: Limited Liability Company "Novolipetsk Steel Service Center"**

Abbreviated company name: **LLC Novolipetsk Steel Service Center**

Domicile

***Lipetsk, Russia 8, Almaznaya str.***

TIN: **4823036698**

OGRN: **1094823003395**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**14. Full company name: Limited Liability Company "Novolipetsk Printing House"**

Abbreviated company name: **LLC NPD**

Domicile

***Lipetsk, Russia***

TIN: **4823039674**

OGRN: **1104823010148**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**15. Full company name: Limited Liability Company "Holiday Hotel Metallurg"**

Abbreviated company name: **LLC Hotel Holiday Metallurg**

Domicile

***Morskoye, Sudak, Republic of Crimea, 298033 Russia 25, Chekhova str.***

TIN: **9108103248**

OGRN: **1159102015830**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**16. Full company name: Limited Liability Company "Construction and Assembly Trust NLMK"**

Abbreviated company name: **LLC SMT NLMK**

Domicile

***2, Fanernaya str. Lipetsk 398017 Russia***

TIN: **4823035246**

OGRN: **1084823018895**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**17. Full company name: Limited Liability Company "Trading House NLMK"**

Abbreviated company name: **LLC Trading House NLMK**

Domicile

**Moscow, Russia**

TIN: **7705605953**

OGRN: **1047796479400**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**18. Full company name: Limited Liability Company "Uralvtorchermet"**

Abbreviated company name: **LLC Uralvtorchermet**

Domicile

**of. 501, 3, Novinskaya Str. Yekaterinburg, Sverdlovsk region, 620024 Russia .**

TIN: **6679065866**

OGRN: **1156679002391**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**19. Full company name: Limited Liability Company "Ussuriysk Steel Service Center"**

Abbreviated company name: **LLC UMB**

Domicile

**8, Kommunalnaya Str. Ussuriysk, Primorskiy Territory, 692519 Russia**

TIN: **2511070876**

OGRN: **1102511003011**

The Issuer's share in the nominal capital of the business entity: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**20. Full company name: Open Joint-Stock Company "Altai-Koks"**

Abbreviated company name: **Altai-Koks**

Domicile

**2, Pritayezhnaya str., Zarinsk, Altai Territory, 659107 Russia**

TIN: **2205001753**

OGRN: **1022200704712**

The Issuer's share in the nominal capital of the business entity: **100%**

The Issuer's share of common stock of such Joint-Stock Company: **100%**

The entity's share in the Issuer's nominal capital: **0%**

Share in the Issuer's common stock owned by the entity: **0%**

**21. Full company name: Open Joint-Stock Company "Dolomite"**

Abbreviated company name: **Dolomite**

Domicile

**1, Sverdlova Str., Dankov, Lipetsk region, Russia**

TIN: **4803003415**

OGRN: **1024800548520**

The Issuer's share in the nominal capital of the business entity: **100%**  
The Issuer's share of common stock of such Joint-Stock Company: **100%**  
The entity's share in the Issuer's nominal capital: **0%**  
Share in the Issuer's common stock owned by the entity: **0%**

**22. Full company name: Open Joint-Stock Company "Stoilensky Mining & Processing Plant"**

Abbreviated company name: **Stoilensky**

Domicile

**Driveway 4, Fabrichnaya site, South-West industrial area, Stary Oskol, Belgorod region, Russia**

TIN: **3128011788**

OGRN: **1023102367750**

The Issuer's share in the nominal capital of the business entity: **100%**  
The Issuer's share of common stock of such Joint-Stock Company: **100%**  
The entity's share in the Issuer's nominal capital: **0%**  
Share in the Issuer's common stock owned by the entity: **0%**

**23. Full company name: Open Joint-Stock Company "Studenovskaya Joint-Stock Mining Company"**

Abbreviated company name: **Stagdok**

Domicile

**Studenovskaya industrial site, rural settlement Vvedenskiy local council, Lipetsk district, Lipetsk region, 398507 Russia**

TIN: **4825000880**

OGRN: **1024800824300**

The Issuer's share in the nominal capital of the business entity: **100%**  
The Issuer's share of common stock of such Joint-Stock Company: **100%**  
The entity's share in the Issuer's nominal capital: **0%**  
Share in the Issuer's common stock owned by the entity: **0%**

**24. Full company name: "Joint Stock Company NLMK-Ural"**

Abbreviated company name: **NLMK Ural**

Domicile

**3, Karl Libknekht Str., Revda, Sverdlovsk region, Russia**

TIN: **6646009256**

OGRN: **1026602051288**

The Issuer's share in the nominal capital of the business entity: **92.59%**  
The Issuer's share of common stock of such Joint-Stock Company: **92.59%**  
The entity's share in the Issuer's nominal capital: **0%**  
Share in the Issuer's common stock owned by the entity: **0%**

**25. Full company name: Open Joint-Stock Company "Lipetsk Gipromez"**

Abbreviated company name: **Lipetsk Gipromez**

Domicile

**1, Kalinina Str. Lipetsk 398059 Russia**

TIN: **4826002880**

OGRN: **1024840836074**

The Issuer's share in the nominal capital of the business entity: **57.57%**  
The Issuer's share of common stock of such Joint-Stock Company: **57.57%**  
The entity's share in the Issuer's nominal capital: **0%**  
Share in the Issuer's common stock owned by the entity: **0%**

**26. Full company name: Open Joint-Stock Company “Maxi-Group”**

Abbreviated company name: *OJSC Maxi-Group*

Domicile

*18, 3rd Yamskogo Polya Str. Moscow, 125040 Russia*

TIN: *5046066187*

OGRN: *1045009353696*

The Issuer's share in the nominal capital of the business entity: *50.00005%*

The Issuer's share of common stock of such Joint-Stock Company: *50.00005%*

The entity's share in the Issuer's nominal capital: *0%*

Share in the Issuer's common stock owned by the entity: *0%*

**27. Full company name: Limited Liability Company “Neptune”**

Abbreviated company name: *LLC Neptune*

Domicile

*office 35, 1v, Makarov Str. Lipetsk 398005 Russia .*

TIN: *4823024251*

OGRN: *1044800159953*

The Issuer's share in the nominal capital of the business entity: *25%*

The entity's share in the Issuer's nominal capital: *0%*

Share in the Issuer's common stock owned by the entity: *0%*

**8.1.5. Data on material transactions concluded by the Issuer**

Material transactions (groups of interrelated transactions) with liabilities equal to 10 and more percent of the Issuer's assets balance value according to its accounting statements for the reporting period consisting of nine months of this year

Transaction conclusion date: *12/02/2016*

Type and subject of the transaction:

***purchase of coke products***

The subject of the transaction, including civil rights and obligations, the establishment, amendment or cessation of which this transaction is aimed at:

***Open Joint-Stock Company “Altay-Koks” (the Supplier) undertakes to supply coke products to Public Joint-Stock Company “Novolipetsk Steel” (the Buyer), whereas the Buyer undertakes to accept and pay for the coke products in time.***

The date by which the obligations under the transaction shall be fulfilled: *till 31.01.2016*

The parties and the beneficiaries under the transaction: ***The Buyer - Public Joint-Stock Company “Novolipetsk Steel”; the Supplier - Open Joint-Stock Company “Altai-Koks”.***

Amount of the transaction in money terms: ***Starting from the date of the contract conclusion 05.12.2013 and as of 12.02.2016 the transaction is fulfilled in the amount of RUB 53,577,834,844.58 x1***

The amount of the transaction as a percentage from the value of the Issuer's assets: *10.1*

The Issuer's assets value as of the date of the reporting period (quarter, year) closure, preceding the settlement of the transaction (the date of the agreement/contract conclusion), and being the basis for financial statements as per legislation of the Russian Federation: ***as of 30.09.2015 - RUB 531,348,384,000 x1***

***Additional information:***

***Transaction date (contract date):***

***05.12.2013 (date of the contract under which purchases of coke products are carried out);***

***12.02.2016 (date of payment for the supply of coke products, performed in January 2016, which resulted in the aggregate value of transaction RUB 53,577,834,844.58 or 10.1% of NLMK's assets balance value as of***



30.09.2015).

Transaction conclusion date: **31/05/2016**

Type and subject of the transaction:

***Interrelated transactions for purchase of loan participation notes in circulation, engagement of a dealer manager and a tender agent as well as an information agent in connection with the redemption.***

The subject of the transaction, including civil rights and obligations, the establishment, amendment or cessation of which this transaction is aimed at:

***On May 31, 2016, Steel Funding Limited (hereinafter - "Offerer"), the company specially created for the purpose of issuing debt instruments for the provision of financing to the Issuer, the Offerer's domicile: Pinnacle 2, Eastpoint Business Park, Dublin 3, Ireland, announced the invitation of the holders of its 4.45% Loan Participation Notes in circulation for the amount of USD 707,585,000 due 2018 (ISIN: XS0808632847; US85812PAB94) (hereinafter - "2018 Notes") and 4.95% Loan Participation Notes in circulation for the amount of USD 470,714,000 due 2019 (ISIN: XS0783934325; US85812PAA12) (hereinafter - "2019 Notes", and together with 2018 Notes - "the Notes"), accepted for trading in the main market of Irish Stock Exchange, to tender their Notes to the Offerer to be purchased for cash (hereinafter each such invitation shall be referred to as an "Offer", and together - "the Offers"). The Offerer proposes to accept for purchase Notes up to a maximum aggregate principal amount of the loan (par value) of the Notes of USD 1,178,299,000.***

***With a view to the Offers, the Issuer: (a) concluded an agreement with the Offerer for repurchase of the Notes, under which it undertook to provide financing to the Offerer necessary to purchase the Notes under the Offers ("Purchase Agreement"); (b) concluded an agreement for rendering dealer manager services, under which Deutsche Bank AG, London Branch, ING Bank N.V., London Branch, J.P. Morgan Securities plc and Societe Generale were appointed as dealer managers; and (c) concluded an agreement for rendering tender agent and information agent services with D.F. King Ltd.***

***The results of the Offers were determined on 9th June 2016.***

The date by which the obligations under the transaction shall be fulfilled: ***before June 17, 2016, unless the Offerer extends or shelves or terminates the Offers.***

The parties and the beneficiaries under the transaction:

***Steel Funding Limited as an Offerer and the parties to the Purchase Agreement.***

***Novolipetsk Steel as a party to the Purchase Agreement.***

***Deutsche Bank AG, London Branch, ING Bank N.V., London Branch, J.P. Morgan Securities plc and Société Générale as dealer managers in respect of an Offer. D.F. King Ltd. as a tender agent and an information agent in respect of an Offer.***

Amount of the transaction in money terms: ***RUB 77,867,260,784 x 1***

The amount of the transaction as a percentage from the value of the Issuer's assets: ***14.07***

The Issuer's assets value as of the date of the reporting period (quarter, year) closure, preceding the settlement of the transaction (the date of the agreement/contract conclusion), and being the basis for financial statements as per legislation of the Russian Federation: ***as of 31.03.2016 - RUB 553,271,143,000 x1***

***The transaction was approved at the meeting of NLMK's Management Board on 30.05.2016 (MoM #362 dd. 30.05.2016).***

Transaction conclusion date: **10/06/2016**

Type and subject of the transaction:

***A series of interrelated transactions ("Transaction") related to NLMK's ("Company") procurement of loan granted by Steel Funding Limited ("Issuer") and financed by Issuer's issuing and placing loan participation notes ("Eurobonds") in the international capital markets.***

The subject of the transaction, including civil rights and obligations, the establishment, amendment or

cessation of which this transaction is aimed at:

***Loan Agreement***

***According to the terms and conditions of the Loan agreement*** the Issuer being a lender undertakes to provide the Company being a borrower with monetary funds in the form of an unsecured loan, under the conditions specified in the Agreement, to be financed with funds from issuing and placing of Eurobonds, in the principal amount of U.S.\$700,000,000 at 4.5 per cent p.a. till 15th June 2023.

***Subscription Agreement***

***According to the terms and conditions of the Subscription Agreement (i) the Issuer undertakes to issue Eurobonds for total par value of maximum U.S.\$700,000,000 due on 15th June 2023 at 4.50 per cent p.a., (ii) Deutsche Bank AG, London Branch, ING Bank N.V., London Branch, J.P. Morgan Securities plc and Société Générale as Joint Lead Managers ("Joint Lead Managers"), acting as primary purchasers undertake to subscribe to Eurobonds and to pay them following certain preliminary terms set forth in the Agreement, while (iii) the Issuer and the Company shall give certain representations, warranties and undertake to provide indemnity, and other obligations foreseen by the Agreement.***

***Paying Agency Agreement***

***In accordance with the terms and conditions of the Paying Agency Agreement (i) the Issuer and the Company shall appoint the Principal Paying Agent, the Paying Agent, the Transfer Agents and the Registrars for the Eurobonds for the purposes specified in this Agreement and in other Transaction documents, while the Principal Paying Agent, the Paying Agent, the Transfer Agents and the Registrars shall accept the respective appointment and agree to discharge the respective obligations; (ii) basic procedures related to issuing, trading, servicing and repayment of Eurobonds to be issued as well as respective actions of the parties to this Agreement shall be defined; and (iii) the Issuer shall effect certain payments and assume other obligations foreseen by this Agreement.***

***Trustee and Agents Fee Side Letter***

***In accordance with the terms and conditions of the Trustee and Agents Fee Side Letter (i) obligations of the Company to pay fees and indemnity to the Transaction participants in line with the Transaction documents shall be defined; (ii) the Issuer and the Company shall indemnify for loss specified in the Trustee Agreement and other commitments foreseen by this Agreement.***

***Fees Side Letter***

***In accordance with the terms and conditions of the Fee Side Letter an amount and procedure of fee payments to Eurobonds offering participants shall be determined.***

***Other agreements***

***Other agreements, letters, certificates, notices, instructions and other documents needed for the transaction settlement by the Company and discharge of its obligations by the Company thereunder.***

The date by which the obligations under the transaction shall be fulfilled: ***15 June 2023 (Eurobonds maturity date).***

The parties and the beneficiaries under the transaction:

***Loan Agreement: The Issuer as a Lender and the Company as a Borrower.***

***Subscription Agreement The Company, the Issuer, and the Joint Lead Managers.***

***Paying Agency Agreement The Company, the Issuer, Deutsche Bank AG, London Branch as the Principal Paying Agent and the Transfer Agent, Deutsche Bank Luxembourg S.A. as the Regulation S Registrar, Deutsche Bank Trust Company Americas as the US Paying Agent, the Rule 144A Registrar, and the Transfer Agent, and Deutsche Trustee Company Limited as the Trustee.***

***Trustee and Agents Fee Side Letter The Company, the Issuer, Deutsche Bank AG, London Branch as the Principal Paying Agent and the Regulation S Transfer Agent, Deutsche Bank Luxembourg S.A. as the Regulation S Registrar, Deutsche Bank Trust Company Americas as the US Paying Agent, the Rule 144A Registrar, and the Rule 144A Transfer Agent, Deutsche Trustee Company Limited as the Trustee and Deutsche Bank Limited as Account Bank.***

***Fees Side Letter The Company, the Issuer, the Joint Lead Managers, and Deutsche Trustee Company***

*Limited.*

Amount of the transaction in money terms: *The Transaction amount shall include (i) total principal amount under the Loan Agreement of U.S.\$700,000,000, (ii) total interest (on the assumption of its interest rate of 4.50 per cent p.a.) charged on total principal amount under the Loan Agreement within the whole loan availability period, as well as (iii) remunerations and compensation payments in favour of the Issuer and other persons participating in the Transaction according to the Fees Side Letter in the amount of USD 3,806,489.85. USD x 1*

The amount of the transaction as a percentage from the value of the Issuer's assets: *approximately 10.64*

The Issuer's assets value as of the date of the reporting period (quarter, year) closure, preceding the settlement of the transaction (the date of the agreement/contract conclusion), and being the basis for financial statements as per legislation of the Russian Federation: *as of 31.03.2016 - RUB 553,271,143,000 x1*

*The transaction was approved at the meeting of NLMK's Management Board on 30.05.2016 (MoM #362 dd. 30.05.2016).*

Transaction conclusion date: *15/08/2016*

Type and subject of the transaction:

*Supplemental agreement to the gas supply contract .*

The subject of the transaction, including civil rights and obligations, the establishment, amendment or cessation of which this transaction is aimed at:

*purchase of combustible natural gas in the period from 01.01.2016 to 31.12.2025.*

The date by which the obligations under the transaction shall be fulfilled: *Gas supply - from 01.01.2016 tj 31.12.2025, other obligations - till their complete discharge.*

The parties and the beneficiaries under the transaction: *The Buyer - Novolipetsk Steel; the Supplier - Open Joint-Stock Company NOVATEK.*

Amount of the transaction in money terms: *approximately over RUB 150,000,000,000 x 1*

The amount of the transaction as a percentage from the value of the Issuer's assets: *Approximately over 27*

The Issuer's assets value as of the date of the reporting period (quarter, year) closure, preceding the settlement of the transaction (the date of the agreement/contract conclusion), and being the basis for financial statements as per legislation of the Russian Federation: *as of 30.06.2016 - RUB 552,838,502,000 x1*

#### **8.1.6. Data on the Issuer's credit ratings**

Should the Issuer and/or Issuer's securities be assigned a credit rating (ratings), for each of the credit rating known to the Issuer for the last completed reporting year, as well as for the period starting from the beginning of the current year till the reporting quarter closure, there should be specified

Rated entity: *the Issuer*

The company assigning the credit rating

Full company name: *Credit rating agency "S&P Global Ratings"*

Abbreviated company name: *"Standard & Poor's"*

Domicile: *USA*

Description of the credit rating assignment method or a website where the information on the credit rating assignment method is presented for public access:

*Information on the credit rating assignment method is presented on the rating agency's website: <http://www.standardandpoors.com/>*

Credit rating as of the date of the reporting quarter closure: *BBB- ( stable)*

The credit rating dynamics for the last completed fiscal year preceding the date of the reporting quarter closure, as well as for the period starting from the beginning of the current year till the reporting quarter closure, specifying the credit rating and the date of the credit rating assignment (updating)

Date of assignment	Credit rating
25/06/2013	International rating scale. BB+ (stable) (after revision) A borrower with BB rating is less exposed to credit risk in the short term than borrowers who have lower category ratings. But continuous impact of uncertainty factors and also unfavorable changes of business, financial and economic environment may have negative influence on the borrower's ability to properly discharge its financial obligations.
04/08/2016	International rating scale. BBB- ( negative) ( after revision). Sufficient capacity to meet financial commitments in time and in full, however, higher sensitivity to the effect of adverse changes in commercial, financial and economic environment.
20/09/2016	International rating scale. BBB- (stable) (after revision) Sufficient capacity to meet financial commitments in time and in full, however, higher sensitivity to the effect of adverse changes in commercial, financial and economic environment.

Rated entity: *the Issuer*

The company assigning the credit rating

Full company name: *Credit rating agency "S&P Global Ratings"*

Abbreviated company name: *"Standard & Poor's"*

Domicile: *USA*

Description of the credit rating assignment method or a website where the information on the credit rating assignment method is presented for public access:

*Information on the credit rating assignment method is presented on the rating agency's website:*

*<http://www.standardandpoors.ru/>*

Credit rating as of the date of the reporting quarter closure: *ruAAA*

The credit rating dynamics for the last completed fiscal year preceding the date of the reporting quarter closure, as well as for the period starting from the beginning of the current year till the reporting quarter closure, specifying the credit rating and the date of the credit rating assignment (updating)

Date of assignment	Credit rating
25/06/2013	National rating scale: ruAA+ (after revision). A borrower with ruAA rating ranks only slightly below the borrowers having the top rating and has a very high capability of discharging its financial liabilities as compared to other borrowers from the same country.
04/08/2016	National rating scale: ruAAA( after revision) The Issuer's rating' ruAAA' reflects the high capacity of the Issuer to meet its financial commitments in time and in full as compared to other Russian issuers. This is the highest credit rating according to Standard & Poor's Russian scale.

Rated entity: *the Issuer*

The company assigning the credit rating

Full company name: *Credit rating agency "Moody's Investors Service"*

Abbreviated company name: **Moody`s**

Domicile: **United Kingdom**

Description of the credit rating assignment method or a website where the information on the credit rating assignment method is presented for public access:

**Information on the credit rating assignment method is presented on the rating agency's website:**

**<http://www.moody.ru/>**

Credit rating as of the date of the reporting quarter closure: **Ba1 (negative)**

The credit rating dynamics for the last completed fiscal year preceding the date of the reporting quarter closure, as well as for the period starting from the beginning of the current year till the reporting quarter closure, specifying the credit rating and the date of the credit rating assignment (updating)

Date of assignment	Credit rating
25/02/2015	International rating scale: Ba1 (negative) (after revision) Debt liabilities rated as Ba are considered to have some features which are characteristic of speculative instruments and are exposed to significant credit risk.
04/12/2015	International rating scale: Ba1 (stable) (after revision) Debt liabilities rated as Ba are considered to have some features which are characteristic of speculative instruments and are exposed to significant credit risk.
10/03/2016	International rating scale: Ba3 (revision with possibility of downturn) (after revision). Debt liabilities rated as Ba are considered to have some features which are characteristic of speculative instruments and are exposed to significant credit risk.
26/04/2016	International rating scale: Ba1 (negative) (after revision) Debt liabilities rated as Ba are considered to have some features which are characteristic of speculative instruments and are exposed to significant credit risk.

Rated entity: **the Issuer**

The company assigning the credit rating

Full company name: **Closed Joint-Stock Company "Moody's Interfax Rating Agency"**

Abbreviated company name: **MIRA**

Domicile: **Russia**

Description of the credit rating assignment method or a website where the information on the credit rating assignment method is presented for public access:

**Information on the credit rating assignment method is presented on the rating agencies' websites: ratings withdrawn**

Credit rating as of the date of the reporting quarter closure: **Rating withdrawn on 18/03/2016.**

The credit rating dynamics for the last completed fiscal year preceding the date of the reporting quarter closure, as well as for the period starting from the beginning of the current year till the reporting quarter closure, specifying the credit rating and the date of the credit rating assignment (updating)

Date of assignment	Credit rating
25/02/2015	National rating scale: Aa1.ru (negative) (after revision) Issuers or debt liabilities rated as Aa.ru rating are characterized by a very high solvency as compared to other issuers within the country.
04/12/2015	National rating scale: Aa1.ru (stable) (after revision) Issuers or debt instruments with Aa.ru rating are characterized by a high solvency as compared to other issuers within the country.
18/03/2016	National rating scale: Rating withdrawn.

Rated entity: *the Issuer*

The company assigning the credit rating

Full company name: **Credit rating agency "Fitch Ratings"**

Abbreviated company name: **Fitch**

Domicile: **United Kingdom**

Description of the credit rating assignment method or a website where the information on the credit rating assignment method is presented for public access:

**Information on the credit rating assignment method is presented on the rating agency's website:**

**<http://www.fitchratings.com/>**

Credit rating as of the date of the reporting quarter closure: **BBB- (negative)**

The credit rating dynamics for the last completed fiscal year preceding the date of the reporting quarter closure, as well as for the period starting from the beginning of the current year till the reporting quarter closure, specifying the credit rating and the date of the credit rating assignment (updating)

Date of assignment	Credit rating
24/07/2013	International rating scale: BBB- (negative) (after revision). BBB rating means low expectations of default risks as of the moment. The ability to timely discharge financial liabilities is estimated as adequate however negative influence of business environment or negative economic environment may reduce this ability with a high degree of probability.

Rated entity: *the Issuer*

The company assigning the credit rating

Full company name: **Credit rating agency "Fitch Ratings"**

Abbreviated company name: **Fitch**

Domicile: **United Kingdom**

Description of the credit rating assignment method or a website where the information on the credit rating assignment method is presented for public access:

**Information on the credit rating assignment method is presented on the rating agency's website:**

**<http://www.fitchratings.com/>**

Credit rating as of the date of the reporting quarter closure: **AA+ (rus) (negative)**

The credit rating dynamics for the last completed fiscal year preceding the date of the reporting quarter closure, as well as for the period starting from the beginning of the current year till the reporting quarter closure, specifying the credit rating and the date of the credit rating assignment (updating)

Date of assignment	Credit rating
24/07/2013	National rating scale: AA+ (rus) (negative) (after revision). National ratings of AA category mean expectations of very low default risk as compared to other issuers or liabilities in the same country. The default risk differs slightly from the same risk with issuers or liabilities in a respective country having the highest ratings.

## 8.2. Information on each category (type) of the Issuer's stock

*There were no changes in the information relevant to this clause within the reporting quarter.*

### 8.3. Information on previous issues of the Issuer's issue-grade securities, except for the Issuer's stock

#### 8.3.1. Information on issues the securities of which were paid off

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *01*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-01-00102-A*

State registration date of the issue: *25/05/2010*

Registrar: *FFMS of Russia*

Any additional issues of securities: *None*

Quantity of securities in the issue: *5,000,000*

Par value of each security of the issue, RUB: *1,000*

Volume of the issue at par value: *5,000,000,000*

Date of the securities maturity: *07/07/2011*

Basis for the securities repayment: *invalidation of the securities issue*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *02*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-02-00102-A*

State registration date of the issue: *25/05/2010*

Registrar: *FFMS of Russia*

Any additional issues of securities: *None*

Quantity of securities in the issue: *5,000,000*

Par value of each security of the issue, RUB: *1,000*

Volume of the issue at par value: *5,000,000,000*

Date of the securities maturity: *07/07/2011*

Basis for the securities repayment: *invalidation of the securities issue*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *03*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-03-00102-A*

State registration date of the issue: *25/05/2010*

Registrar: *FFMS of Russia*

Any additional issues of securities: *None*

Quantity of securities in the issue: *10,000,000*

Par value of each security of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Date of the securities maturity: *07/07/2011*

Basis for the securities repayment: *invalidation of the securities issue*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *04*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-04-00102-A*

State registration date of the issue: *25/05/2010*

Registrar: *FFMS of Russia*

Any additional issues of securities: *None*

Quantity of securities in the issue: *10,000,000*

Par value of each security of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Date of the securities maturity: *02/08/2011*

Basis for the securities repayment: *invalidation of the securities issue*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *05*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-05-00102-A*

State registration date of the issue: *25/05/2010*

Registrar: *FFMS of Russia*

Any additional issues of securities: *None*

Quantity of securities in the issue: *10,000,000*

Par value of each security of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Date of the securities maturity: *07/07/2011*

Basis for the securities repayment: *invalidation of the securities issue*

Type of securities: *bonds*



Form of securities: *certified pay-to-bearer*

Series: **06**

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: **4-06-00102-A**

State registration date of the issue: **25/05/2010**

Registrar: **FFMS of Russia**

Any additional issues of securities: *None*

Quantity of securities in the issue: **10,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **10,000,000,000**

Date of the securities maturity: **07/07/2011**

Basis for the securities repayment: *invalidation of the securities issue*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **EO-05**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-05-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Any additional issues of securities: *None*

Quantity of securities in the issue: **10,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **10,000,000,000**

Date of the securities maturity: **30/10/2012**

Basis for the securities repayment: *discharge of liabilities related to securities*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **EO-01**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-01-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Any additional issues of securities: *None*

Quantity of securities in the issue: **5,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Date of the securities maturity: **04/12/2012**

Basis for the securities repayment: *discharge of liabilities related to securities*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *09*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-09-00102-A*

State registration date of the issue: *08/12/2011*

Registrar: *FFMS of Russia*

Any additional issues of securities: *None*

Quantity of securities in the issue: *10,000,000*

Par value of each security of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Date of the securities maturity: *11/01/2013*

Basis for the securities repayment: *invalidation of the securities issue*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *10*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-10-00102-A*

State registration date of the issue: *08/12/2011*

Registrar: *FFMS of Russia*

Any additional issues of securities: *None*

Quantity of securities in the issue: *10,000,000*

Par value of each security of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Date of the securities maturity: *11/01/2013*

Basis for the securities repayment: *invalidation of the securities issue*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *11*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-11-00102-A*

State registration date of the issue: *08/12/2011*

Registrar: *FFMS of Russia*

Any additional issues of securities: *None*

Quantity of securities in the issue: **10,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **10,000,000,000**

Date of the securities maturity: **11/01/2013**

Basis for the securities repayment: **invalidation of the securities issue**

Type of securities: **exchange/commercial bonds**

Form of securities: **certified pay-to-bearer**

Series: **EO-06**

**interest-bearing non-convertible bonds with mandatory centralized custody**

Identification number of the issue: **4B02-06-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Any additional issues of securities: **None**

Quantity of securities in the issue: **10,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **10,000,000,000**

Date of the securities maturity: **05/03/2013**

Basis for the securities repayment: **discharge of liabilities related to securities**

Type of securities: **exchange/commercial bonds**

Form of securities: **certified pay-to-bearer**

Series: **EO-02**

**interest-bearing non-convertible bonds with mandatory centralized custody**

Identification number of the issue: **4B02-02-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Any additional issues of securities: **None**

Quantity of securities in the issue: **5,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Date of the securities maturity: **19/06/2013**

Basis for the securities repayment: **The resolution of the sole executive body of the Issuer – President (Chairman of the Management Board) of NLMK No.247-01 dd. 04.06.2013 on early repayment of the Exchange Bonds, series EO-02, on the closure date of the 3 (third) coupon period (19.06.2013) in line with sub-clause 9.5.2 B) of the Resolution on Issue of the Exchange Bonds, series EO-02.**

Type of securities: **exchange/commercial bonds**

Form of securities: **certified pay-to-bearer**

Series: **EO-03**

**interest-bearing non-convertible bonds with mandatory centralized custody**

Identification number of the issue: **4B02-03-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Any additional issues of securities: **None**

Quantity of securities in the issue: **5,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Date of the securities maturity: **19/06/2013**

Basis for the securities repayment: **The resolution of the sole executive body of the Issuer – President (Chairman of the Management Board) of NLMK No.247-02 dd. 04.06.2013 on early repayment of the Exchange Bonds, series EO-03, on the closure date of the 3 (third) coupon period (19.06.2013) in line with sub-clause 9.5.2 B) of the Resolution on Issue of the Exchange Bonds, series EO-03.**

Type of securities: **exchange/commercial bonds**

Form of securities: **certified pay-to-bearer**

Series: **EO-04**

**interest-bearing non-convertible bonds with mandatory centralized custody**

Identification number of the issue: **4B02-04-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Any additional issues of securities: **None**

Quantity of securities in the issue: **5,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Date of the securities maturity: **08/09/2014**

Basis for the securities repayment: **The resolution of the sole executive body of the Issuer – President (Chairman of the Management Board) of NLMK No. 247-15 dd. 21.08.2014 on early repayment of the Exchange Bonds, series EO-04, on the closure date of the 4 (fourth) coupon period (08.09.2014) in line with sub-clause 9.5.2 B) of the Resolution on Issue of the Exchange Bonds, series EO-04.**

Type of securities: **exchange/commercial bonds**

Form of securities: **certified pay-to-bearer**

Series: **EO-07**

**interest-bearing non-convertible bonds with mandatory centralized custody**

Identification number of the issue: **4B02-07-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Any additional issues of securities: **None**

Quantity of securities in the issue: **10,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **10,000,000,000**

Date of the securities maturity: **11/11/2014**

Basis for the securities repayment: ***discharge of liabilities related to securities***

Type of securities: ***bonds***

Form of securities: ***certified pay-to-bearer***

Series: **08**

***non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion***

State registration number of the issue: **4-08-00102-A**

State registration date of the issue: **08/12/2011**

Registrar: ***FFMS of Russia***

Any additional issues of securities: ***None***

Quantity of securities in the issue: **10,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **10,000,000,000**

Date of the securities maturity: **04/12/2015**

Basis for the securities repayment: ***The resolution of the sole executive body of the Issuer – President (Chairman of the Management Board) of NLMK No. 247-22 dd. 19.11.2015 on early repayment of the certified interest-bearing non-convertible pay-to-bearer bonds with mandatory centralized custody, series 08, on the closure date of the 6 (sixth) coupon period (04.12.2015) in line with sub-clause 9.5.2 A) of the Resolution on Issue of the Exchange Bonds, series 08.***

Type of securities: ***bonds***

Form of securities: ***certified pay-to-bearer***

Series: **07**

***non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion***

State registration number of the issue: **4-07-00102-A**

State registration date of the issue: **08/12/2011**

Registrar: ***FFMS of Russia***

Any additional issues of securities: ***None***

Quantity of securities in the issue: **5,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Date of the securities maturity: **14/03/2016**

Basis for the securities repayment: ***The resolution of the sole executive body of the Issuer – President (Chairman of the Management Board) of NLMK No. 247-23 dd. 26.02.2016 on early repayment of the certified interest-bearing non-convertible pay-to-bearer bonds with mandatory centralized custody, series 07, on the closure date of the 7 (seventh) coupon period (14.03.2016) in line with sub-clause 9.5.2 A) of the Resolution on Issue of the Exchange Bonds, series 07.***

Type of securities: ***exchange/commercial bonds***

Form of securities: ***certified pay-to-bearer***

Series: **BO-14**

***interest-bearing non-convertible bonds with mandatory centralized custody***

Identification number of the issue: **4B02-14-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: **Closed Joint-Stock Company “MICEX Stock Exchange”**

Any additional issues of securities: **None**

Quantity of securities in the issue: **5,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Date of the securities maturity: **07/07/2016**

Basis for the securities repayment: ***The resolution of the sole executive body of the Issuer – President (Chairman of the Management Board) of NLMK No. 247-24 dd. 22.06.2016 on early repayment of the certified interest-bearing non-convertible pay-to-bearer bonds with mandatory centralized custody, series EO-14, on the closure date of the 2 (second) coupon period (07.07.2016) in line with sub-clause 9.5.2 Б) Resolution on Issue of the Exchange Bonds, series EO-14.***

Type of securities: ***exchange/commercial bonds***

Form of securities: ***certified pay-to-bearer***

Series: ***EO-11***

***interest-bearing non-convertible bonds with mandatory centralized custody***

Identification number of the issue: **4B02-11-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: **Closed Joint-Stock Company “MICEX Stock Exchange”**

Any additional issues of securities: **None**

Quantity of securities in the issue: **5,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Date of the securities maturity: **28/07/2016**

Basis for the securities repayment: ***The resolution of the sole executive body of the Issuer – President (Chairman of the Management Board) of NLMK No. 247-25 dd. 12.07.2016 on early repayment of the certified interest-bearing non-convertible pay-to-bearer bonds with mandatory centralized custody, series EO-11, on the closure date of the 6 (sixth) coupon period (28.07.2016) in line with sub-clause 9.5.2 Б) Resolution on Issue of the Exchange Bonds, series EO-11.***

Type of securities: ***exchange/commercial bonds***

Form of securities: ***certified pay-to-bearer***

Series: ***EO-12***

***interest-bearing non-convertible bonds with mandatory centralized custody***

Identification number of the issue: **4B02-12-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: **Closed Joint-Stock Company “MICEX Stock Exchange”**

Any additional issues of securities: **None**

Quantity of securities in the issue: **5,000,000**

Par value of each security of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Date of the securities maturity: **02/08/2016**

Basis for the securities repayment: ***The resolution of the sole executive body of the Issuer – President (Chairman of the Management Board) of NLMK No. 247-26 dd. 15.07.2016 on early repayment of the certified interest-bearing non-convertible pay-to-bearer bonds with mandatory centralized custody, series EO-12, on the closure date of the 6 (sixth) coupon period (02.08.2016) in line with sub-clause 9.5.2 B) Resolution on Issue of the Exchange Bonds, series EO-12.***

### **8.2.3 Information on issues the securities of which are not paid off**

Type of securities: ***exchange/commercial bonds***

Form of securities: ***certified pay-to-bearer***

Series: ***EO-08***

Other identification attributes of the securities: ***interest-bearing non-convertible bonds with mandatory centralized custody***

The securities issue wasn't subject to state registration: ***Yes***

Identification number of the issue: ***4B02-08-00102-A***

Date of identification number assignment: ***27/12/2012***

The identification number assigned to the issue by: ***Closed Joint-Stock Company "MICEX Stock Exchange"***

Quantity of securities in the issue, pcs.: **5,000,000**

Volume of securities issue at par value, RUB: **5,000,000,000**

Par value, RUB: **1,000**

In line with the Russian legislation the par value is not foreseen for this type of securities: ***None***

Status of securities in the issue: ***in circulation***

State registration of the report on the results of the issue has not been performed: ***Yes***

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: **20**

Date of the securities maturity: **16/10/2025**

To be specified precisely: ***Yes***

Web-page, where the text of resolution on the securities issue and securities prospectus is published: ***www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509***

Any additional issues of securities: ***None***

***There are no outstanding liabilities under securities of the issue.***

Type of securities: ***exchange/commercial bonds***

Form of securities: ***certified pay-to-bearer***

Series: ***EO-09***

Other identification attributes of the securities: ***interest-bearing non-convertible bonds with mandatory centralized custody***

The securities issue wasn't subject to state registration: ***Yes***

Identification number of the issue: ***4B02-09-00102-A***

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: ***Closed Joint-Stock Company "MICEX Stock Exchange"***

Quantity of securities in the issue, pcs.: **10,000,000**

Volume of securities issue at par value, RUB: **10,000,000,000**

Par value, RUB: **1,000**

In line with the Russian legislation the par value is not foreseen for this type of securities: **None**

Status of securities in the issue: ***distribution not started***

State registration of the report on the results of the issue has not been performed: **Yes**

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: **20**

Date of the securities maturity: ***the 3,640th (three thousand six hundred and fortieth) day from starting distribution of the bonds of the issue***

To be specified precisely: **None**

Web-page, where the text of resolution on the securities issue and securities prospectus is published: ***www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509***

Any additional issues of securities: **None**

***There are no outstanding liabilities under securities of the issue.***

Type of securities: ***exchange/commercial bonds***

Form of securities: ***certified pay-to-bearer***

Series: ***BO-10***

Other identification attributes of the securities: ***interest-bearing non-convertible bonds with mandatory centralized custody***

The securities issue wasn't subject to state registration: **Yes**

Identification number of the issue: ***4B02-10-00102-A***

Date of identification number assignment: ***27/12/2012***

The identification number assigned to the issue by: ***Closed Joint-Stock Company "MICEX Stock Exchange"***

Quantity of securities in the issue, pcs.: ***10,000,000***

Volume of securities issue at par value, RUB: ***10,000,000,000***

Par value, RUB: **1,000**

In line with the Russian legislation the par value is not foreseen for this type of securities: **None**

Status of securities in the issue: ***distribution not started***

State registration of the report on the results of the issue has not been performed: **Yes**

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: **20**

Date of the securities maturity: ***the 3,640th (three thousand six hundred and fortieth) day from starting distribution of the bonds of the issue***

To be specified precisely: **None**

Web-page, where the text of resolution on the securities issue and securities prospectus is published: ***www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509***

Any additional issues of securities: **None**

***There are no outstanding liabilities under securities of the issue.***

Type of securities: ***exchange/commercial bonds***

Form of securities: ***certified pay-to-bearer***

Series: ***BO-13***

Other identification attributes of the securities: ***interest-bearing non-convertible bonds with mandatory centralized custody***



The securities issue wasn't subject to state registration: *Yes*

Identification number of the issue: **4B02-13-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: *Closed Joint-Stock Company "MICEX Stock Exchange"*

Quantity of securities in the issue, pcs.: **5,000,000**

Volume of securities issue at par value, RUB: **5,000,000,000**

Par value, RUB: **1,000**

In line with the Russian legislation the par value is not foreseen for this type of securities: *None*

Status of securities in the issue: *in circulation*

State registration of the report on the results of the issue has not been performed: *Yes*

Number of interest (coupon) periods for which the yield (coupon, interests) on the securities of the issue shall be paid: **20**

Date of the securities maturity: **02/10/2023**

To be specified precisely: *Yes*

Web-page, where the text of resolution on the securities issue and securities prospectus is published:  
***www.lipetsk.nlmk.ru; www.e-disclosure.ru/portal/company.aspx?id=2509***

Any additional issues of securities: *None*

***There are no outstanding liabilities under securities of the issue.***

#### **8.4. Information on a person (persons) who provided security for the Issuer's secured bonds as well as on the security for the Issuer's secured bonds**

***The Issuer hasn't registered secured bonds prospectus, no admittance to arranged trading of the secured exchange bonds has been provided***

##### **8.4.1. Additional information on mortgage security for the Issuer's mortgage-secured bonds**

***The Issuer has not distributed any bonds with mortgage cover, with respect to which the liabilities have not been discharged yet***

##### **8.4.2. Additional information on money claim collateral for the Issuer's bonds with money claim collateral**

***The Issuer has not distributed any bonds with money claim collateral, with respect to which the liabilities have not been discharged yet***

#### **8.5. Information on organizations which register rights for the Issuer's issue-grade securities**

Information on the registrar

Full company name: ***Open Joint-Stock Company "Agency "Regional Independent Registrar"***

Abbreviated company name: ***OJSC "Agency "RNR"***

Domicile: ***Russia, Lipetsk, 398017 Russia***

TIN: ***7107039003***

OGRN: ***1027100964527***

Information on the license for acting as a registrar of the security owners register:

Number: ***042-13984-000001***

Issue date: ***29/11/2002***

Expiry date:

*unlimited*

Licensing authority: *FCSM of Russia*

The date when the registrar started keeping the register of the Issuer's securities owners: *04/03/2004*

*Certified securities of the Issuer with mandatory centralized custody are in circulation.*

Depositories

Full company name: *Non-banking Crediting Institution Closed Joint-Stock Company "National Settlement Depository"*

Abbreviated company name: *NCI JSC NSD*

Domicile: *12, Spartakovskaya str., Moscow*

TIN: *7702165310*

OGRN: *1027739132563*

The data on license of a professional securities market player for depository activities:

Number: *045-12042-000100*

Issue date: *19/02/2009*

Expiry date:

*unlimited*

Licensing authority: *FFMS of Russia*

**8.6. Information on legislative acts governing import and export of capital which could affect payment of dividends, interest and other payments to non-residents**

*The legislative acts governing import and export of capital which can influence payment of dividends on Issuer's shares, interest and other payments to non-residents owning the Issuer's securities, are as follows: international agreements and contracts on double tax, Tax Code of the Russian Federation (part one) No. 146-FZ dd. 31.07.1998 (revision dd. 03.07.2016); Tax Code of the Russian Federation (part two) No. 117-FZ dd. 05.08.2000 (revision dd. 03.07.2016); Federal Act No. 173-FZ dd. 10.12.2003 "On currency control" (revision dd. 03.07.2016); Federal Act No. 39-FZ dd. 22.04.1996 "On securities market" (revision dd. 03.07.2016), Federal Act No. 208-FZ dd. 26.12.1995 "On joint-stock companies" (revision dd. 03.07.2016).*

**8.7. Information on announced (accrued) and (or) paid dividends on the Issuer's stock as well as return on the Issuer's bonds.**

**8.7.1. Information on declared and paid dividends on the Issuer's stock**

Information for the latest five completed reporting years or each completed reporting year, if the Issuer has been conducting its business for less than five years, as well as for the period starting from the beginning of the current year till the reporting quarter end

Indicator description	Indicator value for the corresponding reporting period - 2011, 6 months
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	NLMK's Extraordinary General Shareholders' Meeting held on September 29, 2011, MoM No. 34 dated September 29, 2011
Amount of dividends announced per a share, RUB	1.4

Total amount of declared dividends on all stock of this category (type), RUB:	8,390,518,136
Date on which the persons entitled to dividends will be determined (were determined):	August 15, 2011
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2011, 6 months
The due date for declared dividends	before November 28, 2011
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for 1H 2011 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	23.95
Total amount of paid dividends on the stock of this category (type), RUB	8,378,085,327
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.85
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit to NLMK's Shareholder Register their bank details for the transfer of dividends in a non-cash form, as well as failure of shareholders to appear at the cash desk of PJSC "Lipetskcombank" to collect the dividends in cash.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	Other terms and conditions of declared dividends payment: cash to be transferred as follows: 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 NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making a list of persons entitled to receive dividends upon the results of 1H 2011) or a special written statement of a shareholder being a foreign investor, received by NLMK prior to the payment date; for individuals being NLMK's employees (shareholders) – cashless transfer of funds as per payment details of "Salary" bank account or in cash at the plant cash desk; for other individuals (shareholders) - via PJSC "Lipetskcombank" (by cashless transfer of funds according to the bank account details specified in the questionnaire of the registered individual kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making a list of persons entitled to receive dividends

	upon the results of 1H 2011) or in cash at the cash desk of PJSC "Lipetskcombank"). Funds transfer expenses are to be borne by NLMK.
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Indicator description	Indicator value for the corresponding reporting period - 2011, full year
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	Annual General Shareholders' Meeting of NLMK on 2011 performance results held on 30.05.12, MoM No.35 dd. 30.05.2012.
Amount of dividends announced per a share, RUB	2 (Taking into account the paid interim dividends for the 1H 2011 in the amount of 1 ruble 40 kopecks per one common share, the Company's General Shareholders' Meeting took the decision to additionally pay 60 kopecks per one common share).
Total amount of declared dividends on all stock of this category (type), RUB:	11,986,454,480 (The total amount of declared (accrued) dividends on all common stock to be paid out additionally, including declared (accrued) interim dividends for the H1 2011 in the amount of 8,390,518,136 rubles, makes 3,595,936,344 rubles.)
Date on which the persons entitled to dividends will be determined (were determined):	April 10, 2012
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2011, full year
The due date for declared dividends	before July 30, 2012
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for 2011 determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	34.58
Total amount of paid dividends on the stock of this category (type), RUB	11,968,502,290
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.85
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit to NLMK's Shareholder Register their bank details for the transfer of dividends in a non-cash form, as well as failure of shareholders to appear at the cash desk of PJSC "Lipetskcombank" to collect the dividends in cash.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	Other terms and conditions of declared dividends payment: cash to be transferred

	<p>as follows: for legal entities (shareholders) by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2011) or in a special written statement of a shareholder being a foreign investor, which is to be received by NLMK prior to the payout date.</p> <p>At NLMK's discretion payment is performed in rubles or foreign currency at the official rate of the RF Central Bank as of the last working day preceding the payment date; to individuals – employees of NLMK (shareholders) – by cashless transfer of funds according to the payment details using bank cards of PJSC “Lipetskcombank” or in cash at PJSC “Lipetskcombank”; to other individuals (shareholders) - via PJSC “Lipetskcombank” by cashless transfer of funds according to the payment details specified in the questionnaire of the registered individual kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making a list of persons entitled to receive dividends for 2011) or in cash at the cash desk of PJSC “Lipetskcombank”. Cashless funds transfer expenses are to be borne by NLMK.</p>
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Indicator description	Indicator value for the corresponding reporting period - 2012, full year
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	Annual General Shareholders' Meeting of NLMK on 2012 performance results held on 07.06.13, MoM No.37 dd. 07.06.2013.
Amount of dividends announced per a share, RUB	0.62
Total amount of declared dividends on all stock of this category (type), RUB:	3,715,800,888.8
Date on which the persons entitled to dividends will be determined (were determined):	April 24, 2013
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2012, full year
The due date for declared dividends	before August 7, 2013
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the	NLMK's net profit for 2012 determined on

reporting year, undistributed net profit for the previous years, Special Fund)	the basis of the accounting (financial) statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	17.43
Total amount of paid dividends on the stock of this category (type), RUB	3,709,830,663
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.84
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	Other terms and conditions of declared dividends payment: for legal entities and individuals (shareholders) by cashless transfer of funds according to the payment details specified in the questionnaire of the registered entity kept by NLMK's Registrar (according to the payment details provided by the shareholder's authorized representative for the purpose of making the list of persons entitled to receive dividends for 2012) or in a special written statement of a shareholder being a foreign investor, which is to be received by NLMK prior to the payout date. At NLMK's discretion the payment shall be made in rubles or foreign currency at the official exchange rate of the RF Central Bank as of the last business day preceding the payment date Cashless funds transfer expenses are to be borne by NLMK.

Indicator description	Indicator value for the corresponding reporting period - 2013, full year
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	Annual General Shareholders' Meeting of NLMK on 2013 performance results held on 06.06.14, MoM No.38 dd. 06.06.2014.
Amount of dividends announced per a share, RUB	0.67
Total amount of declared dividends on all stock of this category (type), RUB:	4,015,462,250.8
Date on which the persons entitled to dividends will be determined (were determined):	June 17, 2014
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2013, full year
The due date for declared dividends	To nominal holders and custodians, the professional securities market participants, who are registered in the Shareholders'

	Register as at June 17, 2014: on or before July 1, 2014; to other persons registered in the Shareholders' Register as at June 17, 2014: on or before July 22, 2014.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's retained profit for the previous years determined on the basis of the financial statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	0
Total amount of paid dividends on the stock of this category (type), RUB	4,010,485,873
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.88
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

Indicator description	Indicator value for the corresponding reporting period - 2014, 6 months
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	NLMK's Extraordinary General Shareholders' Meeting held on September 30, 2014, MoM No. 39 dated September 30, 2014
Amount of dividends announced per a share, RUB	0.88
Total amount of declared dividends on all stock of this category (type), RUB:	5,274,039,971.20
Date on which the persons entitled to dividends will be determined (were determined):	October 11, 2014
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2014, 6 months
The due date for declared dividends	to nominal holders and custodians - the professional securities market participants, who are registered in the Shareholders Register as at October 11, 2014: on or before October 24, 2014; to other persons registered in the Shareholders' Register as of October 11, 2014: on or before November 18, 2014.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for 1H 2014 determined on the basis of the accounting (financial) statements drawn up in accordance with the

	Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	29.87
Total amount of paid dividends on the stock of this category (type), RUB	5,267,494,900
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.88
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

Indicator description	Indicator value for the corresponding reporting period - 2014, full year
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	Annual General Shareholders' Meeting of NLMK on 2014 performance results held on 05.06.15, MoM No.40 dd. 05.06.2015.
Amount of dividends announced per a share, RUB	2.44 (Considering the interim paid-in dividends for H1 2014 in the amount of RUB 0.88 per common share, the Company shall additionally pay RUB 1.56 per common share.)
Total amount of declared dividends on all stock of this category (type), RUB:	14,623,474,465.60 (Considering the interim paid-in dividends for H1 2014 in the amount of RUB 5,274,039,971.20 per common share, the Company shall additionally pay RUB 9,349,434,494.40 per common share.)
Date on which the persons entitled to dividends will be determined (were determined):	June 16, 2015
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2014, full year
The due date for declared dividends	To nominal holders and custodians, the professional securities market participants, who are registered in the Shareholders' Register as at June 16, 2015: on or before June 30, 2015; to other persons registered in the Shareholders' Register as of June 16, 2015: on or before July 21, 2015.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for 2014 determined on the basis of the accounting (financial) statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	73.36



Total amount of paid dividends on the stock of this category (type), RUB	14,604,835,647
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.87
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

Indicator description	Indicator value for the corresponding reporting period - 2015, 3 months
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	Annual General Shareholders' Meeting of NLMK on 2014 performance results held on 05.06.15, MoM No.40 dd. 05.06.2015.
Amount of dividends announced per a share, RUB	1.64
Total amount of declared dividends on all stock of this category (type), RUB:	9 828 892 673.60
Date on which the persons entitled to dividends will be determined (were determined):	June 16, 2015
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2015, 3 months
The due date for declared dividends	To nominal holders and custodians, the professional securities market participants, who are registered in the Shareholders' Register as at June 16, 2015: on or before June 30, 2015; to other persons registered in the Shareholders' Register as of June 16, 2015: on or before July 21, 2015.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for Q1 2015 determined on the basis of the accounting (financial) statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	49.17
Total amount of paid dividends on the stock of this category (type), RUB	9,816,079,811
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.87
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's

	Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

Indicator description	Indicator value for the corresponding reporting period - 2015, 6 months
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	NLMK's Extraordinary General Shareholders' meeting held on September 30, 2015, MoM No. 41 dated September 30, 2015
Amount of dividends announced per a share, RUB	0.93
Total amount of declared dividends on all stock of this category (type), RUB:	5 573 701 333.20
Date on which the persons entitled to dividends will be determined (were determined):	October 12, 2015
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2015, 6 months
The due date for declared dividends	to nominal holders and custodians - the professional securities market participants, who are registered in the Shareholders Register as at October 12, 2015: on or before October 26, 2015; to other persons registered in the Shareholders' Register as of October 12, 2015: on or before November 17, 2015.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for 1H 2015 determined on the basis of the accounting (financial) statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	17.87
Total amount of paid dividends on the stock of this category (type), RUB	5,566,464,997
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.87
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

Indicator description	Indicator value for the corresponding reporting period - 2015, 9 months
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	NLMK's Extraordinary General Shareholders' Meeting held on December 21, 2015, MoM No. 42 dated December 21, 2015
Amount of dividends announced per a share, RUB	1.95
Total amount of declared dividends on all stock of this category (type), RUB:	11,686,793,118
Date on which the persons entitled to dividends will be determined (were determined):	January 8, 2016
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2015, 9 months
The due date for declared dividends	Nominal holders and custodians, the professional securities market participants, who are registered in the Shareholders' Register as of January 8, 2016: on or before January 22, 2016; to other persons registered in the Shareholders' Register as of January 8, 2016: on or before February 12, 2016.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for 9 months 2015 determined on the basis of the accounting (financial) statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	24.61
Total amount of paid dividends on the stock of this category (type), RUB	11,670,400,469
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.86
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

Indicator description	Indicator value for the corresponding reporting period - 2015, full year
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	Annual General Shareholders' Meeting of NLMK on 2015 performance results held on 03 June 2016, MoM No.43 dd. 03.06.2016.
Amount of dividends announced per a share, RUB	6.95 (taking into account the interim

	dividends paid in the amount of RUB 4.52 per common share, the Company shall pay RUB 2.43 per common share.)
Total amount of declared dividends on all stock of this category (type), RUB:	41,652,929,318 (taking into account the interim dividends paid in the amount of RUB 27,089,387,124 per common share, the Company shall pay RUB 14,563,542,193 per common share.)
Date on which the persons entitled to dividends will be determined (were determined):	14 June, 2016
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2015, full year
The due date for declared dividends	To nominal holders and custodians, the professional securities market participants, who are registered in the Shareholders' Register as at June 14, 2016: on or before June 28, 2016; to other persons registered in the Shareholders' Register as of June 14, 2016: on or before July 19, 2016.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for 2015 determined on the basis of the accounting (financial) statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	83.43
Total amount of paid dividends on the stock of this category (type), RUB	41,595,912,607
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.86
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

Indicator description	Indicator value for the corresponding reporting period - 2016, 3 months
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	Annual General Shareholders' Meeting of NLMK on 2015 performance results held on 03 June 2016, MoM No.43 dd. 03.06.2016.
Amount of dividends announced per a share, RUB	1.13
Total amount of declared dividends on all stock of this category (type), RUB:	6 772 346 781.20
Date on which the persons entitled to dividends will be determined (were determined):	14 June, 2016

Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2016, 3 months
The due date for declared dividends	To nominal holders and custodians, the professional securities market participants, who are registered in the Shareholders' Register as at June 14, 2016: on or before June 28, 2016; to other persons registered in the Shareholders' Register as of June 14, 2016: on or before July 19, 2016.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for Q1 2016 and NLMK's retained profit for the previous years, determined on the basis of the accounting (financial) statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	100
Total amount of paid dividends on the stock of this category (type), RUB	6,762,691,736
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	99.86
Reasons for the Issuer's non-payment of declared dividends, in case the declared dividends are not paid or not fully paid by the Issuer:	Failure of persons included in the list of persons entitled to receive dividends to submit their bank details for receiving dividends in cashless form to NLMK's Shareholder Register.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

Indicator description	Indicator value for the corresponding reporting period - 2016, 6 months
Category of shares, for preferred shares - type	common
The Issuer's control body which made a decision on declaring the dividends, the date of the decision adoption, date and number of the minutes of the Issuer's control body meeting, where such decision was made	NLMK's Extraordinary General Shareholders' Meeting held on September 30, 2016, MoM No. 44 dated September 30, 2016.
Amount of dividends announced per a share, RUB	1.08
Total amount of declared dividends on all stock of this category (type), RUB:	6,472,685,419.2
Date on which the persons entitled to dividends will be determined (were determined):	October 12, 2016
Reporting period (year, quarter), for which (upon the results of which) the declared dividends are(were) paid	2016, 6 months
The due date for declared dividends	to nominal holders and custodians - the professional securities market participants, who are registered in the Shareholders Register as at October 12, 2016: on or before October 26, 2016; to other persons registered in the Shareholders' Register as of October 12, 2016: on or before

	November 17, 2016.
Form of payment of declared dividends (cash, other property)	cash
Source of payments of declared dividends (net profit for the reporting year, undistributed net profit for the previous years, Special Fund)	NLMK's net profit for 1H 2016 determined on the basis of the accounting (financial) statements drawn up in accordance with the Russian Federation legislation.
Share of declared dividends in the net profit of the reporting year, %	26.93
Total amount of paid dividends on the stock of this category (type), RUB	0
Share of paid out dividends in the total amount of declared dividends in respect to the stock of this category (type), %	0
If the declared dividends are not paid or paid by the Issuer in the incomplete scope – the causes of non-payment of declared dividends	The declared dividends on NLMK's common stock shall be paid out within the period specified in Article 42 of Federal Act No. 208-ФЗ dd. 26.12.1995 "On joint-stock companies" As of 30.09.2016 the payment period for the declared dividends on NLMK's common stock hasn't expired.
Other information on declared and(or) paid dividends to be specified by the Issuer at its discretion	none

### 8.7.2. Information on accrued and paid yield on the Issuer's bonds

Information on each bond issue on which the yield has been paid over five latest completed reporting years or each completed reporting year if the Issuer has conducted its business for less than five years and over the period starting from the beginning of the current year till the reporting quarter end.

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **BO-05**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-05-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: *Closed Joint-Stock Company "MICEX Stock Exchange"*

Quantity of bonds of the issue, pcs.: **10,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **10,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 53.60 (Fifty three rubles) 60 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 04/05/2010*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 03/11/2009 - date of the end of the coupon (interest) period: 04/05/2010 Total amount of the yield paid on all the bonds of the issue: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 53.60 (Fifty three rubles) 60 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 02/11/2010*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 04/05/2010 - date of the end of the coupon (interest) period: 02/11/2010 Total amount of the yield paid on all the bonds of the issue: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 53.60 (Fifty three rubles) 60 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 03/05/2011*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 02/11/2010 - date of the end of the coupon (interest) period: 03/05/2011 Total amount of the yield paid on all the bonds of the issue: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 53.60 (Fifty three rubles) 60 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 01/11/2011*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 03/05/2011 - date of the end of the coupon (interest) period: 01/11/2011 Total amount of the yield paid on all the bonds of the issue: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 53.60 (Fifty three rubles) 60 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 01.05.2012 (taking into account that it falls on a non-working day - 02.05.2012) Form and other terms of yield payment on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 01/11/2011 - date of the end of the coupon (interest) period: 01/05/2012 Total amount of the yield paid on all the bonds of the issue: RUB 536,000,000 (Five hundred*

*and thirty six million rubles).*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 53.60 (Fifty three rubles) 60 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 30/10/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 01/05/2012 - date of the end of the coupon (interest) period: 30/10/2012 Total amount of the yield paid on all the bonds of the issue: RUB 536,000,000 (Five hundred and thirty six million rubles).*

*Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 10,000,000,000 (Ten billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 30/10/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **EO-01**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-01-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Quantity of bonds of the issue, pcs.: **5,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 48.62 (Forty eight rubles) 62 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 08/06/2010*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 08/12/2009 - date of the end of the coupon (interest) period: 08/06/2010 Total amount of the yield paid on all the bonds of the issue: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*



*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 48.62 (Forty eight rubles) 62 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 07/12/2010*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 08/06/2010 - date of the end of the coupon (interest) period: 07/12/2010 Total amount of the yield paid on all the bonds of the issue: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 48.62 (Forty eight rubles) 62 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 07/06/2011*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 07/12/2010 - date of the end of the coupon (interest) period: 07/06/2011 Total amount of the yield paid on all the bonds of the issue: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 48.62 (Forty eight rubles) 62 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 06/12/2011*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 07/06/2011 - date of the end of the coupon (interest) period: 06/12/2011 Total amount of the yield paid on all the bonds of the issue: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 48.62 (Forty eight rubles) 62 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 05/06/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 06/12/2011 - date of the end of the coupon (interest) period: 05/06/2012 Total amount of the yield paid on all the bonds of the issue: RUB 243,100,000 (Two hundred*

*and forty three million one hundred thousand).*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 48.62 (Forty eight rubles) 62 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 04/12/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 05/06/2012 - date of the end of the coupon (interest) period: 04/12/2012 Total amount of the yield paid on all the bonds of the issue: RUB 243,100,000 (Two hundred and forty three million one hundred thousand).*

*Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 5,000,000,000 (Five billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 04/12/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: *EO-06*

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: *4B02-06-00102-A*

Date of identification number assignment: *19/10/2009*

The identification number assigned to the issue by: *Closed Joint-Stock Company "MICEX Stock Exchange"*

Quantity of bonds of the issue, pcs.: *10,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 38.64 (thirty eight rubles) 64 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 07/09/2010*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 09/03/2010 - date of the end of the coupon (interest) period: 07/09/2010 Total amount of the yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 38.64 (thirty eight rubles) 64 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 08.03.2011 (taking into account that it falls on a non-working day - 09.03.2011) Form and other terms of yield payment on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 07/09/2010 - date of the end of the coupon (interest) period: 08/03/2011 Total amount of the yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 38.64 (thirty eight rubles) 64 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 06/09/2011*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 08/03/2011 - date of the end of the coupon (interest) period: 06/09/2011 Total amount of the yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 38.64 (thirty eight rubles) 64 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 06/03/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 06/09/2011 - date of the end of the coupon (interest) period: 06/03/2012 Total amount of the yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 38.64 (thirty eight rubles) 64 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 04/09/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 06/03/2012 - date of the end of the coupon (interest) period: 04/09/2012 Total amount of the yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred*

*and eighty-six million four hundred thousand rubles).*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 38.64 (thirty eight rubles) 64 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 05/03/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 04/09/2012 - date of the end of the coupon (interest) period: 05/03/2013 Total amount of the yield paid on all the bonds of the issue: RUB 386,400,000 (Three hundred and eighty-six million four hundred thousand rubles).*

*Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 10,000,000,000 (Ten billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 05/03/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **EO-07**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-07-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Quantity of bonds of the issue, pcs.: **10,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **10,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 44.63 (Forty-four rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 15/05/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 15/11/2011 - date of the end of the coupon (interest) period: 15/05/2012 Total amount of the yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 44.63 (Forty-four rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 13/11/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 15/05/2012 - date of the end of the coupon (interest) period: 13/11/2012 Total amount of the yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 44.63 (Forty-four rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 14/05/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 13/11/2012 - date of the end of the coupon (interest) period: 14/05/2013 Total amount of the yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 44.63 (Forty-four rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 12/11/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 14/05/2013 - date of the end of the coupon (interest) period: 12/11/2013 Total amount of the yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 44.63 (Forty-four rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 13/05/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 12/11/2013 - date of the end of the coupon (interest) period: 13/05/2014 Total amount of the yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred*

*and forty-six million three hundred thousand rubles).*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 44.63 (Forty-four rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 11/11/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 13/05/2014 - date of the end of the coupon (interest) period:*

*11/11/2014 Total amount of the yield paid on all the bonds of the issue: RUB 446,300,000 (Four hundred and forty-six million three hundred thousand rubles).*

*Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 10,000,000,000 (Ten billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 11/11/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: *EO-02*

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: *4B02-02-00102-A*

Date of identification number assignment: *19/10/2009*

The identification number assigned to the issue by: *Closed Joint-Stock Company "MICEX Stock Exchange"*

Quantity of bonds of the issue, pcs.: *5,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *5,000,000,000*

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 43.63 (Forty three rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 20/06/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 21/12/2011 - date of the end of the coupon (interest) period:*

*20/06/2012 Total amount of the yield paid on all the bonds of the issue: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 43.63 (Forty three rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 19/12/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 20/06/2012 - date of the end of the coupon (interest) period: 19/12/2012 Total amount of the yield paid on all the bonds of the issue: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 43.63 (Forty three rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 19/06/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 19/12/2012 - date of the end of the coupon (interest) period: 19/06/2013 Total amount of the yield paid on all the bonds of the issue: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 5,000,000,000 (Five billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 19/06/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **BO-03**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-03-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Quantity of bonds of the issue, pcs.: **5,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 43.63 (Forty three rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 20/06/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 21/12/2011 - date of the end of the coupon (interest) period:*

*20/06/2012 Total amount of the yield paid on all the bonds of the issue: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 43.63 (Forty three rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 19/12/2012*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 20/06/2012 - date of the end of the coupon (interest) period:*

*19/12/2012 Total amount of the yield paid on all the bonds of the issue: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 43.63 (Forty three rubles) 63 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 19/06/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 19/12/2012 - date of the end of the coupon (interest) period:*

*19/06/2013 Total amount of the yield paid on all the bonds of the issue: RUB 218,150,000 (Two hundred and eighteen million one hundred and fifty thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 5,000,000,000 (Five billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 19/06/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*



Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **BO-04**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-04-00102-A**

Date of identification number assignment: **19/10/2009**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Quantity of bonds of the issue, pcs.: **5,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.14 (Forty one ruble) 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 205,700,000 (Two hundred and five million seven hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 11/03/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 10/09/2012 - date of the end of the coupon (interest) period: 11/03/2013 Total amount of the yield paid on all the bonds of the issue: RUB 205,700,000 (Two hundred and five million seven hundred thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.14 (Forty one ruble) 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 205,700,000 (Two hundred and five million seven hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 09/09/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 11/03/2013 - date of the end of the coupon (interest) period: 09/09/2013 Total amount of the yield paid on all the bonds of the issue: RUB 205,700,000 (Two hundred and five million seven hundred thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.14 (Forty one ruble) 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 205,700,000 (Two hundred and five million seven hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 10.03.2014 (taking into account that it falls on a non-working day - 11.03.2014) Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 09/09/2013 - date of the end of the coupon (interest) period: 10/03/2014 Total amount of the yield paid on all the bonds of the issue: RUB 205,700,000 (Two hundred and five million seven hundred thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.14 (Forty one ruble) 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 205,700,000 (Two hundred and five million seven hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 08/09/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 10/03/2014 - date of the end of the coupon (interest) period: 08/09/2014*

*Total amount of the yield paid on all the bonds of the issue: RUB 205,700,000 (Two hundred and five million seven hundred thousand rubles).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 5,000,000,000 (Five billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 08/09/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *07*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-07-00102-A*

State registration date of the issue: *08/12/2011*

Registrar: *FFMS of Russia*

*Notification on the issue results*

Date of submission to the registration authority of the Notice on the securities issue results: *27/09/2012*

Quantity of bonds of the issue, pcs.: *5,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *5,000,000,000*

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 42.38 (Forty-two rubles) 38 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 18/03/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the*

*beginning of the coupon (interest) period: 17/09/2012 - date of the end of the coupon (interest) period: 18/03/2013 Total amount of the yield paid on all the bonds of the issue: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 42.38 (Forty-two rubles) 38 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 16/09/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 18/03/2013 - date of the end of the coupon (interest) period: 16/09/2013 Total amount of the yield paid on all the bonds of the issue: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 42.38 (Forty-two rubles) 38 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 17/03/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 16/09/2013 - date of the end of the coupon (interest) period: 17/03/2014 Total amount of the yield paid on all the bonds of the issue: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 42.38 (Forty-two rubles) 38 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 15/09/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 17/03/2014 - date of the end of the coupon (interest) period: 15/09/2014 Total amount of the yield paid on all the bonds of the issue: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 42.38 (Forty-two rubles) 38 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 16/03/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 15/09/2014 - date of the end of the coupon (interest) period: 16/03/2015 Total amount of the yield paid on all the bonds of the issue: RUB 211,900,000 (Two hundred and eleven million nine hundred thousand rubles).*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 49.86 (Forty-nine) 86 kopecks\*.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 1,016,595.54 (one million sixteen thousand five hundred and ninety-five) 54 kopecks\*\*.*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 14/09/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 16/03/2015 - date of the end of the coupon (interest) period: 14/09/2015 Total amount of the yield paid on all the bonds of the issue: RUB 1,016,595.54 (one million sixteen thousand five hundred and ninety-five) 54 kopecks.*

*Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the seventh coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 49.86 (Forty-nine) 86 kopecks\*.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 1,016,595.54 (one million sixteen thousand five hundred and ninety-five) 54 kopecks\*\*.*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 14/03/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 14/09/2015 - date of the end of the coupon (interest) period: 14/03/2016 Total amount of the yield paid on all the bonds of the issue: RUB 1,016,595.54 (one million sixteen thousand five hundred and ninety-five) 54 kopecks.*

*Yield on the seventh coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 20,389,000 (Twenty million three hundred and eighty nine thousand rubles)\*\*.*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 14/03/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

*\* - Interest rate value for the sixth and seventh coupon periods of the issue bonds is determined by the Resolution of the Issuer's sole executive body – NLMK President (Chairman of the Management Board) dd. March 5, 2015 (Order No. 247-16 dd. March 5, 2015) in the amount of 10.00 (ten) percent per annum, which corresponds to the amount of coupon yield of RUB 49.86 over the coupon period. (Forty-nine rubles eighty-six kopecks) per a Bond.*

*\*\* - On March 20, 2015 the Issuer acquired the issue bonds upon the owner's demand in the quantity of 4,979,611 (four million nine hundred seventy nine thousand six hundred and eleven) pieces for the total amount of RUB 4,985,088,572.10 (four billion nine hundred eighty five million eighty eight thousand five hundred seventy two rubles and 10 kopecks) including the coupon yield accrued as on the purchase date. The acquisition of the Bonds is performed according to the Resolution on Issue of Securities and Securities*

*Prospectus, approved by NLMK Board of Directors on October 3, 2011 (Minutes of Meeting No.196 dd. October 4, 2011).*

*As a result total quantity of the Bonds yield on which is to be paid amounted to: 20,389 pieces*

Type of securities: *bonds*

Form of securities: *certified pay-to-bearer*

Series: *08*

*non-convertible interest-bearing bonds with mandatory centralized custody, with the possibility of early repayment upon owners' demand and at the Issuer's discretion*

State registration number of the issue: *4-08-00102-A*

State registration date of the issue: *08/12/2011*

Registrar: *FFMS of Russia*

***Notification on the issue results***

Date of submission to the registration authority of the Notice on the securities issue results: *20/12/2012*

Quantity of bonds of the issue, pcs.: *10,000,000*

Par value of each bond of the issue, RUB: *1,000*

Volume of the issue at par value: *10,000,000,000*

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.88 (Forty one ruble) 88 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 07/06/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 07/12/2012 - date of the end of the coupon (interest) period: 07/06/2013 Total amount of the yield paid on all the bonds of the issue: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.88 (Forty one ruble) 88 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 06/12/2013*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 07/06/2013 - date of the end of the coupon (interest) period: 06/12/2013 Total amount of the yield paid on all the bonds of the issue: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.88 (Forty one ruble) 88 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 06/06/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 06/12/2013 - date of the end of the coupon (interest) period: 06/06/2014 Total amount of the yield paid on all the bonds of the issue: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.88 (Forty one ruble) 88 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 05/12/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 06/06/2014 - date of the end of the coupon (interest) period: 05/12/2014 Total amount of the yield paid on all the bonds of the issue: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.88 (Forty one ruble) 88 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 05/06/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 05/12/2014 - date of the end of the coupon (interest) period: 05/06/2015 Total amount of the yield paid on all the bonds of the issue: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 41.88 (Forty one ruble) 88 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 04/12/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 05/06/2015 - date of the end of the coupon (interest) period: 04/12/2015 Total amount of the yield paid on all the bonds of the issue: RUB 418,800,000 (Four hundred and eighteen million eight hundred thousand rubles).*

*Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand*

rubles).

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 10,000,000,000 (Ten billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 04/12/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **BO-11**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-11-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: *Closed Joint-Stock Company "MICEX Stock Exchange"*

Quantity of bonds of the issue, pcs.: **5,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 30/01/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 01/08/2013 - date of the end of the coupon (interest) period: 30/01/2014 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 31/07/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 30/01/2014 - date of the end of the coupon (interest) period: 31/07/2014 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 29/01/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 31/07/2014 - date of the end of the coupon (interest) period: 29/01/2015 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 30/07/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 29/01/2015 - date of the end of the coupon (interest) period: 30/07/2015 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 28/01/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 30/07/2015 - date of the end of the coupon (interest) period: 28/01/2016 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 28/07/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 28/01/2016 - date of the end of the coupon (interest) period: 28/07/2016 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand*



rubles).

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 5,000,000,000 (Five billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 28/07/2016*  
*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **BO-12**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-12-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: *Closed Joint-Stock Company "MICEX Stock Exchange"*

Quantity of bonds of the issue, pcs.: **5,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 04/02/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 06/08/2013 - date of the end of the coupon (interest) period: 04/02/2014 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 05/08/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 04/02/2014 - date of the end of the coupon (interest) period: 05/08/2014 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 03/02/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 05/08/2014 - date of the end of the coupon (interest) period: 03/02/2015 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 04/08/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 03/02/2015 - date of the end of the coupon (interest) period: 04/08/2015 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 02/02/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 04/08/2015 - date of the end of the coupon (interest) period: 02/02/2016 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the sixth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 39.89 (Thirty-nine rubles) 89 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 02/08/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 02/02/2016 - date of the end of the coupon (interest) period: 02/08/2016 Total amount of the yield paid on all the bonds of the issue: RUB 199,450,000 (One hundred and ninety nine million four hundred and fifty thousand rubles).*

*Yield on the sixth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand*

rubles).

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 5,000,000,000 (Five billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 02/08/2016*  
*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **BO-13**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-13-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: *Closed Joint-Stock Company "MICEX Stock Exchange"*

Quantity of bonds of the issue, pcs.: **5,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 40.14 (Forty) rubles 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 14/04/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 14/10/2013 - date of the end of the coupon (interest) period: 14/04/2014 Total amount of the yield paid on all the bonds of the issue: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 40.14 (Forty) rubles 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 13/10/2014*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 14/04/2014 - date of the end of the coupon (interest) period: 13/10/2014 Total amount of the yield paid on all the bonds of the issue: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the third coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 40.14 (Forty) rubles 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 13/04/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 13/10/2014 - date of the end of the coupon (interest) period: 13/04/2015 Total amount of the yield paid on all the bonds of the issue: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Yield on the third coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the fourth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 40.14 (Forty) rubles 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 12/10/2015*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 13/04/2015 - date of the end of the coupon (interest) period: 12/10/2015 Total amount of the yield paid on all the bonds of the issue: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Yield on the fourth coupon on the bonds of the issue has been paid by the Issuer in full.*

*Type of yield paid on the bonds of the issue: coupon yield on the fifth coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 40.14 (Forty) rubles 14 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 11/04/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 12/10/2015 - date of the end of the coupon (interest) period: 11/04/2016 Total amount of the yield paid on all the bonds of the issue: RUB 200,700,000 (Two hundred million seven hundred thousand) rubles.*

*Yield on the fifth coupon on the bonds of the issue has been paid by the Issuer in full.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **BO-14**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-14-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: *Closed Joint-Stock Company "MICEX Stock Exchange"*

Quantity of bonds of the issue, pcs.: **5,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 57.34 (Fifty seven rubles) 34 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 286,700.000 (Two hundred and eighty-six million seven hundred thousand rubles);*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 07.01.2016 (11.01.2016 – first business day).*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 09/07/2015 - date of the end of the coupon (interest) period: 07/01/2016*

*Total amount of the yield paid on all the bonds of the issue: RUB 286,700.000 (Two hundred and eighty-six million seven hundred thousand rubles);*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: coupon yield on the second coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 57.34 (Fifty seven rubles) 34 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 286,700.000 (Two hundred and eighty-six million seven hundred thousand rubles);*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 07/07/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 07/01/2016 - date of the end of the coupon (interest) period: 07/07/2016*

*Total amount of the yield paid on all the bonds of the issue: RUB 286,700.000 (Two hundred and eighty-six million seven hundred thousand rubles);*

*Yield on the second coupon on the bonds of the issue has been paid by the Issuer in full volume.*

*Type of yield paid on the bonds of the issue: par value.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 1,000 (One thousand rubles).*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 5,000,000,000 (Five billion rubles).*

*Date on which the liability to repay par value of the bonds of the issue shall be discharged: 07/07/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*The obligation to repay the par value of the bonds of the issue has been fully discharged by the Issuer.*

Type of securities: *exchange/commercial bonds*

Form of securities: *certified pay-to-bearer*

Series: **BO-08**

*interest-bearing non-convertible bonds with mandatory centralized custody*

Identification number of the issue: **4B02-08-00102-A**

Date of identification number assignment: **27/12/2012**

The identification number assigned to the issue by: **Closed Joint-Stock Company "MICEX Stock Exchange"**

Quantity of bonds of the issue, pcs.: **5,000,000**

Par value of each bond of the issue, RUB: **1,000**

Volume of the issue at par value: **5,000,000,000**

Main data on yield from the bonds of the issue:

*Type of yield paid on the bonds of the issue: coupon yield on the first coupon.*

*Amount of yield per bond subject to payment on the bonds of the issue, in cash: RUB 55.35 (Fifty five rubles) 35 kopecks.*

*Amount of yield subject to payment on all bonds of the issue in total, in cash: RUB 276,750,000 (Two hundred and seventy six million seven hundred and fifty thousand rubles).*

*Date on which the liability to pay yield on the bonds of the issue shall be discharged: 28/04/2016*

*Form and other yield payment terms on the bonds of the issue: monetary funds in the currency of the Russian Federation by cashless settlement.*

*Coupon (interest) period for which the yield on the bonds of the issue was paid: 182 days - date of the beginning of the coupon (interest) period: 29/10/2015 - date of the end of the coupon (interest) period:*

*28/04/2016 Total amount of the yield paid on all the bonds of the issue: RUB 276,750,000 (Two hundred and seventy six million seven hundred and fifty thousand rubles).*

*Yield on the first coupon on the bonds of the issue has been paid by the Issuer in full volume.*

#### **8.8. Other information**

*No other information*

#### **8.9. Information on provided securities and the Issuer of these securities the title to which is certified by Russian depositary receipts**

*The Issuer does not issue provided securities the title to which is certified by Russian depositary receipts.*