

Severstal

Severstal Releases Q1 2008 Operational Results

April 30, 2008 – Severstal (LSE: SVST) today released its Q1 2008 operational results as follows.

PRODUCTION VOLUMES

Q1 2008 overview

Production of crude steel in Q1 2008 amounted to 4.8 million tonnes that is 7% higher than it was in Q1 2007. Beginning Q1 2008 Severstal has consolidated SeveCorr production volumes that resulted in growth of crude steel production by 8% on consolidated basis and 41% for Severstal North America in Q1 2008 over Q4 2007.

Production of rolled products in Q1 2008 was 5% higher than in Q1 2007 and 8% higher than in Q4 2007.

Production of iron pellets (net of intercompany sales) in Q1 2008 reached 1.3 million tonnes, or 49% higher compared with Q1 2007. Total production of iron ore pellets was 14% higher than in Q1 2007. In Q1 2008 Mining segment sold 223 thousand tonnes of iron ore concentrate to customers, non-related with Severstal.

Total production of coal concentrate was down 22% in Q1 2008 compared with the same period of 2007, while production of this material net of intercompany sales was down by 58%.

Consolidated production of hot metal and crude steel

Total throughput, metric tonnes	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Hot metal: total throughput	3 283 274	3 272 800	0%	3 312 632	3 272 800	-1%
Crude steel: total throughput	4 501 025	4 794 863	7%	4 437 934	4 794 863	8%

Consolidated production (net of intercompany sales)

Total throughput, metric tonnes	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Production for sale, metric tonnes						
Coal:	1 442 001	755 982	-48%	1 071 447	755 982	-29%
Coking coal concentrate	696 385	289 337	-58%	548 385	289 337	-47%
Coking coal	47 729	44 617	-7%	123 182	44 617	-64%
Steam coal	697 887	422 028	-40%	399 880	422 028	6%
Iron ore:	881 407	1 534 309	74%	1 244 826	1 534 309	23%
Iron ore pellets	881 407	1 310 939	49%	1 152 932	1 310 939	14%
Iron ore concentrate	0	223 371	-	91 893	223 371	143%
Gold	0	900	-	0	900	-
Semifinished products	464 761	521 542	12%	510 281	521 542	2%
Rolled products:	3 362 559	3 547 463	5%	3 288 138	3 547 463	8%
Hot-rolled strip and plate	1 494 144	1 571 522	5%	1 443 466	1 571 522	9%
Cold-rolled sheet	474 156	518 667	9%	503 090	518 667	3%
Galvanised and other metallic coated sheet	374 122	394 276	5%	354 347	394 276	11%
Color coated sheet	59 391	58 467	-2%	46 723	58 467	25%
Long products	883 546	916 633	4%	852 552	916 633	8%
Rails	77 200	87 899	14%	87 961	87 899	0%
Downstream products:	467 749	469 816	0%	501 887	469 816	-6%
Metalware products	284 805	269 745	-5%	270 564	269 745	0%
Large diameter pipes	43 111	78 049	81%	113 448	78 049	-31%
Other tubes and pipes, formed shapes	116 796	122 023	4%	117 875	122 023	4%
Wheels, axles, tires	23 037	0	-100%	0	0	-

Segmental information
Mining

Total throughput, metric tonnes	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Production for sale, metric tonnes						
Coal:	2 740 390	1 814 800	-34%	2 352 829	1 814 800	-23%
Coking coal concentrate	1 517 181	1 185 770	-22%	1 491 359	1 185 770	-20%
Coking coal	525 322	207 001	-61%	461 590	207 001	-55%
Steam coal	697 887	422 028	-40%	399 880	422 028	6%
Iron ore:	3 406 034	3 778 094	11%	3 854 344	3 778 094	-2%
Iron ore pellets	2 295 103	2 627 162	14%	2 678 107	2 627 162	-2%
Iron ore concentrate	1 110 931	1 150 932	4%	1 176 237	1 150 932	-2%
Gold	0	900	-	0	900	0

Russian Steel

Total throughput, metric tonnes	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Hot metal: total throughput	2 164 014	2 311 162	7%	2 251 229	2 311 162	3%
Crude steel: total throughput	2 948 876	3 186 508	8%	3 060 197	3 186 508	4%
Production for sale, metric tonnes						
Semifinished products	226 860	239 420	6%	241 333	239 420	-1%
Rolled products:	2 268 785	2 393 822	6%	2 392 747	2 393 822	0%
Hot-rolled strip and plate	1 176 581	1 272 165	8%	1 284 851	1 272 165	-1%
Cold-rolled sheet	352 233	367 800	4%	369 764	367 800	-1%
Galvanised and other metallic coated sheet	191 360	181 178	-5%	180 135	181 178	1%
Color coated sheet	59 391	58 467	-2%	46 723	58 467	25%
Long products	489 220	514 213	5%	511 274	514 213	1%
Downstream products:	124 885	133 924	7%	130 884	133 924	2%
Metalware products	8 089	11 901	47%	13 009	11 901	-9%
Other tubes and pipes, formed shapes	116 796	122 023	4%	117 875	122 023	4%

SNA

Total throughput, metric tonnes	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Hot metal: total throughput	493 510	331 488	-33%	429 525	331 488	-23%
Crude steel: total throughput	593 563	711 443	20%	506 241	711 443	41%
Production for sale, metric tonnes						
Rolled products:	654 321	746 983	14%	573 017	746 983	30%
Hot-rolled strip and plate	349 636	383 017	10%	265 478	383 017	44%
Cold-rolled sheet	121 923	150 867	24%	133 326	150 867	13%
Galvanised and other metallic coated sheet	182 762	213 098	17%	174 212	213 098	22%

Lucchini

Total throughput, metric tonnes	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Hot metal and pig iron: total throughput	625 750	630 150	1%	631 878	630 150	0%
Crude steel: total throughput	958 586	896 912	-6%	871 496	896 912	3%
Production for sale, metric tonnes						
Semifinished products	284 456	282 121	-1%	311 933	282 121	-10%
Rolled products:	634 437	634 756	0%	576 229	634 756	10%
Long products	557 237	546 857	-2%	488 268	546 857	12%
Rails	77 200	87 899	14%	87 961	87 899	0%
Downstream products:	33 477	6 653	-80%	4 364	6 653	52%
Metalware products	10 440	6 653	-36%	4 364	6 653	52%
Wheels, axles, tires	23 037	0	-100%	0	0	-

Metalware

Total throughput, metric tonnes	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Production for sale, metric tonnes						
Downstream products:						
Metalware products	266 276	251 191	-6%	253 191	251 191	-1%

Izhora pipe mill

Total throughput, metric tonnes	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Production for sale, metric tonnes						
Downstream products:						
Large diameter pipes	43 111	78 049	81%	113 448	78 049	-31%

AVERAGE SELLING PRICES

Consolidated sales

Sales prices (EXW), USD/tonne	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Coal:	54	91	69%	67	91	36%
Coking coal concentrate	81	123	52%	90	123	37%
Coking coal	31	47	52%	32	47	47%
Steam coal	26	32	23%	30	32	7%
Iron ore:	71	91	28%	74	91	23%
Iron ore pellets	76	97	28%	77	97	26%
Iron ore concentrate	61	77	26%	65	77	18%
Gold	0	29 671	-	0	29 671	-
Semifinished products						
Rolled products:	684	769	12%	730	769	5%
Hot-rolled strip and plate	561	640	14%	633	640	1%
Cold-rolled sheet	650	686	6%	674	686	2%
Galvanised and other metallic coated sheet	879	869	-1%	865	869	0%
Color coated sheet	1 149	1 192	4%	1 170	1 192	2%
Long products	772	900	17%	810	900	11%
Rails	824	901	9%	790	901	14%
Downstream products:	969	1 148	18%	1 160	1 148	-1%
Metalware products	893	1 045	17%	999	1 045	5%
Large diameter pipes	1 592	2 051	29%	1 900	2 051	8%
Other tubes and pipes, formed shapes	729	810	11%	795	810	2%
Wheels, axles, tires	2 492	0	-	0	0	-

Mining

Sales prices (EXW), USD/tonne	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Coal:	54	91	69%	67	91	36%
Coking coal concentrate	81	123	52%	90	123	37%
Coking coal	31	47	52%	32	47	47%
Steam coal	26	32	23%	30	32	7%
Iron ore:	71	91	28%	74	91	23%
Iron ore pellets	76	97	28%	77	97	26%
Iron ore concentrate	61	77	26%	65	77	18%
Gold	0	29 671	-	0	29 671	-

Russian Steel

Sales prices (EXW), USD/tonne	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Semifinished products	379	502	32%	459	502	9%
Rolled products:	613	687	12%	664	687	3%
Hot-rolled strip and plate	553	665	20%	639	665	4%
Cold-rolled sheet	629	680	8%	663	680	3%
Galvanised and other metallic coated sheet	884	877	-1%	875	877	0%
Color coated sheet	1 149	1 192	4%	1 170	1 192	2%
Long products	544	618	14%	563	618	10%
Downstream products:	734	812	11%	797	812	2%
Metalware products	812	837	3%	811	837	3%
Other tubes and pipes, formed shapes	729	810	11%	795	810	2%

SNA

Sales prices (EXW), USD/tonne	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Rolled products:	689	710	3%	703	710	1%
Hot-rolled strip and plate	589	622	6%	603	622	3%
Cold-rolled sheet	725	702	-3%	706	702	-1%
Galvanised and other metallic coated sheet	873	863	-1%	855	863	1%

Lucchini

Sales prices (EXW), USD/tonne	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Semifinished products	588	592	1%	522	592	13%
Rolled products:	960	1 132	18%	1 016	1 132	11%
Long products	978	1 163	19%	1 054	1 163	10%
Rails	824	901	9%	790	901	14%
Downstream products:	2 545	1 121	-56%	2 564	1 121	-56%
Metalware products	2 627	1 121	-57%	2 564	1 121	-56%
Wheels, axles, tires	2 492	0	-	0	0	-

Metalware

Sales prices (EXW), USD/tonne	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Downstream products:						
Metalware products	825	1 053	28%	982	1 053	7%

Izhora pipe mill

Sales prices (EXW), USD/tonne	Q1 2007	Q1 2008	Q1 2008/ Q1 2007	Q4 2007	Q1 2008	Q1 2008/ Q4 2007
Downstream products:						
Large diameter pipes	1 592	2 051	29%	1 900	2 051	8%

Note:

Semifinished products include slabs, billets, ingots, steel casting and forgings.