



KOKS GROUP



FY 2013 Financial Results Presentation

April, 2014





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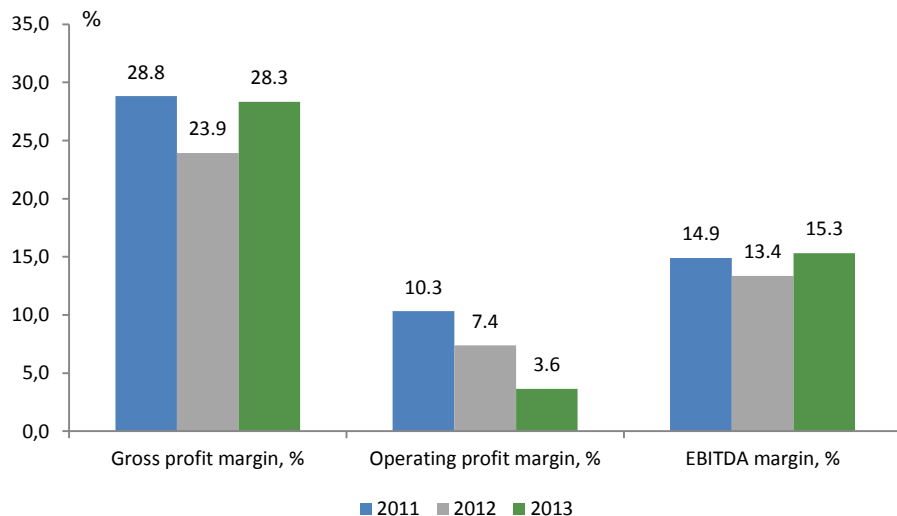


Key Operational Results

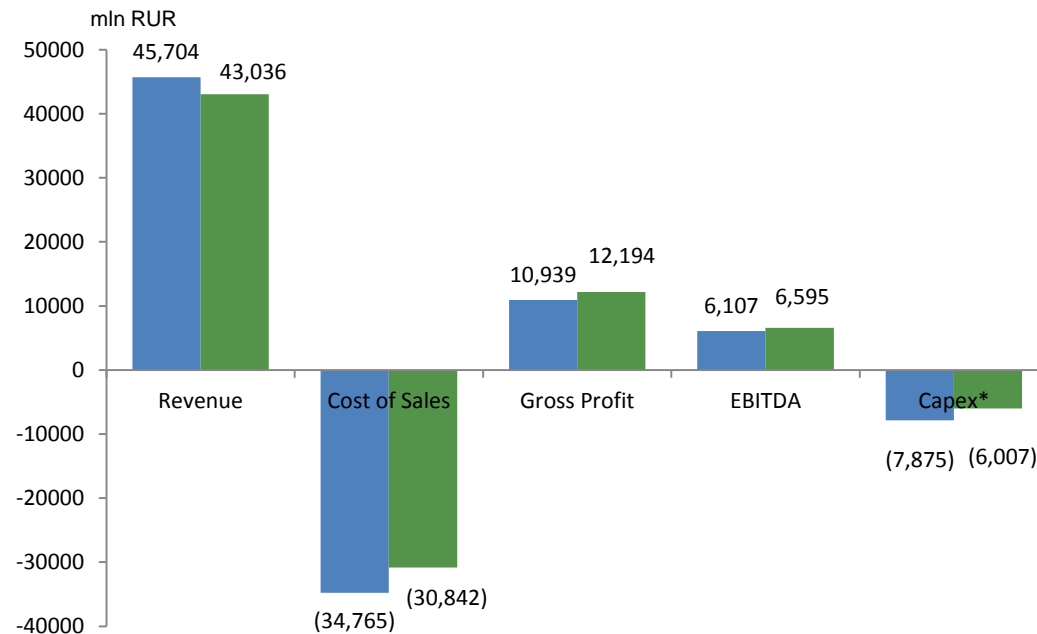
| Production, million tonnes | 2012 | 2013 | 2013 / 2012, % |
|---------------------------------------|-------------|-------------|---------------------------|
| Pig iron | 2.12 | 2.1 | (1) |
| Coke* | 2.6 | 2.55 | (2) |
| Iron Ore Concentrate | 2.24 | 2.2 | (2) |
| Iron Ore | 4.8 | 4.83 | 1 |
| Coking coal | 1.59 | 1.66 | 4 |

* Coke 6% moisture content including metallurgical coke, foundry coke, coke nut, coke breeze, coke dust

Key Margin Indicators



Key Financial Indicators



* Purchase of property, plant and equipment

- Decline in prices kept on putting pressure on the Company's revenue
- Consolidated EBITDA improved due to cost of sales and operating costs containment efforts
- Consolidated EBITDA and Gross profit margins returned to the 2011 levels despite lower pricing level in 2013 as compared to 2011
- Production costs optimization and CAPEX program revision resulted in significant improve in Free Cash Flow generation
- Debt level 11% declined as compared to 30 June 2013 and returned to the level of 31 December 2012



Key Financial Highlights

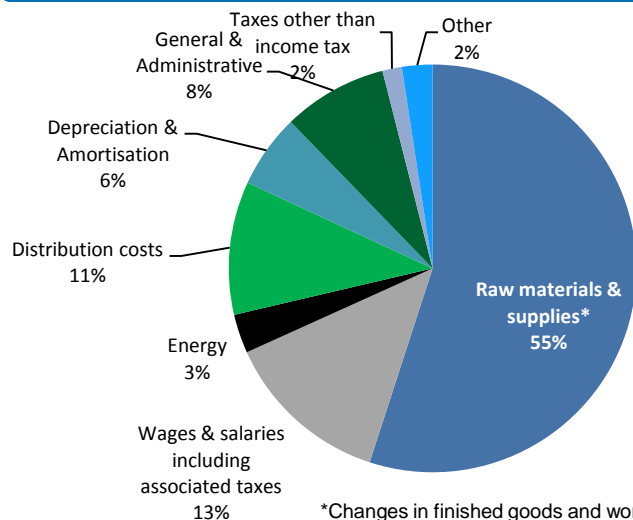
| millions of RUR | 2012 | 2013 | 2013/ 2012, % |
|--|---------------|----------------|---------------|
| Revenue | 45,704 | 43,036 | (6) |
| Cost of Sales | (34,765) | (30,842) | (11) |
| Operating profit | 3,382 | 1,568 | (54) |
| Profit / (Loss) before income tax | 2,603 | (1,883) | - |
| Profit / (Loss) for the year | 1,997 | (2,436) | - |
| Adjusted EBITDA LTM** | 6,651 | 7,016 | 5 |
| Cash from operating activities | 7,708 | 10,415 | 35 |

* As of December 31, 2012

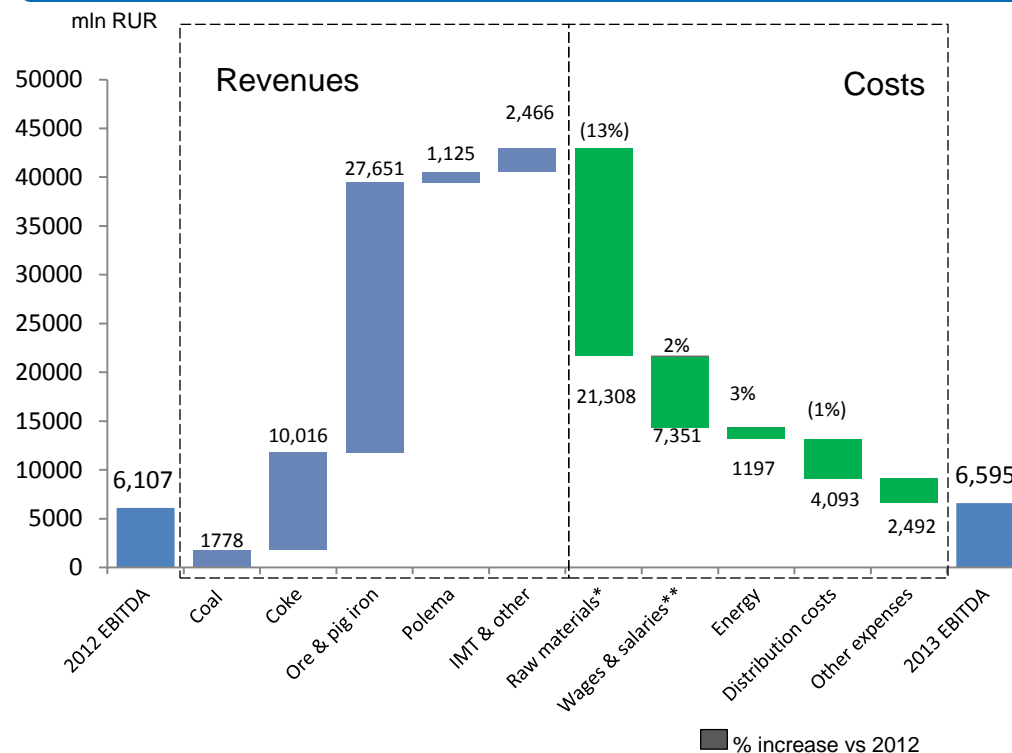
** Adjusted EBITDA is calculated as earnings before income tax, interest expense, exchange gain/loss, depreciation, amortization, impairment and other non-cash items.

Source: IFRS consolidated financial information for the year ended 31 December 2013

Operating Costs Structure in 2013



EBITDA Bridge, RUR mln



*Changes in finished goods and work in progress included

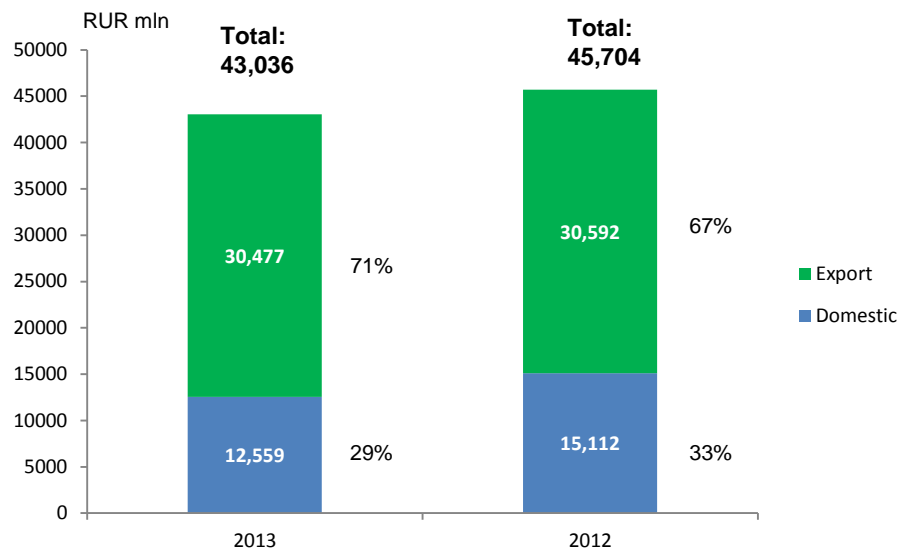
**Wages and salaries including administrative salaries and associated taxes

A number of one-time factors were attributed as increasing operating costs and interest expense:

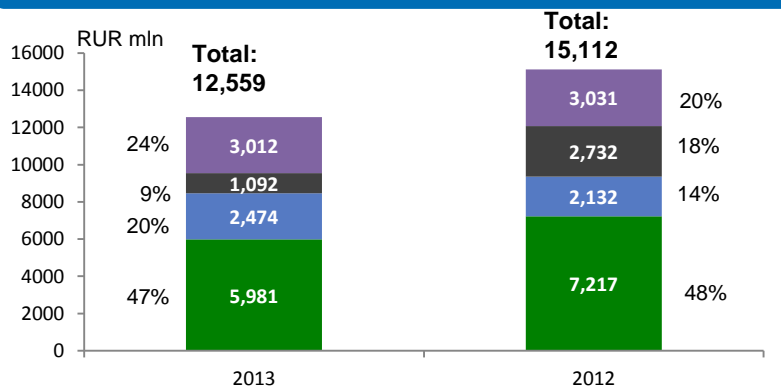
- Impairment of PPE and intangible assets was a result of Romanovskaya mine shut down
- Loss on disposal of ownership shares in SIJ was a result of significant decline in fair value of the sold shares
- Increase in interest expense was in consequence with premium paid to OAO Koks' Eurobond loan holders for their consent to amend covenants of the bond loan
- Exchange loss is a result of ruble depreciation which caused an increase in coupon and interest payments denominated in foreign currencies



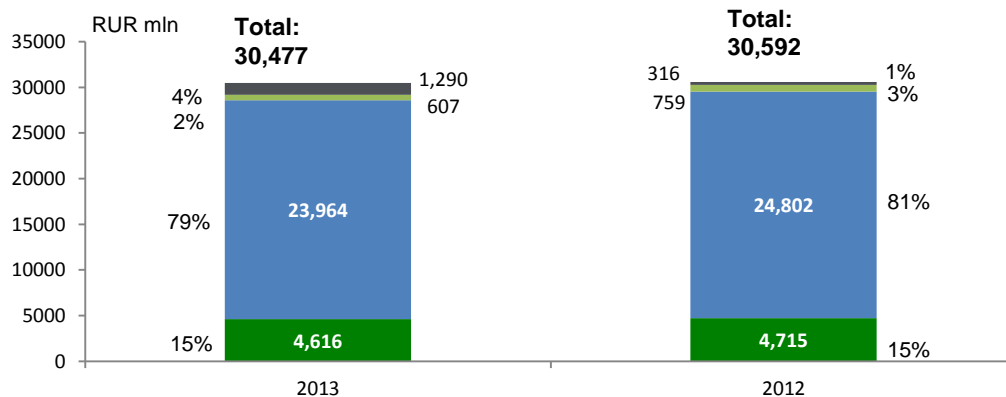
Domestic and Export Sales*



Domestic Sales*



Export Sales*



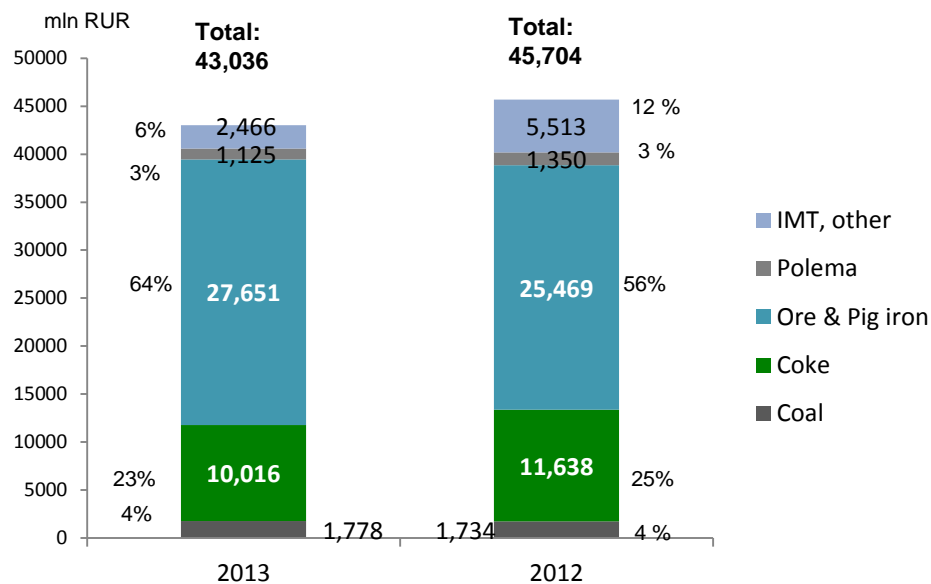
■ Coke & coking products ■ Pig iron & pig iron products ■ Coal & concentrate ■ Other

■ Coke & coking products ■ Pig iron & pig iron products ■ Other sales ■ Coal and other

* External revenue

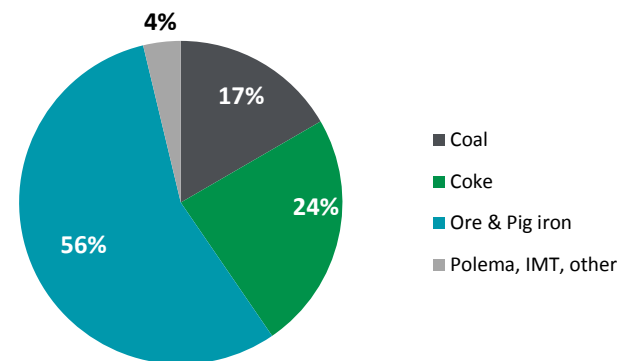


External revenue

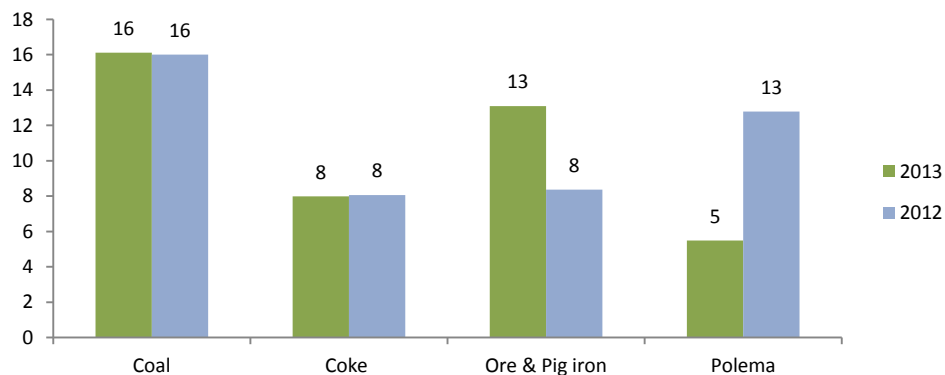


EBITDA by segments

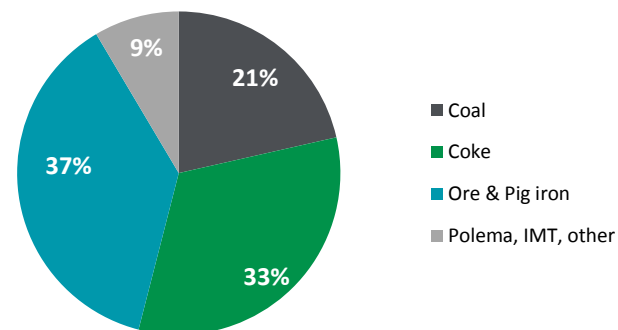
2013 total: RUR 6,595 mln



EBITDA margin*, %



2012 total: RUR 6,107 mln

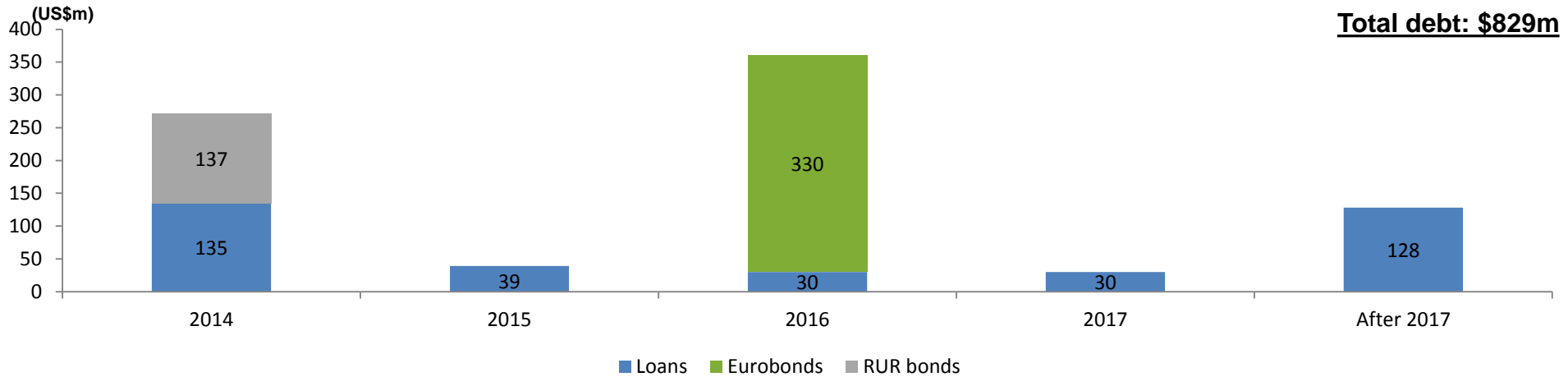


*Including inter-segment revenue

Source: IFRS consolidated financial information for the year ended 30 July 2013

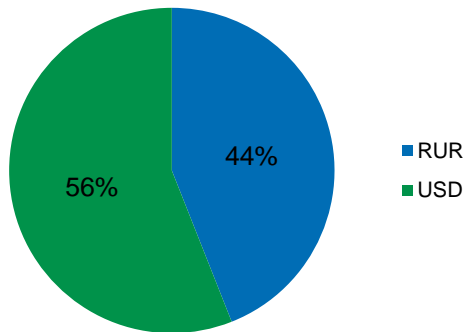


Current Debt Maturity Profile

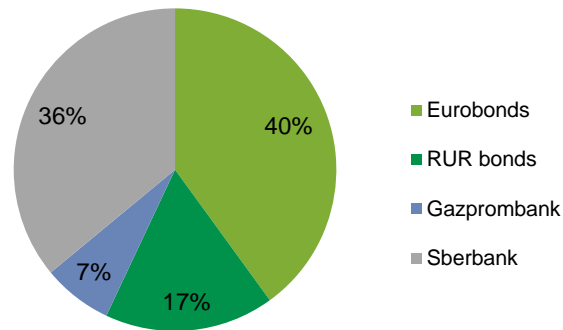


- Confirmed undrawn facilities as of Dec 31, 2013 was **RUR 28.5 billion**
- RUR bonds will be paid back using the company's cash flow and bank loans
- Average loan interest rate as of Dec 31, 2013 was 7%

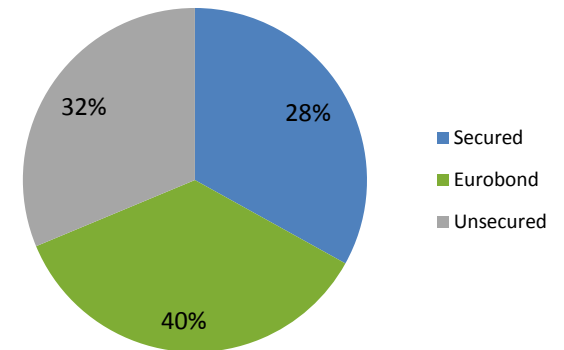
Debt by Currency



Debt by Creditor

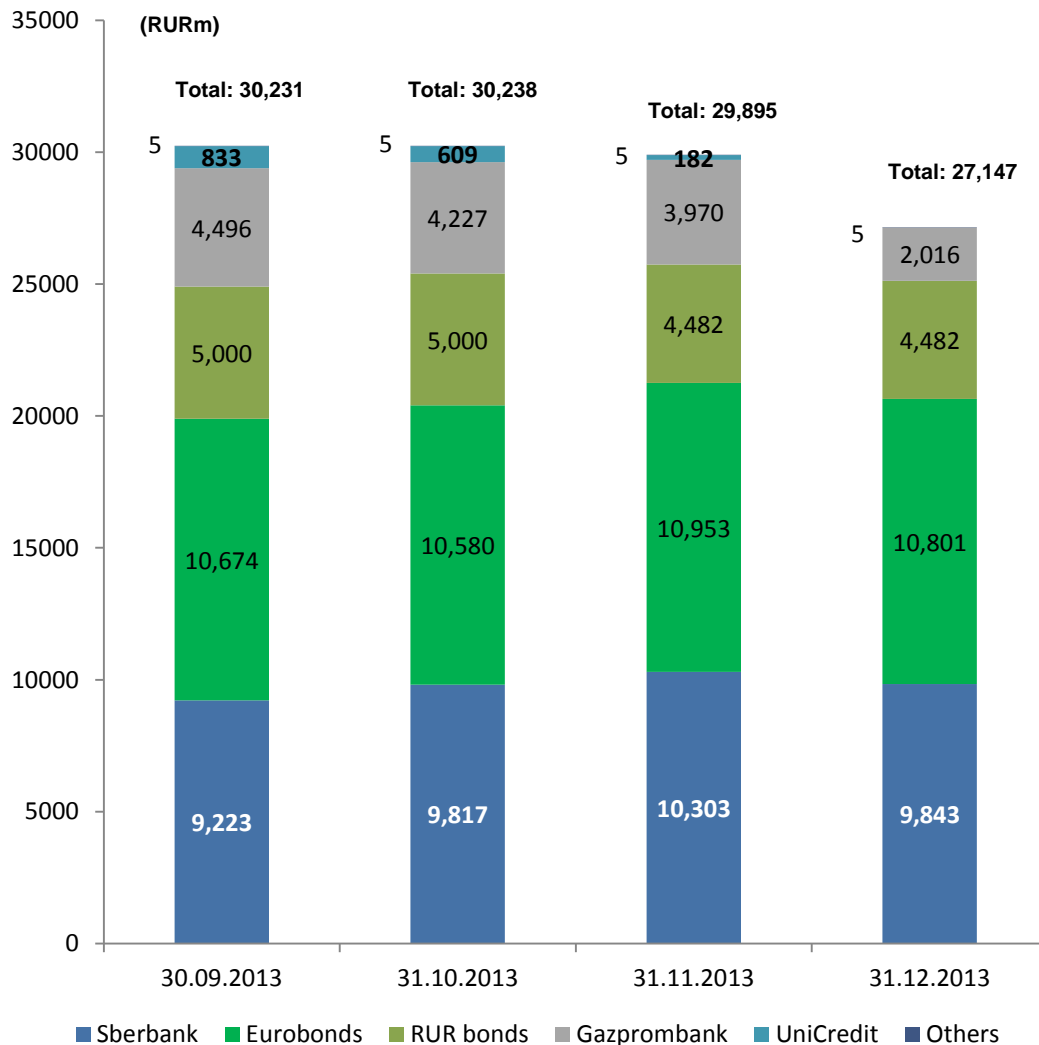


Debt by Security Type





Debt Level Decreased by the End of 2013



Early Loan Repayment Executed Due to

- Lower coking coal prices in the market in 2H2013
- Significantly lower capex program in 2013
- Short term loans issued to third parties paid back
- Good results of the cost cutting program initiated in 3Q2012
- Higher cash flow in 2H2013 from additional volumes of coal sold internally from newly commissioned Butovskaya mine and additional volumes of pig iron after maintenance of BF2 was over in 1H2013
- Change of marketing policy focusing on higher value added special pig iron grades and improved quality coke grades.



Income Statement Highlights

| millions of RUR | 2012 | 2013 |
|--------------------------------|---------------|----------------|
| Revenue | 45,704 | 43,036 |
| Cost of sales | (34,765) | (30,842) |
| Gross profit | 10,939 | 12,194 |
| <i>Gross profit margin</i> | 24% | 28% |
| Operating profit | 3,382 | 1,568 |
| <i>Operating profit margin</i> | 7% | 4% |
| Profit (Loss) | 1,997 | (2,436) |
| Adjusted EBITDA* | 6,651 | 7,016 |

* Adjusted EBITDA is calculated as earnings before income tax, interest expense, exchange gain/loss, depreciation, amortization, impairment and other non-cash items.

Balance Sheet Highlights

| millions of RUR | December 31, 2012 | December 31, 2013 |
|----------------------------|-------------------|-------------------|
| Total Assets | 59,176 | 57,936 |
| Total Liabilities | 36,939 | 38,553 |
| Total Equity | 22,237 | 19,383 |
| Property Plant & Equipment | 33,915 | 36,172 |
| Total Debt | 27,180 | 27,074 |
| Cash & Cash Equivalents** | 894 | 503 |
| Net Debt | 26,286 | 26,571 |

** Cash & cash equivalents including restricted cash

Cash Flow Highlights

| millions of RUR | 2012 | 2013 |
|---|---------|---------|
| Profit/ (Loss) before income tax | 2,603 | (1,883) |
| Operating cash flows before working capital changes | 6,506 | 6,544 |
| Net cash from operating activities | 7,085 | 9,797 |
| Net cash used in investment activities | (7,718) | (6,109) |
| Net cash from / (used in) financing activities | 1,363 | (3,439) |