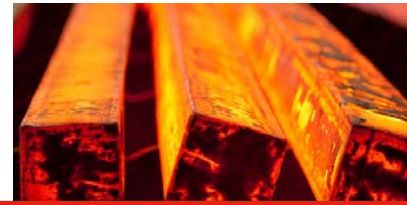


Operational model

See pages 44–53

STEEL SEGMENT



INPUT



Proved and probable reserves

10.0 | **1.9**
bln t of iron ore | bln t of coking coal



Self-coverage¹

79% | **239%**
in iron ore | in coking coal

¹The raw material requirement of EVRAZ steelmaking facilities compared with coal product sales or production of iron ore products from own raw materials.



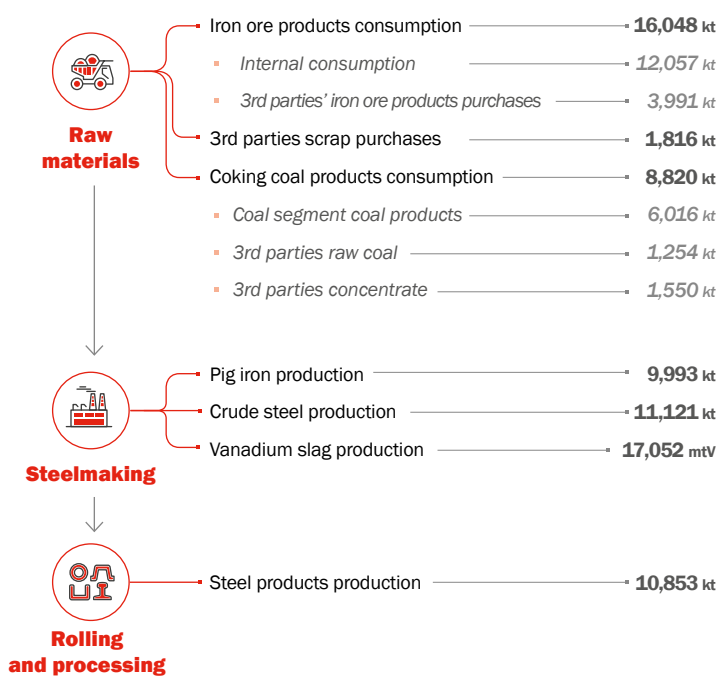
Number of employees (as of 31.12.2018)

46,373
in Steel segment

15,540
in Coal segment

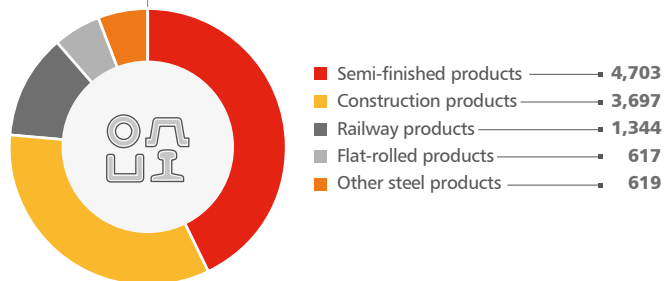
3,918
in Steel, NA segment

OPERATIONS



SALES TO 3rd PARTIES

Steel products: **10,980 kt**
 Iron ore products: **3,112 kt**
 Vanadium products (alloys and chemicals): **12,352 mtV**



EBITDA

US\$ **2,672** million ▲ 80.2% year-on-year

The Steel segment's EBITDA rose due to an increase in steel and vanadium prices; lower expenses in US dollar terms due to the effect that rouble weakening had on costs; and the impact of cost-cutting initiatives implemented in the period. This was partly offset by an increase in prices for raw materials, including scrap, electrodes and ferroalloys.

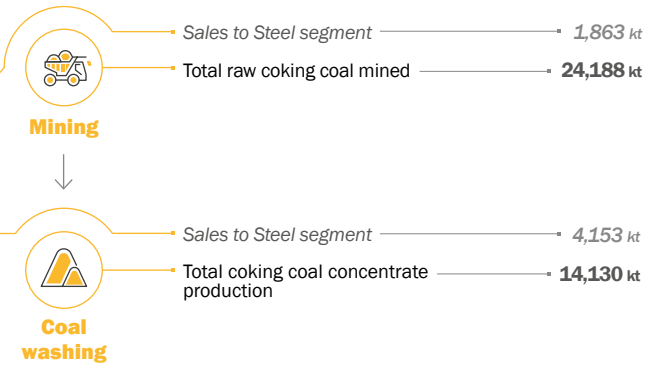
See pages 54–61

COAL SEGMENT

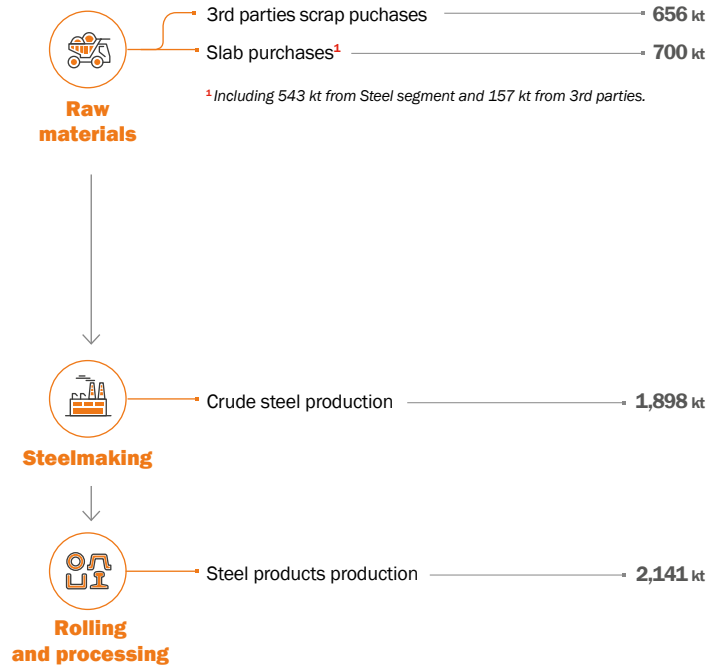


See pages 62–69

STEEL, NORTH AMERICA SEGMENT

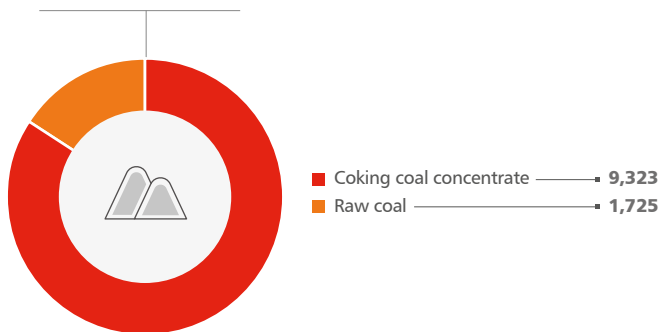


EVRAZ unique combination of reserves, operations, product quality and clients make its Coal segment the one of the key pillar of its business model. The synergy between the steelmaking and coal operations, combined with a broad export client base, provides the opportunity for further development of the coal business.



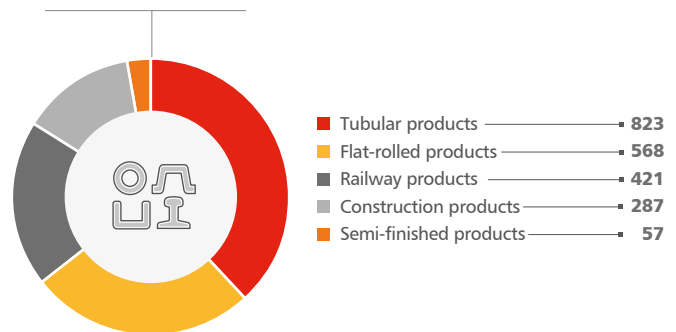
Coking coal products

11,048 kt



Steel products

2,156 kt



US\$ 1,218 million ▼ 0.7% year-on-year

The Coal segment's EBITDA declined slightly year-on-year mainly due to higher cost per tonne amid more complex geological conditions, rise in auxiliary materials prices and higher involvement of contractors. This was partly offset by sales prices rising in line with global benchmarks; the impact of cost-cutting initiatives; and lower expenses in US dollar terms as a result of the effect that rouble weakening had on costs.

US\$ 14 million ▼ 75.9% year-on-year

The increase in volume and metal spreads of the Steel, North America segment's was more than offset by the effect of tariffs and duties on Canadian large-diameter and line pipe sales into the US, as well as due to operational challenges at EVRAZ Regina facility that resulted in lower EBITDA.