METALLOINVEST ANNOUNCES 2018 IFRS FINANCIAL RESULTS

Moscow, Russia – 14 March 2019 – Metalloinvest (“the Company”), a leading global iron ore and HBI producer, and one of the regional producers of high-quality steel, today publishes its audited IFRS financial results for the full year ended 31 December 2018.

FINANCIAL HIGHLIGHTS
- Revenue USD 7,187 mn (+15.3% y-o-y)
- EBITDA USD 2,934 mn (+38.4%)
- EBITDA Margin 40.8% vs. 34.0% in 2017
- Net Income USD 1,647 mn (+17.1%)
- Net Debt USD 3,358 mn (-17.2% compared to 31 December 2017)
- Net Debt/EBITDA 1.1x vs. 1.9x as of 31 December 2017
- Capital Expenditure USD 441 mn (-9.8%)

PRODUCTION HIGHLIGHTS
- Iron ore 40.4 mn tonnes (+0.2%)
- Pellets 27.7 mn tonnes (+10.2%)
- HBI/DRI 7.8 mn tonnes (+12.1%)
- Hot metal 3.0 mn tonnes (+12.6%)
- Crude steel 5.1 mn tonnes (+6.2%)

KEY CORPORATE HIGHLIGHTS

Operational developments and capital expenditure
- Completion of vacuum degasser modernisation at the EAF shop at Ural Steel
- Launch of commercial operations at concentrate intake facility at MGOK
- Launch of integrated financial and business management system, using the SAP S/4HANA business suite at LGOK and MGOK
- Launch of the Roller Treatment Furnace #1 and Heat Treatment Machine #1 Complex at Ural Steel
- Launch of new warehouse for the storage and shipment of finished products at OEMK
- Completion of the first modernisation stage of PP at MGOK resulting in its productivity increase by 5% per year
- Completed works for the first launch complex of the external power supply network at LGOK
- Coordination meetings with KAMAZ, TMK, United Metallurgical Company and ChelPipe

Financing
- Refinancing of USD 240 mn pre-export credit facilities (PXF) with a new PXF raised in 2018
- Keeping the Company’s series 02 and 03 bonds for a total amount of RUB 10 bn in the market for 5 years with a coupon rate set at 7.65%, following the successful execution of a put option
- Signing of a EUR 72 mn credit facility agreement with Crédit Agricole CIB guaranteed by export credit agency (ECA) for financing the purchase of equipment

1 Hereinafter comparison with 2017 unless indicated otherwise
2 Hereinafter EBITDA stands for EBITDA adjusted according to IFRS requirements. For more details, please refer to the IFRS Statements
3 The indicator has an informational character and does not contain adjustments as per loan documentation
4 Iron ore refers to iron ore concentrate and sintering ore
5 Electric Arc Furnace Shop
6 Mikhailovsky GOK
7 Lebedinsky GOK
8 Oskol Electrometallurgical Plant
9 Pellet Plant #3
o Improvement of commercial terms under the syndicated loan PXF-2017 for the amount of USD 800 mn (tranche A)
o Partial refinancing of loan portfolio following the new 6-year loan provided by Gazprombank in the amount of RUB 18.8 bn
o Extension and improvement of commercial terms under revolving credit line agreement with ING Bank for the amount of USD 200 mn (or EUR equivalent)
o Upgrade of outlook on Metalloinvest’s ratings by Moody’s Investors Service, RAEX (Expert RA) and Fitch Ratings to Positive from Stable

Andrey Varichev, CEO of Management Company Metalloinvest, commented:

“In 2018, the Company continued to deliver on its strategy to increase the production volume of high value-added products. In the reporting period, the production of pellets and HBI/DRI amounted to a record 27.7 mn tonnes and 7.8 mn tonnes respectively. The Company’s focus on increasing its production of high value-added products, favourable market conditions, and the implementation of its operational improvement programme allowed Metalloinvest to demonstrate steady growth in its financial results. In 2018, revenue increased by 15.3% y-o-y, while EBITDA grew by 38.4%.”

Alexey Voronov, Finance Director of Management Company Metalloinvest, added:

“In 2018, we continued to improve commercial terms of the Company’s loan portfolio, as well as to introduce the best corporate governance practices. Our work has resulted in a reduction of average debt servicing costs, decrease of Net Debt/EBITDA ratio to a record10 1.1x since 2011, and a reduction of 2019 scheduled loan payments to almost zero. In the reporting period, the international credit rating agencies Moody’s and Fitch and the Russian rating agency Expert RA revised the outlook on Metalloinvest’s rating to Positive from Stable.”

### INCOME STATEMENT

<table>
<thead>
<tr>
<th>USD mn</th>
<th>2018</th>
<th>2017</th>
<th>Change, y-o-y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>7,187</td>
<td>6,231</td>
<td>+15.3%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,934</td>
<td>2,120</td>
<td>+38.4%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>40.8%</td>
<td>34.0%</td>
<td>+6.8 p.p.</td>
</tr>
<tr>
<td>Net Income</td>
<td>1,647</td>
<td>1,406</td>
<td>+17.1%</td>
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**Revenue**

Revenue increased in 2018 by 15.3% y-o-y to USD 7,187 mn, mainly as a result of the following factors:

- An increase in global prices for the Company’s main products (global steel prices increased by 12.1%11, pig iron by 7.9%12, and high-quality iron ore by 2.9%13, while the premium for pellets grew significantly, by 31%14)
- A change in product mix by increasing high value-added (HVA) product shipments (HBI/DRI shipments increased by 18.9% y-o-y, pellets by 9.3% and HVA steel products by 5.6%15)

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10 The same ratio was achieved for 2011 Financial year
11 Index Argus Steel billet, FOB Black Sea
12 Pig Iron, FOB Black Sea
13 Iron ore fines, CFR Qingdao 65% Fe
14 Atlantic pellet premium
15 SEMIS HVA, SBQ HVA, Plate HVA
In the reporting period, revenues from pig iron and steel products rose by 17.6% to USD 3,822 mn, while revenues from iron ore products increased by 13.0% to USD 3,182 mn, where the share of HVA iron ore products (pellets and HBI) accounted for 84.1%.

In 2018, domestic sales remained at 40.1% of the consolidated revenue. The share of sales in Europe, Asia and CIS countries increased to 22.7%, 5.9% and 5.3% respectively. Meanwhile, the share of shipments to MENA decreased to 10.9% (compared with 13.7% in 2017).

**Cost of sales, distribution and general and administrative expenses**

In 2018, the Company's cost of sales increased by 6.5% to USD 3,268 mn following price growth on purchased raw materials and a change to the product mix. Nevertheless, the cost of sales as a proportion of overall revenue decreased to 45.5% vs. 49.3% in 2017, supported by the Company's programme of operational improvements.

Distribution expenses decreased by 3.0% in 2018 and amounted to USD 856 mn due to a reduction in transportation expenses (as a result of increase in shipments of HVA products and thus decrease of transportation volumes) and rouble depreciation. Distribution expenses decreased to 11.9% of revenue compared to 14.2% in the previous year.

In 2018, general and administrative expenses totalled USD 348 mn, accounting for 4.8% of revenues.

**Profitability**

In 2018, EBITDA increased by 38.4% to USD 2,934 mn compared to USD 2,120 mn in 2017. The EBITDA margin accounted for 40.8%, an increase of 6.8 p.p. in 2018.

The Mining Segment’s EBITDA amounted to USD 2,267 mn, up 30.1% from USD 1,742 mn in 2017. This substantial increase was mainly due to price growth, as well as an increase in HVA products in the Company's product mix (HBI supplies increased by 18.1% y-o-y, pellets by 9.3%).

The Steel Segment's EBITDA grew by 61.0% to USD 654 mn from USD 406 mn in 2017, accounting for 22.3% of total consolidated EBITDA in 2018 vs. 19.2% in the previous year. The growth of the Steel Segment's EBITDA was mainly driven by the increase in steel and iron ore average prices in 2018 following the increase of global prices, as well as the rise of steel product shipments (steel supplies grew by 5.2%, pig iron by 4.7%).

In 2018, the Company’s Net Income increased by 17.1% to USD 1,647 mn due to higher operating income.

**FINANCIAL POSITION**

In 2018, the Company's total debt decreased by 8.9% y-o-y and totalled USD 4,051 mn as of 31 December 2018.

Long-term debt still prevailed in the loan portfolio structure (94.6% of total debt at the end of 2018 compared to 90.7% at the end of 2017). Short-term debt amounted to USD 221 mn and was mainly represented by the revolving credit lines for trade finance.

As of 31 December 2018, Metalloinvest's cash and cash equivalents totalled USD 693 mn. In addition, as of the end of 2018, the Company had undrawn committed credit lines available in RUB, USD and EUR totalling approximately 630 mn in USD equivalent.

At the end of the reporting period, the Company's Net Debt amounted to USD 3,358 mn. The Net Debt/EBITDA ratio decreased to 1.1x vs. 1.9x as of 31 December 2017 following EBITDA increase and partial debt repayment.
In January 2018, Moody's Investors Service revised its credit rating outlook for Metalloinvest to Positive from Stable, affirming its 'Ba2' rating.

In July 2018, the Russian rating agency RAEX also changed the outlook of the Company's long-term credit rating to Positive from Stable, confirming the ‘ruAA-' rating.

In August 2018, Fitch Ratings changed the outlook of Metalloinvest's long-term credit rating to Positive from Stable, confirming the long-term issuer default rating at ‘BB’.

**LIQUIDITY AND CAPITAL RESOURCES**

In June 2018, Metalloinvest paid a dividend based on the 2017 results amounting to RUB 18.999 bn.

In September 2018, based on the results for the first half of 2018 Metalloinvest paid a dividend of RUB 3.0 bn. In December 2018, based on the results for the third quarter of 2018 the Company paid a dividend of RUB 6.0 bn.

Over the course of 2018, Metalloinvest has continued improving the repayment schedule and optimising its debt portfolio:

- In January 2018, the Company signed an agreement for a USD 240 mn pre-export finance facility (the “PXF-2018”). The PXF-2018 has a 5-year tenor, with a 4-year grace period and amortisation in the last 12 months; the interest rate is linked to LIBOR. The PXF-2018 enabled the Company to refinance all of its USD-denominated debt due in 2018-2019 and improve the maturity profile and cost of borrowings.

- In February 2018, the Company successfully executed a put option on its bonds series 02 and 03 for a total amount of RUB 10 bn and kept the issuance's full amount in the market. The Company set the coupon rate of the bonds at 7.65% per annum for the following five years until their maturity.

- In June 2018, Metalloinvest signed a 12-year credit facility agreement with Crédit Agricole CIB guaranteed by export credit agency Euler Hermes Aktiengesellschaft (Germany). A EUR 72 mn facility is dedicated to purchase equipment from TAKRAF GmbH (Germany) for the construction of a cyclical and continuous transportation system at LGOK's open-pit mine.

- In August 2018, Metalloinvest signed an amendment to the PXF-2017 credit agreement with a club of international and Russian banks. According to the amendment, USD 800 mn tranche A entailed a reduction in the interest rate margin linked to LIBOR, as well as an extension of the debt maturity from 2020–2022 to 2021–2023. The terms of tranche B under the PXF-2017 agreement have remained unchanged: the USD 250 mn tranche with a maturity in 2022–2024.

- In September 2018, the Company partially refinanced its loan portfolio following the signing of a credit line agreement with Gazprombank. In accordance with the terms of the agreement, the Company has raised RUB 18.8 bn with a 6-year maturity. These funds were used in full for the early repayment of the Sberbank loan, due in the first half of 2019.

- In November 2018, Metalloinvest and ING Bank signed an additional agreement to extend the maturity of the revolving credit line of USD 200 mn (or EUR equivalent) until November 2020 and improve the credit line's commercial terms. This credit facility provides Metalloinvest with an additional source of liquidity, which enhances the Company's financial stability and creditworthiness.
OPERATIONAL RESULTS

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>Change, y-o-y</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Production</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iron ore</td>
<td>40,359</td>
<td>40,296</td>
<td>0.2%</td>
</tr>
<tr>
<td>Pellets</td>
<td>27,658</td>
<td>25,087</td>
<td>10.2%</td>
</tr>
<tr>
<td>HBI/DRI</td>
<td>7,826</td>
<td>6,983</td>
<td>12.1%</td>
</tr>
<tr>
<td>Hot metal</td>
<td>3,025</td>
<td>2,686</td>
<td>12.6%</td>
</tr>
<tr>
<td>Crude steel</td>
<td>5,053</td>
<td>4,759</td>
<td>6.2%</td>
</tr>
<tr>
<td><strong>Shipments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iron ore</td>
<td>7,573</td>
<td>10,390</td>
<td>-27.1%</td>
</tr>
<tr>
<td>Pellets</td>
<td>14,013</td>
<td>12,821</td>
<td>9.3%</td>
</tr>
<tr>
<td>HBI/DRI</td>
<td>4,248</td>
<td>3,572</td>
<td>18.9%</td>
</tr>
<tr>
<td>Pig iron</td>
<td>2,175</td>
<td>2,077</td>
<td>4.7%</td>
</tr>
<tr>
<td>Steel products</td>
<td>4,642</td>
<td>4,414</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

In the reporting period, the Company demonstrated stable iron ore production (+0.2% y-o-y to 40.4 mn tonnes). In 2018, the Company also increased pellet production by 10.2% y-o-y to a record high of 27.7 mn tonnes in response to the market demand and supported by the increase in productivity of the facilities following major maintenance works held at Pellet Plant #1 and Pellet Plant #3 in 2017. The volume of HBI/DRI increased in 2018 by 12.1% y-o-y to 7.8 mn tonnes driven by the launch of the HBI-3 Plant at LGOK in July 2017, coupled with the increase in productivity of the DRI unit #2 at OEMK after modernisation held in 2017.

Following the increase in iron ore processing within the Company, the share of HVA iron ore products (pellets, HBI/DRI) in the total amount of iron ore product shipments accounted for 71% in 2018 (compared to 61% in 2017 and 2016).

In 2018, hot metal production increased by 12.6% y-o-y to 3.0 mn tonnes due to the launch of ASU\textsuperscript{16} #5 at Ural Steel. In the reporting period, the Company also increased the production of crude steel by 6.2% y-o-y to 5.1 mn tonnes due to an increase in production and shipments of cast billets from CCM\textsuperscript{17-1}.

The share of HVA\textsuperscript{18} steel product shipments in 2018 remained at the level of 2017 and amounted to 43%, which was largely supported by the demand for merchant SBQ HVA (23% of total steel product shipments, +6.5% y-o-y in 2018) and Plate HVA (13% of total steel product shipments, +8.0% y-o-y).

CAPEX PROGRAMME

In 2018, the Company's capital expenditure amounted to USD 441 mn, which is 9.8% lower than in the previous year partially due to the completion of the active financing phase of the HBI-3 Plant at LGOK.

In April 2018, the final acceptance certificate of the HBI-3 Plant at LGOK was signed. In 2018, the construction of related infrastructure was in the active phase, and approximately 9% of total capital expenditure for 2018 was allocated to this project.

The Company has started a project to develop the external power supply system at LGOK to reduce the cost of services for the transmission of electrical energy and increase energy security at the plant. As of the end of the reporting period, works on the first launch complex had been completed, and for the second to fourth launch complex, the Company launched tender processes.

\textsuperscript{16} Air separation unit
\textsuperscript{17} Steel billet continuous casting machine
\textsuperscript{18} Include Semis HVA, SBQ HVA, Plate HVA. More details are disclosed at http://www.metalloinvest.com/investors/operating-results/
Glagosexpertiza has provided a positive assessment of the cyclical and continuous transportation system project at LGOK. The detailed engineering, design, mining and preparatory works are ongoing. To finance this project, the Company signed an agreement with Crédit Agricole CIB for a 12-year loan in the amount of EUR 72 mn, which is guaranteed by export credit agency Euler Hermes Aktiengesellschaft (Germany). The funds will be allocated to purchase equipment from TAKRAF GmbH (Germany).

The Company has also developed technical solutions for a comprehensive development of premium products at LGOK.

As part of the development of the open-pit mine at MGOK, work continues on the construction of a crushing and conveyor facility. Glagosexpertiza provided a positive assessment of the conveyor on the south-eastern side of the quarry, where the supply of equipment and construction and installation works are ongoing. For the conveyor on the north-eastern side of the quarry, an agreement was signed for the execution of design and exploration works. Work is underway to agree a contract for the supply of equipment. About 6% of the capital expenditure for 2018 was used to finance this development project.

As part of the complex development project at MGOK aimed at increasing the quality of iron ore products and the development of the beneficiation plant’s capacities, a pilot project was implemented for the introduction of fine screening technology: 13 screens were delivered; options for upgrading milling facilities are being developed; for the development of the pelletisation plant’s capacity, the modernisation of Pellet Plant #3 was completed with an increase in productivity of 5%. The use of new Derrick stack sizers at MGOK’s beneficiation plant will improve the quality of merchant iron ore concentrate — increasing the iron content from 65% to 67% while reducing the content of silicon dioxide. The volume of investments in the project until 2022 is estimated at RUB 11.4 bn.

The Company continued the upgrade of its mining transport systems at LGOK and MGOK. The Company allocated approximately 12% of its capital expenditure in 2018 to the purchase of new equipment.

In May 2018, a warehouse for finished products was commissioned at OEMK. In December 2018, technical re-equipping of the fifth and sixth cooling circuits for the concurrent operation of five continuous casting machines was completed.

At OEMK, the complex programme of strengthening the customer focus and improving the quality of SBQ products continues. As part of this programme, the Company is building two heat treatment furnaces with an annual capacity of 70,000 tonnes of SBQ that will be established within the enterprise’s finishing plant. The facility will add to the existing capacity for the heat treatment of steel at OEMK. Metalloinvest has agreed an equipment supply contract for the facility with Danieli Group. In 2018, project documentation was developed, detailed engineering was finished, construction and installation works were being carried out, and equipment was being supplied.

As part of the project focused on the technical re-equipping of Continuous Casting Machine #3 at OEMK, a contract was signed with the equipment supplier, basic engineering works have been completed, and equipment is being manufactured.

In July 2018, as part of the integrated investment programme for the reorganisation of production at Ural Steel, which aims to increase operational and managerial efficiency, the Company launched the Roller Treatment Furnace #1 and Heat Treatment Machine #1 complex. The installation of new equipment at Sheet Rolling Facility #1 enables Ural Steel to increase the production capacity of the heat treatment furnace from 28.6 to 30.7 tonnes per hour and strengthens the Company’s position in the market for heat-treated rolled products. Roller Treatment Furnace #1 and Heat Treatment Machine #1 will also help to improve the characteristics of the heavy plate, ensuring the physical uniformity of rolled steel products following heat treatment, by improving heating and cooling conditions. In 2017, Metalloinvest signed with ING Bank a EUR 11.5 mn ten-year credit line guaranteed by credit export agency Euler Hermes Aktiengesellschaft (Germany) to finance the project.
The Company has launched the modernisation project for the electric arc furnace shop at Ural Steel. Metalloinvest signed a contract for the supply of two electric arc furnaces with the Italian company Tenova. The furnaces will be transitioned to using Flexible Modular Furnace (FMF) technology, which will provide flexibility in the use of various charge components and will ensure a reduction in the cost of steel production and increase the efficiency of activities at Ural Steel. For the electric arc furnace #2, project documentation was developed and construction and installation works were completed. Engineering works are underway at electric arc furnace #1.

In September 2018, Metalloinvest signed an agreement with the company Linde to supply air separation products (oxygen and nitrogen) to Ural Steel under outsourcing. The first supplies are scheduled for the first quarter of 2021.

In October 2018, as a part of the modernisation project for blast-furnace production, an agreement was signed for the supply of equipment for blast furnaces #2 and #3 with the company Danieli. The modernisation of Ural Steel's blast-furnace production aims to increase the production of pig iron and to change the use of the charge mix at the blast-furnace to comprise 95% pellets and 5% briquettes following the closure of the sinter plant.

In the reporting period, as a part of the Industry 4.0 business transformation programme aimed at creating an integrated financial and business management system, the first phase of centralising basic functions at LGOK and MGOK and relevant personnel was completed. The Company invested approximately 7% of its capital expenditure in 2018 in the Industry 4.0 programme.

**HEALTH, SAFETY & ENVIRONMENT**

In March 2018, Ural Steel won the Best Health and Safety Committee 2017 regional review competition.

In April 2018, LGOK was recognised as the winner of the All-Russian Health and Safety competition 2017 in the category of ‘Highly Effective Solutions in the field of Prevention and Rehabilitation of Workers’ Health’.

In April-May 2018, scheduled seasonal dust control activities were conducted at LGOK using light aircrafts.

In November 2018, Metalloinvest received its debut corporate social responsibility (CSR) rating from the international agency EcoVadis. Following the assessment, the Company was awarded the “Silver” level of recognition of CSR practices. Metalloinvest was placed in the top 11% of producers rated by EcoVadis globally in the basic iron and steel manufacturing industry (over 900 companies) and in the top 7% of iron ore and steel producers rated by EcoVadis globally for environmental work.

In December 2018, Metalloinvest was ranked sixth in the WWF's ratings of Russian metals and mining companies in the field of environmental responsibility. This is the leading ranking for companies in the ferrous metallurgy industry. The rating was awarded by the World Wide Fund for Nature (WWF) and the National Rating Agency to increase the corporate responsibility of metals and mining companies and to create efficient stakeholder feedback channels within the industry.

**CORPORATE GOVERNANCE**

In May 2018, the Company held an election for its Board of Directors. The Board of Directors now comprises the following members: Ivan Streshinsky (Chairman), Galina Aglyamova, Andrey Varichev, Valery Kazikaev, Irina Lupicheva, Pavel Mitrofanov, Gleb Kostikov and Dmitry Tarasov. There were no changes to the composition of the Board of Directors Committees.
SOCIAL RESPONSIBILITY

In February 2018, Metalloinvest won the Russia-wide Leaders of Russian Business: performance and responsibility – 2017 competition in the categories of High Level Reporting in Sustainable Development and Investment in the Social Development of the Region.

In March-April 2018, Metalloinvest signed the social partnership agreements for 2018 with the administrations of the Kursk, Belgorod and Orenburg regions and the towns of Zheleznogorsk, Stary Oskol, Gubkin and Novotroitsk.

In December 2018, Metalloinvest became a leader in the Russian Union of Industrialists and Entrepreneurs (RSPP) sustainable development rankings for 2018 in the categories Responsibility and Transparency and Level of Sustainable Development.

OTHER KEY CORPORATE EVENTS

March 2018

In March 2018, the Company launched an electronic product catalogue at products.metalloinvest.com. This online platform showcases the Company's product range and enables customers to submit orders to the sales department online.

Metalloinvest and KAMAZ held their second Coordination meeting. Both parties agreed on the implementation of measures to increase the efficiency of interactions between the companies related to SBQ supply, including creating stock reserves of the products required by KAMAZ and transitioning to an electronic document management system. Decisions were also taken on KAMAZ using new steel grades produced by OEMK, including carrying out joint experiments and supplying trial batches.

June 2018

Metalloinvest and TMK held their latest coordination meeting at which the companies discussed their partnership over the past two years and prospects for future collaboration. During the meeting, the parties also discussed possibilities for expanding Ural Steel’s supply of pipe billets and flat steel products to TMK.

July 2018

Metalloinvest and ChelPipe Group held a coordination meeting, in which they agreed to create a collaborative scientific and engineering centre. Technical specialists from Metalloinvest and ChelPipe Group will work together at the centre to develop new steel grades and improve the quality of steel products.

September – November 2018

Metalloinvest and United Metallurgical Company (OMK) held the latest coordination meeting at which the companies discussed the supply of steel concast billets from Ural Steel for the production of railway wheels at Vyksa Steel Works (part of OMK).

Metalloinvest and ChelPipe Group held two coordination committee meetings at which the companies discussed options to increase supplies of high quality steel grades from OEMK to Pervouralsk New Pipe Plant (part of ChelPipe Group), as well as steel flat products supplied by Ural Steel to the Chelyabinsk Pipe-Rolling Plant (part of ChelPipe Group). Another theme of discussion was the production of pipes and the increase in purchases of hot briquetted iron (HBI) produced by LGOK.
Metalloinvest is a leading global iron ore and merchant HBI producer and supplier, and one of the regional producers of high-quality steel. The Company has the world’s second-largest measured iron ore reserve base and is one of the lowest-cost iron ore producers. Metalloinvest is wholly owned by Holding Company USM LLC. Alisher Usmanov is the major beneficiary of USM Holdings (49%), with other major beneficiaries being the companies of Vladimir Skoch (30%) and Farhad Moshiri (8%).