

MWE - **M**etinvest **W**estern **E**urope

Presentation for customers





METINVEST – Company overview

GLOBAL PRESENCE

WE ARE WELL POSITIONED TO MEET OUR CLIENTS' NEEDS WORLDWIDE

OUR NETWORK, PRODUCT MIX AND QUALITY, AND CUSTOMER SERVICE REFLECT OUR MISSION TO BE A EUROPEAN LEADER SERVING A GLOBAL MARKET.

We are a leading steel company in the CIS and one of the top 30 steelmakers and top 10 iron ore producers in the world. Most of our assets are located in a low-cost production region, while our unique geographic position ensures access to key markets in Europe, the CIS and the Middle

East and North Africa. We have mining, steelmaking and rolling assets in Ukraine, Italy, Bulgaria, the UK and the US, as well as a global distribution network and sales offices in key regions, serving around 100 countries.

PRODUCTION ASSETS

METALLURGICAL DIVISION Output in 2012

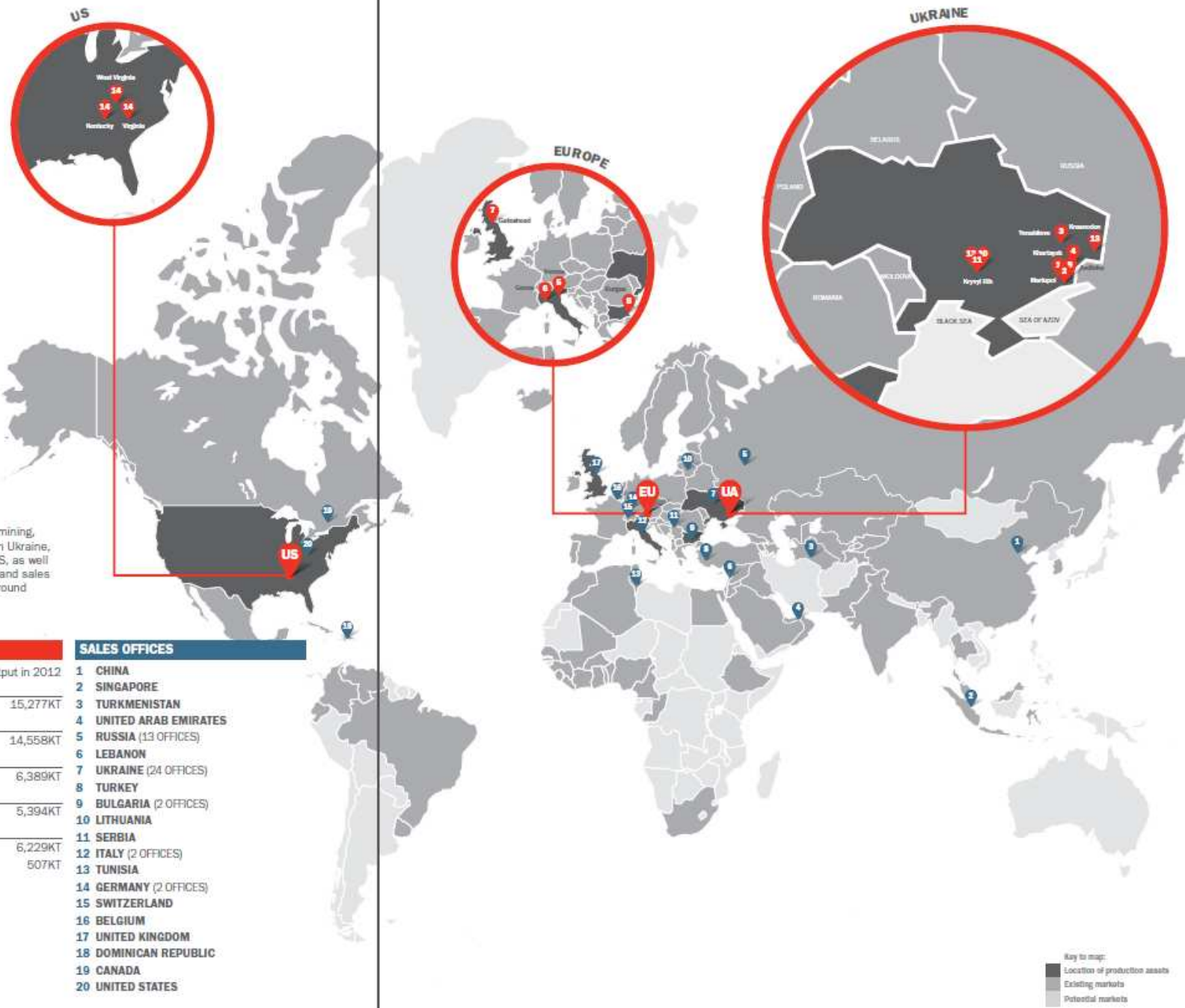
1 ILYICH STEEL	
Crude steel	5,138KT
2 AZOVSTAL	
Crude steel	4,589KT
3 YENAKIIEVE STEEL	
Crude steel	2,732KT
4 KHARTSYZK PIPE	
Large-diameter pipes	384KT
5 FERRIERA VALSIDER	
Hot-rolled plates and coils	630KT
6 METINVEST TRAMETAL	
Hot-rolled plates	495KT
7 SPARTAN UK	
Hot-rolled plates	147KT
8 PROMET STEEL	
Shapes and bars	236KT
9 AVDIIVKA COKE	
Metallurgical coke (dry)	3,665KT

MINING DIVISION Output in 2012

10 INGULETS GOK	
Iron ore concentrate	15,277KT
11 NORTHERN GOK	
Iron ore concentrate	14,558KT
12 CENTRAL GOK	
Iron ore concentrate	6,389KT
13 KRASNODON COAL	
Coking coal (raw)	5,394KT
14 UNITED COAL	
Coking coal (raw)	6,229KT
Steam coal (raw)	507KT

SALES OFFICES

- 1 CHINA
- 2 SINGAPORE
- 3 TURKMENISTAN
- 4 UNITED ARAB EMIRATES
- 5 RUSSIA (13 OFFICES)
- 6 LEBANON
- 7 UKRAINE (24 OFFICES)
- 8 TURKEY
- 9 BULGARIA (2 OFFICES)
- 10 LITHUANIA
- 11 SERBIA
- 12 ITALY (2 OFFICES)
- 13 TUNISIA
- 14 GERMANY (2 OFFICES)
- 15 SWITZERLAND
- 16 BELGIUM
- 17 UNITED KINGDOM
- 18 DOMINICAN REPUBLIC
- 19 CANADA
- 20 UNITED STATES



Key to map:
 Location of production assets
 Existing markets
 Potential markets

Metinvest is structured into
2 operating divisions:



MINING DIVISION

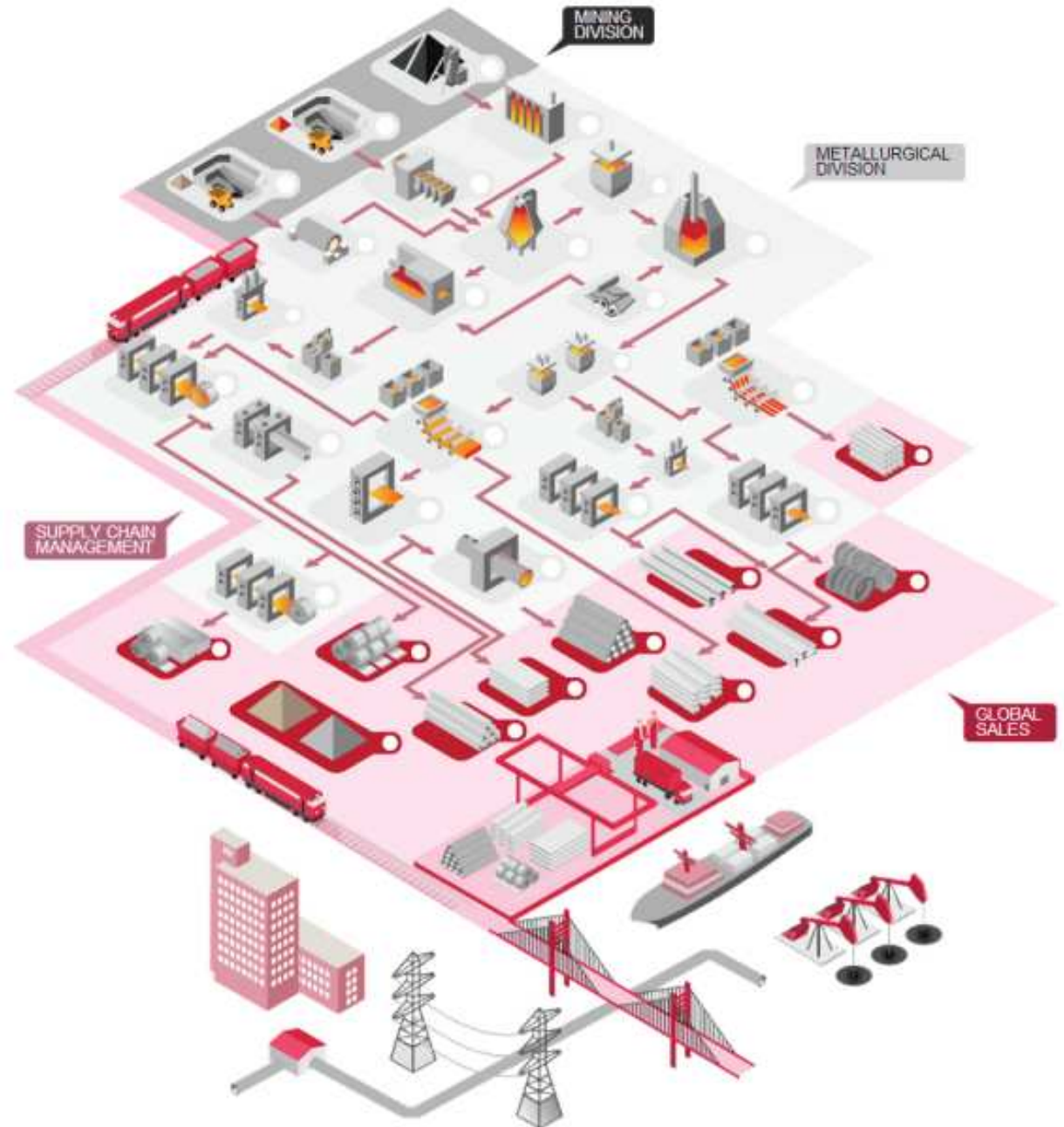


METALLURGICAL DIVISION

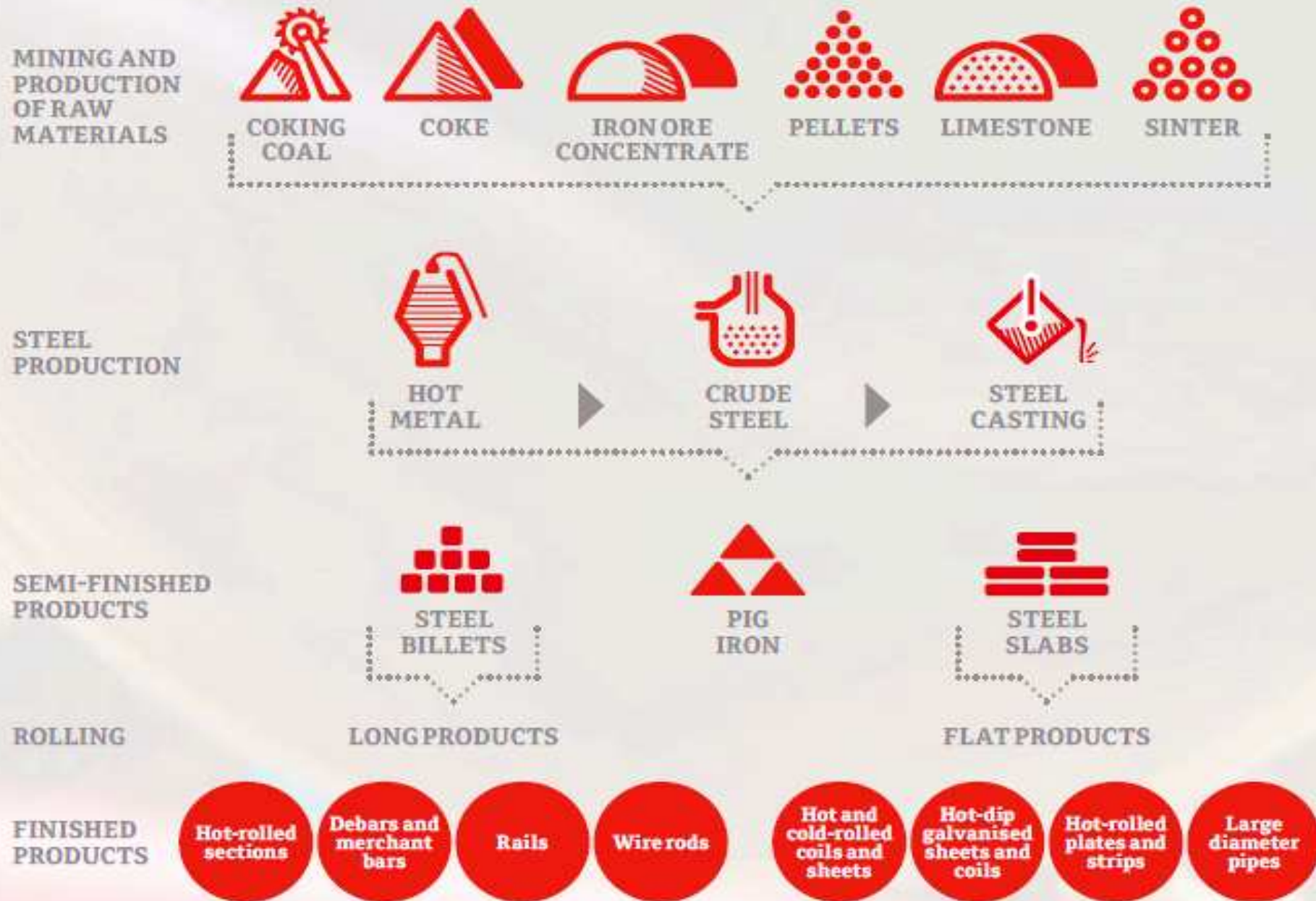
Metinvest vertically integrated business model enables the Company to effectively manage its entire production chain – from raw materials to finished products.

This model provides a number of advantages and opportunities, such as benefiting from a unique opportunity to utilise inter-group synergies by combining companies into a unified business structure.

This enables the Company to attain substantial growth in the performance of its subsidiaries while increasing the overall efficiency of the Group as a whole.



Competitive Advantages: Vertical Integration





METALLURGICAL DIVISION

The Metallurgical division of Metinvest unites the coke production, steelmaking, flat and long products and large diameter pipes manufacturing of Metinvest. Metinvest is the largest in Ukraine and one of the largest steelmakers in CIS, providing for 40% of domestic crude steel production. The Company produces a diversified range of semi-finished and finished steel products including slabs, billets, hot-rolled plates, hot-rolled coils, shapes and bars, rails, grinding balls, rails fasteners and large diameter pipes.

In 2014, Metinvest produced 9,205 Mtons of crude steel, 2.8 Mtons of semi-finished products (continuous casting slabs, square billets and pig iron), 9.5 Mtons of finished products and 0.2 Mtons of tubular products.

Metinvest is ranked amongst the ten largest steel plate producers in the world, placed **25th** largest steel producer in the world according to Worldsteel.

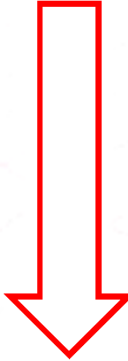
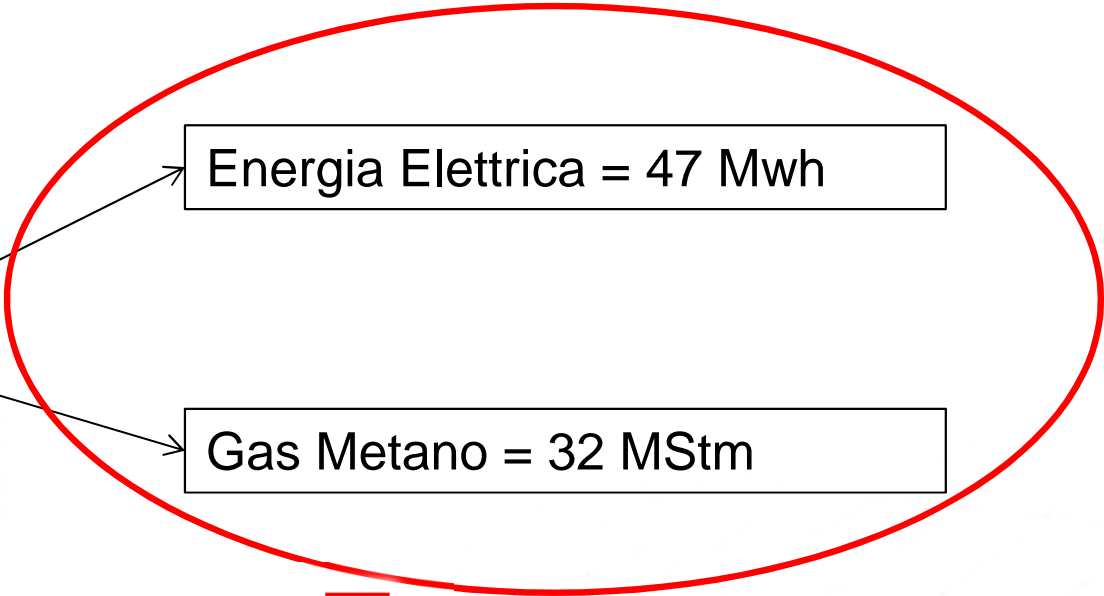
Metinvest has eight industrial assets in the steel segment located in Ukraine and EU: the largest integrated steel plants in Ukraine - Azovstal Iron and Steel Works, Ilyich Iron and Steel Works; Yenakiieve Steel; Khartsyzsk Pipe, the only producer of large diameter pipes in Ukraine; as well as two coke and chemicals producers: Avdiivka Coke plant the largest in Ukraine and one of the largest BF coke producers in Europe and Inkor Chemicals, which is the largest producer of crude naphtalene in EU.

In Europe Metinvest is represented by rerollers in Italy (Metinvest Tramel and Ferriera Valsider), UK (Spartan UK) and Bulgaria (Promet Steel).



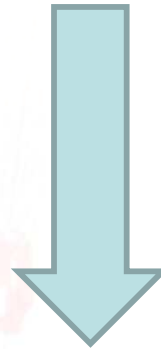


Produzione del 2014:
Lamiere + Coils = 656 KT



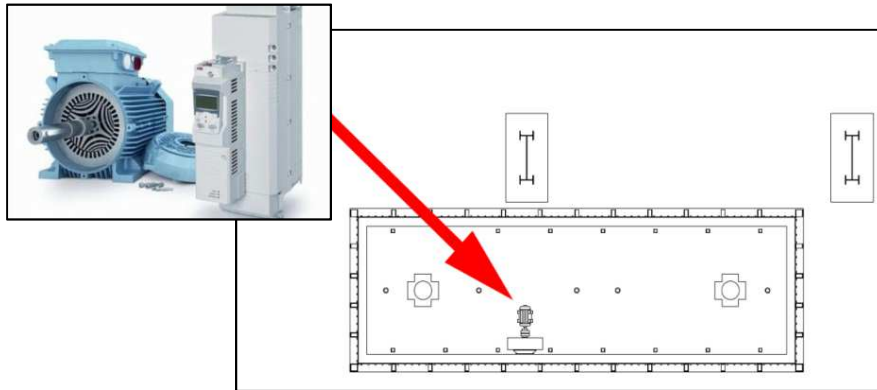
Ridurre i consumi energetici = Ridurre i costi di produzione

La misura e l'analisi dei consumi energetici tramite appositi strumenti, ha portato a determinare in quali punti intervenire per ridurre i consumi.



Determinazione di progetti per il risparmio di Energia Elettrica

1 - Normalizing Furnace ventilation



Economic effect:

Installed Power: 30 kW

Yearly energy consumed before implementation **118 280 kWh/y**

Yearly energy consumed after implementation **68 602 kWh/y**

Consumption saving (€) = 49 678 kWh/y * 0,1432 €/kWh = **7 113 €/y**
(in accordance with technical report ABB)

Implementation cost [inverter + installation] = **7 246 €**

Payback = 7 246 / 7 113 = 1.01 Y

2 – Air Compressor



Economic effect:

Installed Power 400 kW

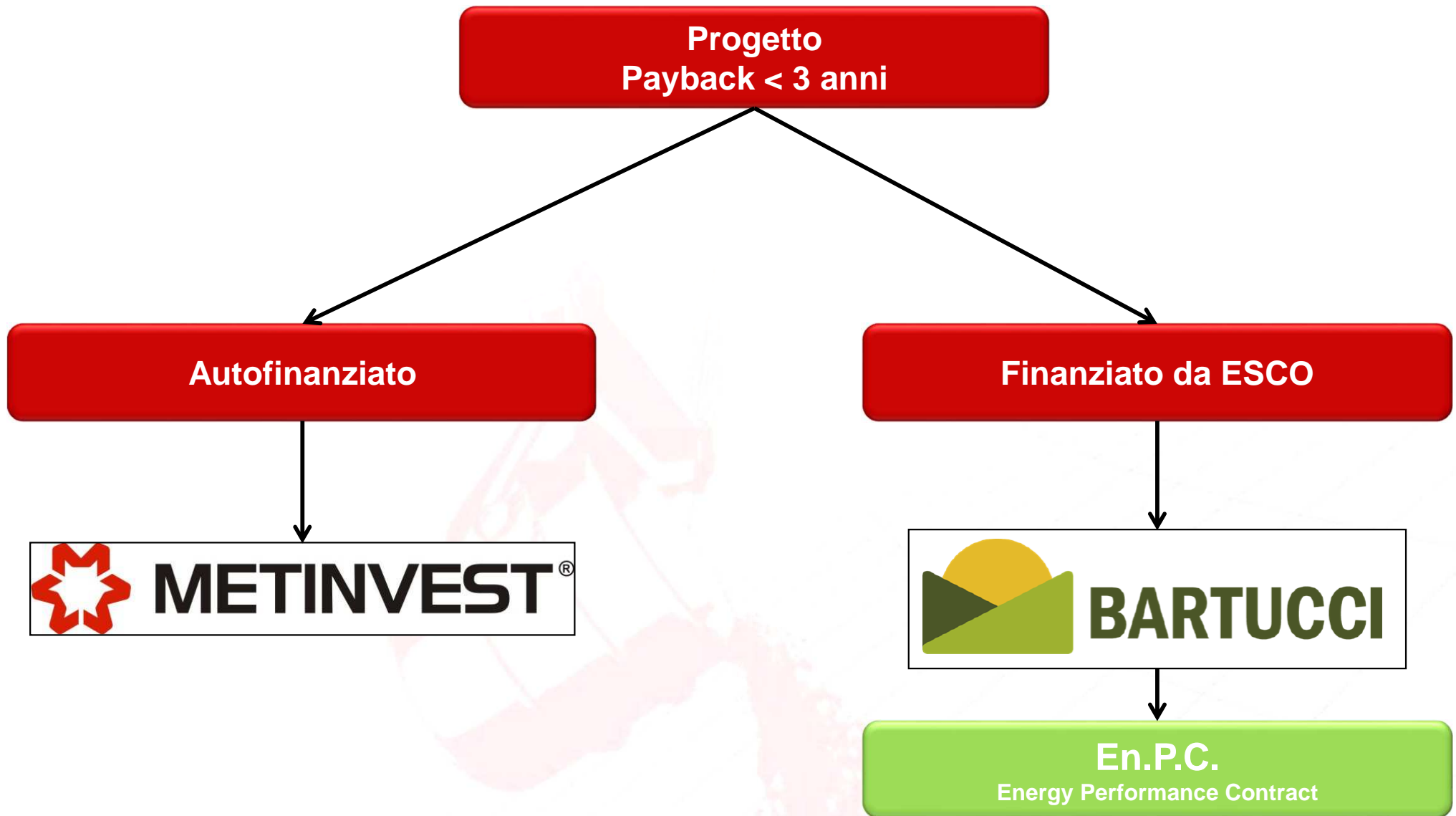
Yearly energy consumed before implementation **1 548 300 kWh/y**

Yearly energy consumed after implementation **993 595 kWh/y**

Consumption saving (€) = 554 705 kWh/y * 0,1432 €/kWh = **79 434 €/y**
(in accordance with technical report)

Implementation cost [equipment + installation] = **169 232 €**

Payback = 169 232 / 79 434 = 2.13 Y



Riassumendo:

E' indispensabile dotarsi di un sistema di misura dei consumi energetici, oltretutto ai fini dell'ottenimento dei certificati bianchi è indispensabile produrre registrazione dei consumi per i cinque anni successivi al conseguimento dei certificati. Ma soprattutto permette di far chiarezza su quello che è l'effettivo andamento delle macchine nel processo produttivo e dà un'idea precisa di dove poter intervenire.

Appoggiarsi ad un ente che possa dare il supporto tecnico necessario, sia dal punto di vista dell'individuazione del progetto che nel fornire gli apparati tecnologici più adatti al raggiungimento dello scopo. **ABB** è un ottimo partner!

Individuare la ESCO per farsi supportare nel conseguimento dei certificati bianchi e perché no?
Realizzare un progetto in modalità En.P.C.
Ed in questo caso **Bartucci** offre un valido aiuto.