

## Metinvest Completes Sales Restructuring

Kiev, 11 December 2007

### Press-release

**Metinvest Holding presented its updated Sales Office of Steel and Rolled Metal Division on 11 December. Division's sales director Andrey Parkhomchuk informed about completion of sales channels rebranding, introduced managers of each company, and described the development strategy of sales office to be realized in future.**

The Sales Office of Steel and Rolled Metal Division comprises a group of companies with responsibilities for a certain market. So, Metinvest International S.A. (before - Leman Commodities S.A.) will deal with deliveries to long-distance international markets beyond the CIS. Metinvest-Ukraine is in charge for wholesale dispatches of metal products to the domestic market and the CIS, except for Russia, while Metinvest-SMTs is responsible for retail sales. Both companies stem from Leman-Ukraine. Metinvest-Eurasia was established to represent interest of the Holding in the Russian market.

Together with the renaming process, integration of the Sales Office into structure of Metinvest Holding is in progress aimed to build a system for the most effective interaction between production and sales units of the Holding and ensure consistency of goals and objectives – that is to increase financial performance of the whole company.

“Sales of some items going up by over 90% evidently prove we have chosen the right strategy. We should say that although we are only at the beginning of the way, we can inform the market about our success already”, says Andrey Parkhomchuk, Sales Director of Steel and Rolled Metal Division in Metinvest Holding. “Metinvest Group has sufficient resources to keep the pace next year. I am sure that new opportunities of the Sales Office as an integrated structure of Ukraine's biggest company will enable us to help our customers and partners to realize the most ambitious plans”.

Development strategy of the Sales Office in Steel and Rolled Metal Division will be realized in line with development of the whole Metinvest Holding and its individual enterprises. Modernization of existing metal facilities and other businesses of the Company as well as expected construction of new facilities will help sales companies focus mostly on sale of ready-made metal products with high added value and gradually abandon sales of marketable semi-products.

The Sales Office is going to rapidly develop the network of representation branches and offices across the globe. Agent network will be expanded significantly as well. At the same time, Ukrainian rolled metal market will remain one of the key areas for operation.

### **Information for journalists**

**Metinvest Group** is the regional leader in mining and metals sector and one of the key players at world's iron and steel market. The companies of the Group produce 10.5 million tons of steel, more than 38 million tons of iron ore raw materials both satisfying own needs and being the key supplier to other Ukrainian steel making companies. Metinvest Holding is the managing company of Metinvest Group. The owners of the managing company are Metinvest B.V. (Netherlands) with 51.15% of share capital and ZAO SCM with 48.85%. 100% of Metinvest B.V. shares belong to SCM (Cyprus), a subsidiary of ZAO SCM, while 90% of ZAO SCM belongs to businessman Rinat Akhmetov.

**Metinvest International S.A.** delivers metal products made by Metinvest enterprises to export markets except for Russia and the CIS. Andrey Parkhomchuk is CEO of Metinvest International S.A.

**Metinvest-Ukraina** is the biggest metal trading company on Ukrainian market that sells products made by Metinvest Holding enterprises in Ukrainian and CIS markets in railway standard loads (up from 65 tonnes). Oleg Olshanskiy is CEO of Metinvest-Ukraina.

**Metinvest-Evrasia** sells products made by Metinvest enterprises to Russia. Dmitriy Baranov is CEO of Metinvest-Evrasia.

**Metinvest-SMTs** is the biggest retail metal trader in Ukraine according to preliminary estimates in 2007. It sells metal products made by Metinvest Group enterprises and other companies in Ukraine and the CIS. Dmitriy Nikolayenko is CEO of Metinvest-SMTs.

Press-office of Metinvest  
[press@metinvestholding.com](mailto:press@metinvestholding.com)  
[www.metinvestholding.com](http://www.metinvestholding.com)