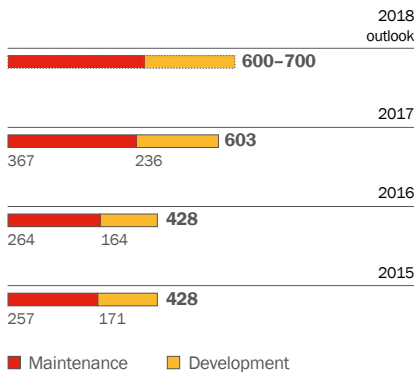


# Strategic priorities

## Prudent CAPEX strategy

The Group's investment projects are aimed at further developing its competitive advantages, while maintenance investments are focused on supporting the sustainability of EVRAZ' operations.

### ANNUAL CAPEX BREAKDOWN BY MAINTENANCE AND DEVELOPMENT, US\$ million



## REALISED INVESTMENT PROJECTS

### Construction of an LDP mill at Regina

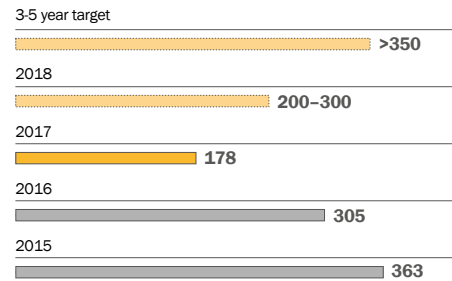
Launched in 2017

- Produce 1 inch X70 pipe
- Reduce conversion cost by US\$14 million annually
- Add 250 thousand tonnes of welding and 160 thousand tonnes of finishing capacity

Total CAPEX

US\$ **74** million

### EVRAZ NORTH AMERICA LDP SALES, kt



## ONGOING INVESTMENT PROJECTS

### Construction of the blast furnace no. 7 at EVRAZ NTMK

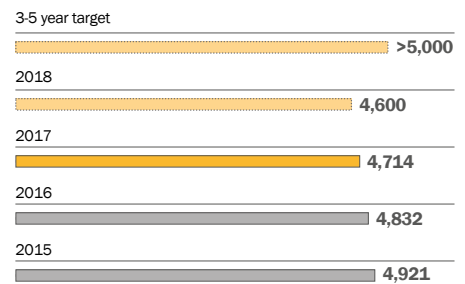
Will be launched in 2018

The new blast furnace no. 7 is slated to be launched in Q1 2018 with pig iron capacity of 2.5 mtpa to maintain stable volumes during the capital repair of blast furnace no. 6 in 2018-19. In 2018, pig iron production volumes could be lower due to the repairs, but they will reach more than 5 mtpa in the medium term.

Total CAPEX

US\$ **196** million

### EVRAZ NTMK PIG IRON PRODUCTION, kt



### Grinding ball mill construction at EVRAZ NTMK

Will be launched in 2018

A new grinding ball mill with 134 ktpa capacity. EVRAZ grinding ball production is expected to increase to more than 300 ktpa.

Total CAPEX

US\$ **19** million

### EVRAZ GRINDING BALL SALES, kt

