

Severstal North America Successfully Hot Commissions New Hot Dip Galvanizing Line in Dearborn, MI - USA

(News Release on January 9, 2012)

DEARBORN, Mich. January 9, 2012 – Today, Severstal North America, one of the largest U.S.-based steel producers specializing in the full range of the high quality, light, flat-rolled products, announced its new Hot Dip Galvanizing Line (HDGL) located in Dearborn, Mich., has begun production of galvanized products.

“This is an exciting time for Severstal North America. The long-awaited launch of this new state-of-the-art facility strengthens our presence in the automotive industry with highly demanded galvanized and galvanneal products for internal and external parts of automobiles,” said Sergei Kuznetsov, Chief Executive Officer, Severstal North America.

The new HDGL includes state-of-the-art controls for coating thickness and surface texture, as well as alloy and phase control. The \$285 million HDGL project completion follows the August start-up of Severstal Dearborn’s Pickle Line Tandem Cold Mill (PLTCM).

The line is capable of producing 500,000 tons of best-in-class exposed hot-dipped galvanized (HDGI) and exposed hot-dipped galvanneal (HDGA) steel. These capabilities are used to manufacture the most demanding steel products, including highly formable interstitial-free steels for customers in the exposed automotive, appliance, and furniture industries, as well as precision automotive products, including high-strength and advanced high strength steels in the quality requirements of auto manufacturers.

The process equipment for the new line was supplied by CMI Metallurgy. **JNE Consulting** provided the facility engineering, while Barton Malow Company provided the construction services, overseeing the project installation.

The HDGL and PLTCM facilities are part of modernization program Severstal is undertaking to expand its finishing capabilities to produce a wide range of high quality steel products.

About Severstal North America:

Severstal North America is a major steelmaker in the United States and specializes in the full range of the high quality light flat rolled products. Corporate headquarters and integrated operations are located in Dearborn, Michigan. A new state-of-the-art electric arc furnace operation in Columbus, Mississippi serves the growing demand for steel in the southeastern United States. Severstal North America also has several joint ventures for the high quality, value-added coated products, as well as a jointly owned coke-making facility Mountain State Carbon. Severstal North America is a wholly-owned subsidiary of OAO Severstal, one of the world’s largest vertically integrated steel and mining companies. Visit our website at www.severstalna.com or follow us on Twitter @SeverstalNA.