

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (THE "UNITED STATES") OR TO ANY U.S. PERSON (AS DEFINED IN REGULATIONS UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED) OR TO ANY PERSON LOCATED OR RESIDENT IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT.

14 April 2016

EVRAZ GROUP S.A. ANNOUNCES INVITATIONS TO PURCHASE NOTES FOR CASH

Evraz Group S.A. (the "**Company**") has today launched invitations to holders (the "**Noteholders**") of the outstanding U.S.\$600,000,000 7.40% Notes due 24 April 2017 (ISIN: XS0652913558; Common Code: 065291355) (the "**2017 Notes**"), (ii) U.S.\$700,000,000 9.50% Notes due 24 April 2018 (ISIN: XS0359381331; Common Code: 035938133) (the "**First 2018 Notes**"), (iii) U.S.\$850,000,000 6.75% Notes due 27 April 2018 (ISIN: XS0618905219; Common Code: 061890521) (the "**Second 2018 Notes**"), in each case issued by the Company, and (iv) U.S.\$400,000,000 7.75% Loan Participation Notes due 27 April 2017 (ISIN: XS0772835285; Common Code: 077283528) issued by Raspadskaya Securities Limited (the "**Raspadskaya 2017 Notes**", and together with the 2017 Notes, the First 2018 Notes and the Second 2018 Notes, the "**Notes**", and any of them, an "**Issue**"), subject to the offer and distribution restrictions below, and upon the terms and subject to the conditions set forth in a tender offer memorandum dated 14 April 2016 (as it may be amended or supplemented from time to time, the "**Tender Offer Memorandum**"), to tender for purchase for cash the outstanding Notes, in accordance with the procedures described therein, subject to the Maximum Consideration Amount (as defined below). The invitations to tender the Notes for purchase is referred to herein as the "**Tender Offers**".

Capitalised terms used in this announcement but not otherwise defined have the meanings given to them in the Tender Offer Memorandum.

Summary of the Tender Offers

<u>Description of the Notes</u>	<u>Outstanding Principal Amount*</u>	<u>ISIN / Common Code (Reg S)</u>	<u>Minimum Denomination</u>	<u>Minimum Purchase Price</u>	<u>Purchase Price</u>	<u>Maximum Consideration Amount</u>
U.S.\$600,000,000 7.40% Notes due 24 April 2017 issued by the Company	U.S.\$265,247,000	ISIN: XS0652913558 ; Common Code: 065291355	U.S.\$200,000 and integral multiples of U.S.\$1,000 thereafter	U.S.\$1,047.50 per U.S.\$1,000 in principal amount of the 2017 Notes	To be determined pursuant to the Modified Dutch Auction Procedure	Up to U.S.\$300,000,000 in cash across all Issues of Notes (the " Maximum Consideration Amount ")
U.S.\$700,000,000 9.50% Notes due 24 April 2018 issued by the Company	U.S.\$352,933,000	ISIN: XS0359381331 ; Common Code: 035938133	U.S.\$100,000 and integral multiples of U.S.\$1,000 thereafter	U.S.\$1,072.50 per U.S.\$1,000 in principal amount of the First 2018 Notes	To be determined pursuant to the Modified Dutch Auction	

					Procedure
U.S.\$850,000,000 6.75% Notes due 27 April 2018 issued by the Company	U.S.\$ 731,312,000	ISIN: XS0618905219 ; Common Code: 061890521	U.S.\$200,000 and integral multiples of U.S.\$1,000 thereafter	U.S.\$1,017.50 per U.S.\$1,000 in principal amount of the Second 2018 Notes	To be determined pursuant to the Modified Dutch Auction Procedure
U.S.\$400,000,000 7.75% Loan Participation Notes due 27 April 2017 issued by Raspadskaya Securities Limited	U.S.\$100,672,000	ISIN: XS0772835285 ; Common Code: 077283528	U.S.\$200,000 and integral multiples of U.S.\$1,000	U.S.\$1,040.00 per U.S.\$1,000 in principal amount of the Raspadskaya 2017 Notes	To be determined pursuant to the Modified Dutch Auction Procedure

* Notes that are currently held by the Company and/or its subsidiaries are not considered “outstanding” for purposes of this table

Maximum Consideration Amount and Issue Acceptance Amount(s)

The Company intends to purchase an aggregate principal amount of the Notes such that the aggregate Purchase Price payable by the Company for the principal amount of the Notes is no greater than the Maximum Consideration Amount, which is equal to U.S.\$300,000,000 in cash across all Issues of Notes. The Company will determine the allocation of purchases in principal amounts between each Issue of Notes (such allocation in respect of each Issue of Notes being, the “**Issue Acceptance Amount**” for such Issue of Notes) in its sole and absolute discretion and reserves the right to accept for purchase significantly more or less (or none) of the Notes of any one Issue as compared to the other Issues. The Company reserves the right, in its sole and absolute discretion, to purchase Notes in excess of or below the Maximum Consideration Amount, or not to purchase any Notes, subject to applicable law.

Modified Dutch Auction Procedure

Under the Modified Dutch Auction Procedure, the Company will determine, for each Issue of Notes, in its sole discretion, (i) the Issue Acceptance Amount and (ii) the Purchase Price (expressed as the amount payable for each U.S.\$1,000 in principal amount of the relevant Issue of the Notes equal to, or in an increment of U.S.\$0.50 per U.S.\$1,000 in principal amount of the relevant Issue of the Notes above, the relevant Notes’ Minimum Purchase Price), in each case, taking into account the principal amount of the relevant Issue of the Notes so tendered and the Offer Prices specified (or deemed to be specified, as set out below) by tendering Noteholders.

The Purchase Price for each Issue of the Notes will represent the lowest price that will enable the Company to purchase an aggregate principal amount of the relevant Issue of the Notes, as the case may be, which equals the relevant Issue Acceptance Amount and shall either be the applicable Minimum Purchase Price, or an increment of U.S.\$0.50 per U.S.\$1,000 in principal amount of the relevant Issue of Notes above such Notes’ Minimum Purchase Price. The Purchase Price in respect of each Issue will apply to all Notes of such Issue accepted for purchase.

Tender instructions in respect of any Issue of Notes may be submitted in the form of either a Competitive Offer (which specifies a purchase price higher than the relevant Notes Minimum Purchase Price) or a Non-Competitive Offer (which does not specify a purchase price or specifies a price less than or equal to the relevant Minimum Purchase Price).

If a Competitive Offer specifies a purchase price that is not in whole increments of U.S.\$0.50 per U.S.\$1,000, such purchase price will be rounded up to the nearest increment of U.S.\$0.50 per U.S.\$1,000 in principal amount of the relevant Issue of Notes.

Accrued Interest Amount

In addition to the relevant Purchase Price, the Company will pay as part of the consideration for the relevant Issue of Notes accepted for purchase in the Tender Offers a sum equivalent to accrued and unpaid interest, if any (the “**Accrued Interest Amount**”) from (and including) the immediately preceding interest payment date for the relevant Issue of the Notes up to but not including the Payment Date.

Rationale for the Tender Offers

The Company is a holding company which, together with its consolidated subsidiaries, is hereafter referred to as the “**Group**”. The purpose of the Tender Offers is to acquire, subject to the Maximum Consideration Amount, a principal amount of the outstanding Notes pursuant to the Modified Dutch Auction Procedure. The Notes (other than the Raspadskaya 2017 Notes) acquired in the Tender Offers will be cancelled. The Raspadskaya 2017 Notes purchased pursuant to the Tender Offers will be held by the Company for its own account and the Company does not currently intend to transfer them to Raspadskaya Securities Limited for purposes of redemption.

Conditions to the Tender Offers

The completion of the Tender Offers is subject to, among other things, the conditions to the Tender Offers. See “*Conditions to the Tender Offers*” in the Tender Offer Memorandum for more information.

Notes that are not successfully tendered for purchase pursuant to the Tender Offers and the terms and conditions set out in the Tender Offer Memorandum will remain outstanding and will remain subject to the terms and conditions of such Notes.

Scaling

In the event that tender instructions are received in respect of an aggregate principal amount of Notes of the relevant Issue of Notes which is greater than the relevant Issue Acceptance Amount, such tender instructions will be accepted on a *pro rata* basis, as further described in the Tender Offer Memorandum.

Expected Timetable of Events

The times and dates below are indicative only.

<i>Date</i>	<i>Calendar Date and Time</i>	<i>Event</i>
Commencement Date	14 April 2016	Commencement of the Tender Offers upon the terms and subject to the conditions set forth in the Tender Offer Memorandum.
Expiration	5:00 pm (CET) on 25	The last time for Noteholders to tender

<i>Date</i>	<i>Calendar Date and Time</i>	<i>Event</i>
Deadline	April 2016, unless extended or earlier terminated by the Company. In the case of an extension, the Expiration Deadline will be such other date and time as so extended.	Notes pursuant to the Tender Offers (subject to such tender being validly received by the Information and Tender Agent before such time). If a broker, dealer, bank, custodian, trust company or other nominee or other intermediary holds Notes of any Noteholder, such intermediary may have earlier deadlines for accepting the Tender Offers at or prior to the Expiration Deadline. Each Noteholder should promptly contact the broker, dealer, bank, custodian, trust company or other nominee that holds its Notes to determine its deadline or deadlines. As soon as practicable on or after the Expiration Deadline (the “ Results Announcement Date ”), the Company will announce the results of the Tender Offers, the Issue Acceptance Amounts, the relevant Scaling Factor (if applicable and as defined herein), the Purchase Price (in respect of any Issue of Notes accepted for purchase) and the aggregate principal amount of Notes that will remain outstanding following completion of the Tender Offers.
Payment Date	A date promptly following the Expiration Deadline and is expected to be on or about 28 April 2016.	The day that Noteholders will be paid the applicable Purchase Price and the Accrued Interest Amount, in the case of Notes (i) validly tendered at or prior to the Expiration Deadline (subject to such tender being validly received by the Information and Tender Agent before the Expiration Deadline) and (ii) accepted for purchase by the Company.

The above times and dates are subject to the rights of the Company, to extend, re-open, amend, waive in whole or in part any condition to, and/or terminate the Tender Offers (subject to applicable law).

Noteholders are advised to check with any broker, dealer, bank, custodian, trust company or other nominee or other intermediary through which they hold Notes to confirm whether such intermediary requires that it receives instructions for such Noteholder to participate in the Tender Offers before the deadlines specified above. The

deadlines set by each Clearing System (as defined herein) for the submission of Notes subject to the Tender Offers may be earlier than the relevant deadlines above.

Further Information

A complete description of the terms and conditions of the Tender Offers is set out in the Tender Offer Memorandum. Further details about the Tender Offers can be obtained from:

The Dealer Managers

Requests for information in relation to the Tender Offers should be directed to:

Crédit Agricole Corporate and Investment Bank

Broadwalk House,
5 Appold Street,
London, EC2A 2DA

For information by telephone: +44 207 214 5733
Attention: Liability Management Group
E-mail: liability.management@ca-cib.com

Deutsche Bank AG, London Branch

Winchester House
1 Great Winchester
Street, London
EC2N 2DB
United Kingdom

For information by telephone: +44 20 7545 8011
Attention: Liability Management Group
E-mail: liability.management@db.com

ING Bank N.V., London Branch

60 London Wall
London EC2M 5TQ
United Kingdom

For information by telephone: +44 20 7767 5107
Attention: Global Debt Syndicate
E-mail: liability.management@uk.ing.com

J.P. Morgan Securities plc

25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

For information by telephone:
+44 20 7134 2468
Attention: Liability Management
E-mail: em_europe_1m@jpmorgan.com

Société Générale
10 Bishops Square
London E1 6EG
United Kingdom

For information by telephone: +44 20 7676 7579
Attention: Liability Management
Email: liability.management@sgcib.com

The Information and Tender Agent

Requests for information in relation to the procedures for tendering Notes and participating in the Tender Offers and the submission of an electronic instruction or submission should be directed to the Information and Tender Agent:

Subject to the offer and distribution restrictions, the Tender Offer Memorandum, and any further announcements and amendments related to the Tender Offer, may be obtained from the website maintained by the Information and Tender Agent: <http://sites.dfkingltd.com/evraz>.

D.F. King Ltd

Email: evraz@dfkingltd.com
Offer Website: <http://sites.dfkingltd.com/evraz>

In London:
125 Wood Street
London EC2V 7AN
United Kingdom
By telephone: +44 20 7920 9700

In Hong Kong
Suite 1601, 16/F, Central Tower
28 Queen's Road Central
Hong Kong
Telephone: +852 3953 7230

DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. No offer or invitation to acquire or exchange any notes is being made pursuant to this announcement. This announcement and the Tender Offer Memorandum contain important information, which must be read carefully before any decision is made with respect to the Tender Offers. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own legal, tax and financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes

to participate in the Tender Offers. None of the Company, the Dealer Managers, the Information and Tender Agent, or any person who controls, or is a director, officer, employee or agent of such persons, or any affiliate of such persons, makes any recommendation as to whether Noteholders should participate in the Tender Offers.

United States

The Tender Offers are not being made and will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States or to any U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended) (each, a "**U.S. Person**"). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this announcement or the Tender Offer Memorandum and any other documents or materials relating to the Tender Offers are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to a U.S. Person and the Notes cannot be tendered in the Tender Offers by any such use, means, instrumentality or facility or from or within or by persons located or resident in the United States or by any U.S. Person. Any purported tender of Notes in the Tender Offers resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes in the Tender Offers made by a person located in the United States, a U.S. Person, by any person acting for the account or benefit of a U.S. Person, or by any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each Noteholder participating in a Tender Offer will represent that either (i) it is not a U.S. Person, is not located in the United States and is not participating in the relevant Tender Offer from the United States or (ii) it is not located in the United States and is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Tender Offer from the United States and who is not a U.S. Person. For the purposes of this and the above paragraph, "**United States**" means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

Belgium

None of this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Tender Offers have been submitted to or will be submitted for approval or recognition to the Financial Services and Markets Authority (*Autorité des services et marchés financiers / Autoriteit financiële diensten en markten*) and, accordingly, the Tender Offers may not be made in Belgium by way of a public offering, as defined in Articles 3, §1, 1° and 6, §1 of the Belgian Law of 1 April 2007 on public takeover bids (the "**Public Takeover Law**"), as amended or replaced from time to time. Accordingly, the Tender Offers may not be advertised and the Tender Offers will not be extended, and none of this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Tender Offers (including any memorandum, information circular, brochure or any similar documents) have been or shall be distributed or made available, directly or indirectly, to any individual or legal entity in Belgium other than:

(i) qualified investors, as defined in Article 10 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets (the “**Belgian Public Offer Law**”);

(ii) in relation to Notes with a denomination of at least €100,000;

and in any other circumstances set out Article 6, §§3-4 of the Public Takeover Law. Insofar as Belgium is concerned, the Tender Offer Memorandum has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Tender Offers. Accordingly, the information contained in the Tender Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

France

The Tender Offers are not being made, directly or indirectly, to the public in the Republic of France (“**France**”). None of this announcement, the Tender Offer Memorandum or any other document or material relating to a Tender Offer has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) with the exception of individuals acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French Code *monétaire et financier*, are eligible to participate in the Tender Offers.

None of this announcement, the Tender Offer Memorandum or any other such offering material has been and will be submitted for clearance to the *Autorité des marchés financiers*.

Italy

None of the Tender Offers, this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Tender Offers have been submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian laws and regulations.

The Tender Offers are being carried out in the Republic of Italy (“**Italy**”) as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and article 35-bis, paragraph 4, of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the “**Issuer’s Regulation**”).

Accordingly, the Tender Offer in respect of the Raspadskaya 2017 Notes may not be advertised and the Tender Offers will not be addressed, and none of this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Tender Offers (including any memorandum, information circular, brochure or any similar documents) have been or shall be distributed or made available, directly or indirectly, to any person in Italy other than to “qualified investors” (*investitori qualificati*), as defined pursuant to Article 100 of the Financial Services Act and Article 34-ter, paragraph 1, letter b) of the Issuer’s Regulation.

Noteholders or beneficial owners of the Notes may tender their Notes in the Tender Offers through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and

Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Tender Offers.

United Kingdom

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Tender Offers are not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may be communicated to (1) persons who have professional experience in matters relating to investments, being investment professionals as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**FPO**”); (2) persons who fall within Article 49 of the FPO (“high net worth companies, unincorporated associations etc.”); or (3) any other persons to whom these documents and/or materials may lawfully be communicated. Any investment or investment activity to which this announcement or the Tender Offer Memorandum relate is available only to such persons or will be engaged only with such persons and other persons should not rely on it.

Russian Federation

None of this announcement, the Tender Offer Memorandum or any other document or materials relating to the Tender Offers is an offer, or an invitation to make offers, to sell, exchange or otherwise transfer securities in the Russian Federation to or for the benefit of any Russian person or entity and does not constitute an advertisement or offering of securities in the Russian Federation within the meaning of Russian securities laws. Information contained in this announcement, the Tender Offer Memorandum or any other document or materials relating to the Tender Offers is not intended for any person in the Russian Federation who is not a “qualified investor” within the meaning of Article 51.2 of the Federal Law No. 39-FZ “On the Securities Market” dated 22 April 1996, as amended (a “**Russian QI**”) and must not be distributed or circulated into Russia or made available in Russia to any person who is not a Russian QI, unless and to the extent they are otherwise permitted to access such information under Russian law.

General

This announcement, the Tender Offer Memorandum and any related documents do not constitute an offer to buy or the solicitation of an offer to sell Notes in any circumstances in which such offer or solicitation is unlawful. If a jurisdiction requires the Tender Offers to be made by a licensed broker or dealer, and any of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in such jurisdictions, the Tender Offers shall be deemed to be made by such Dealer Manager or such affiliate (as the case may be) on behalf of the Company in such jurisdiction.

In addition to the representations referred to above in respect of the United States, Belgium, France, Italy, the United Kingdom and the Russian Federation, each Noteholder participating in the Tender Offers will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "*Procedures for Tendering Notes*" in the Tender Offer Memorandum. Any tender of Notes for purchase pursuant to the Tender Offers from a Noteholder that is unable to make these representations will not be accepted. Each of the Company, the Dealer Managers and the Information and Tender Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Tender Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representation is not correct, such tender of Notes shall not be accepted.