






Interim Financial Results
for the six months ended June 2010

26.08.10

Scott MacDonald
Chief Executive Officer

Bernie de Beer
Financial Director

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Financial information

Evraz Highveld's results are reported under International Financial Reporting Standards (IFRS)

Introduction and Overview



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CEO : Scott MacDonald

Overview

Headline loss of R138m

- Revenue up 33.4% to R2539m
- EBITDA of -R77m in 1H2010 vs. R172m in 1H2009
- Cash at period end R638m
- NAV per share down 0.4% to 2955cps

Costs

- Negative impact of production interruptions
- Raw material costs up by 64.2%
- Energy costs increased 86.4%
- Plant maintenance costs increased by 74.1%

Steel Products

- Steel product sales increased by 10.3% to 303 498t
- Structurals production up by 120.2%
- Flat products production up by 88.9%







Vanadium Products

- Slag production of 28 633t
- FeV sales increased by 31.0%
- Average LMB price for FeV improved from US\$20 1Q2009 to US\$33 in 2Q2010

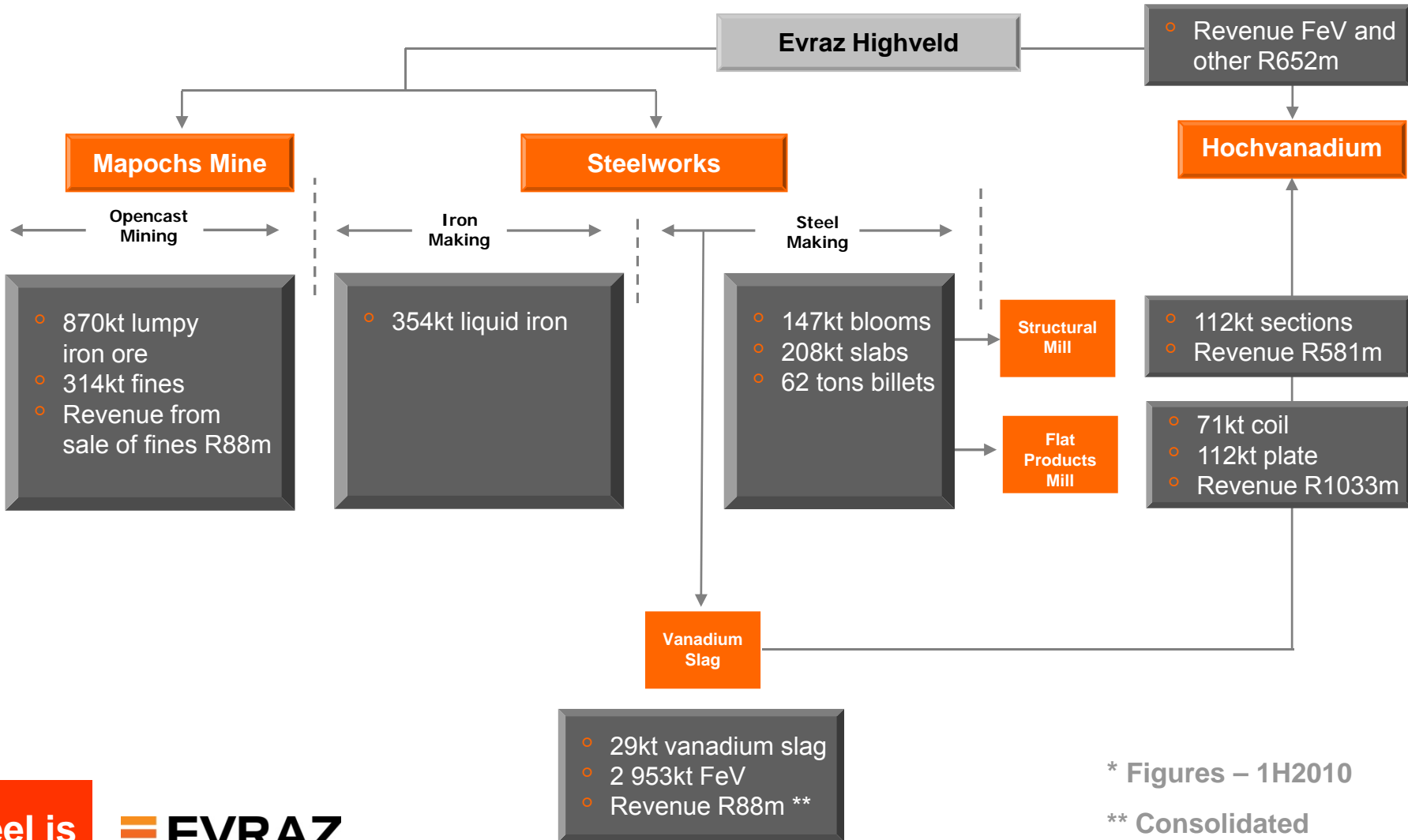
□ Key Result Drivers

	1H2010 vs. 1H2009	1H2010 vs. 2H2009
Liquid steel production	23.4%	-12.1%
Cast steel production	24.8%	-11.8%
Rolled production	99.6%	-10.3%
Total steel sales volumes	10.3%	-0.7%
Domestic steel sales volumes	83.0%	-6.4%
Export steel sales volumes	-53.1%	24.9%
Steel products average selling prices	5.8%	-5.1%
Production cost	44.4%	23.1%
Productivity – tons per manyear *	98.4%	-12.3%
Vanadium slag production	-4.6%	-44.5%
Ferrovandium sales volumes	24.3%	31.1%
Ferrovandium average selling prices	5.9%	-2.0%
Average exchange rate (USD/ZAR)	-17.9%	-1.5%

Introduction

-  Evraz global rebranding strategy:
Evraz Highveld Steel and Vanadium Limited
-  Transformation – moving forward
-  SA steel producer and one of the leading producers in the global vanadium market
-  Vertically integrated operation with globally unique manufacturing process
-  Leading global producer in the vanadium market
-  Three year union agreement

Evraz Highveld Operation



* Figures – 1H2010

** Consolidated

Evraz Highveld Products

Production	1H2010	2H2009	1H2009	2009	2008
Blooms (kt)	147	161	70	231	359
Slabs (kt)	208	242	215	457	422
Sections (kt)	112	123	51	174	230
Plate (kt)	112	97	65	162	207
Coils (kt)	71	108	32	140	153
Vanadium slag (kt)	29	29	18	47	66
Ferrovandium (tons V)	2 953	2 634	2 296	4 930	6 782
Ore fines (kt)	314	309	181	490	564



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Evraz's Global Business

Key Facilities:

- 1 - Zapsib
- 2 - NKMK
- 3 - NTMK
- 4 - DMZP
- 5 - Evraz Inc. NA
- 6 - Highveld
- 7 - Evraz Palin e Bertoli
- 8 - Evraz Vitkovice Steel
- 9 - Delong
- 10 - Evrazruda
- 11 - KGOK
- 12 - VGOK
- 13 - Sukha Balka
- 14 - Yuzhkuzbassugol
- 15 - Rapsadskaya
- 16 - Bagley Coke
- 17 - Dneprodzerzhinsk Coke
- 18 - Dnepropetrovsk Coke
- 19 - Stratcor
- 20 - Nikom
- 21 - NMTP
- 22 - Vanady-Tula



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Environment and Steel Markets



Top left to right bottom: Burj Al Arab, PetroSA, Soccer City, Medupi Power Station, Nelson Mandela Bridge, rail trucks

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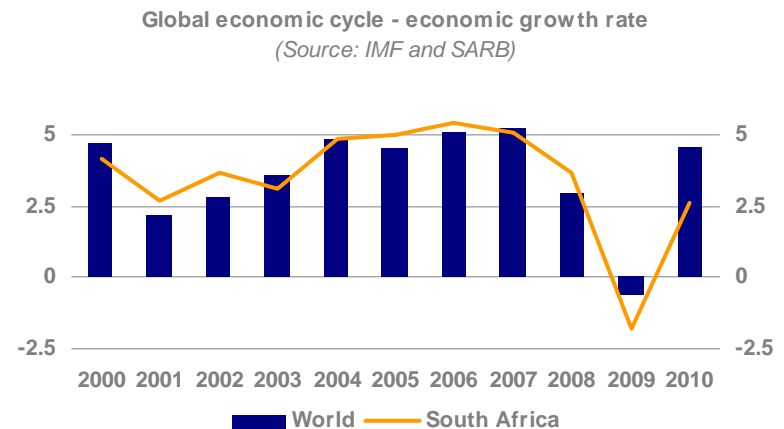
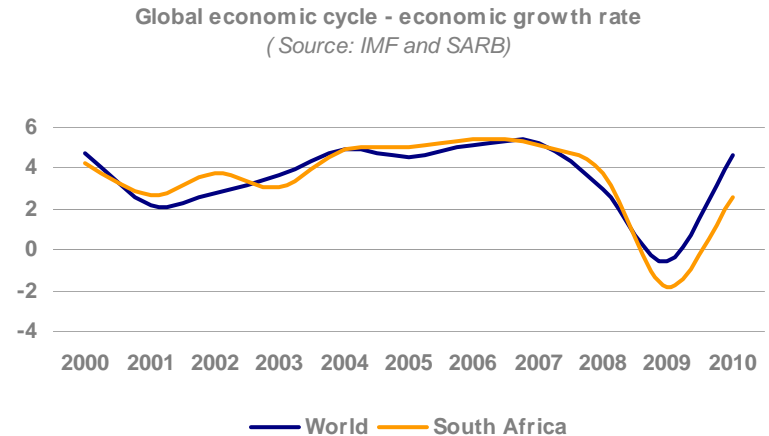
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Global Trends

- Global economic growth decreased 0.6% in 2009
- Advanced economies reflected a 3.2% decrease in economic growth whilst emerging and developing economies reflected 2.5% growth in 2009
- Global economic growth of 4.6% expected for 2010
- China reflecting strong rebound in exports and resilient domestic demand – growth rates of 10.5% and 9.6% expected for 2010 and 2011 respectively
- Downside risks to global growth have risen sharply, prompted by rising concern over sovereign risk

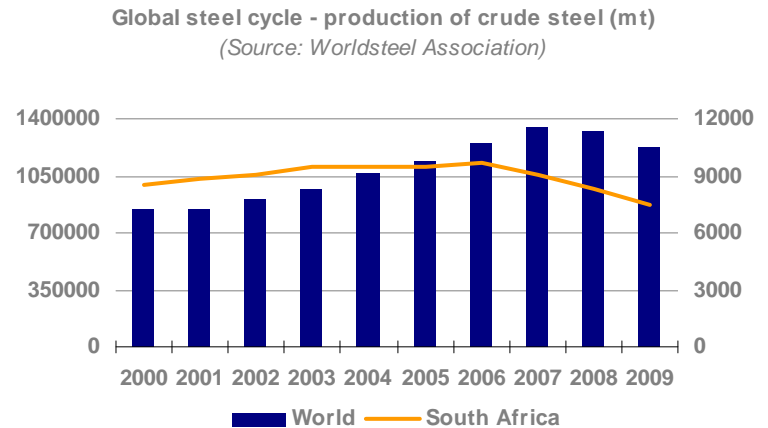
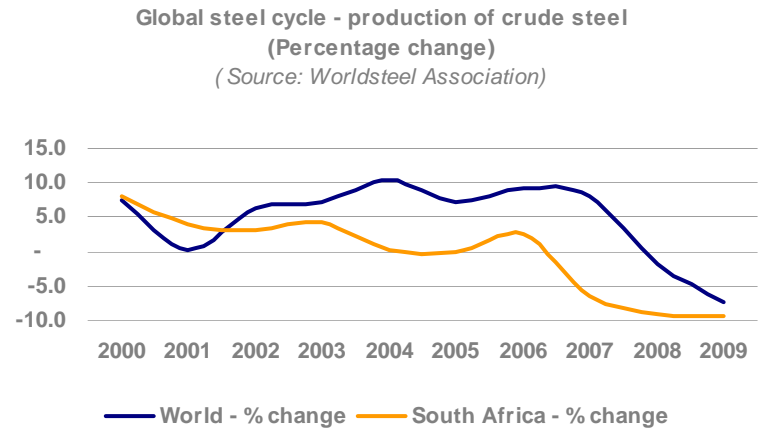
Source: IMF, World Economic Outlook
Update, July 2010



Global Steel Market Trends

- World crude steel production increased by 27.9% in 1H2010 compared to 1H2009 ¹
- China's production of world total crude steel 2009 – 47% (June 2010 - 45% - 9% increase compared to June 2009) ^{1,2}
- All regions showed increased crude steel production compared to 1H2009 ¹
- 1H2010 production in Asia and the Middle East higher than 1H2007 – the rest of the world has not yet recovered to pre-crisis levels ¹
- SA Steel production growth rate negative since 2008 - 9.3% drop in 2009

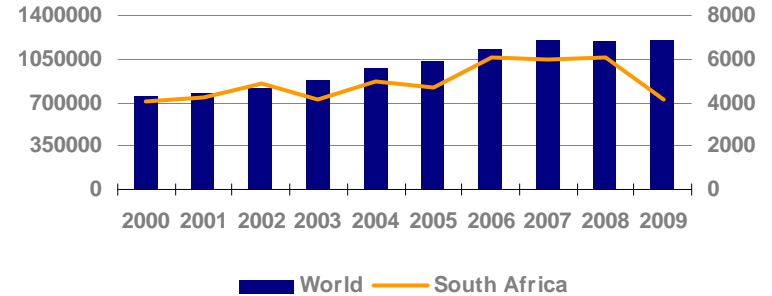
Source: 1. Worldsteel Association, 20 July 2010;
2. Worldsteel Association, 22 January 2010



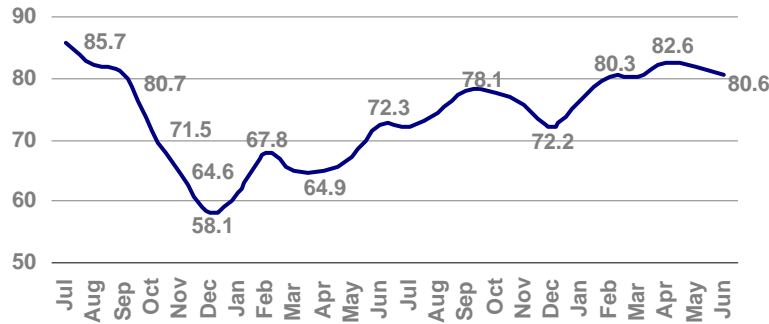
Global Steel Market Trends

- Apparent global steel consumption forecast to increase by 10.7% to 1.2 billion tons in 2010 ¹
- Apparent consumption of finished steel decreased by 32.5% in SA in 2009
- Consumption easing with reduced capacity utilisation levels ²

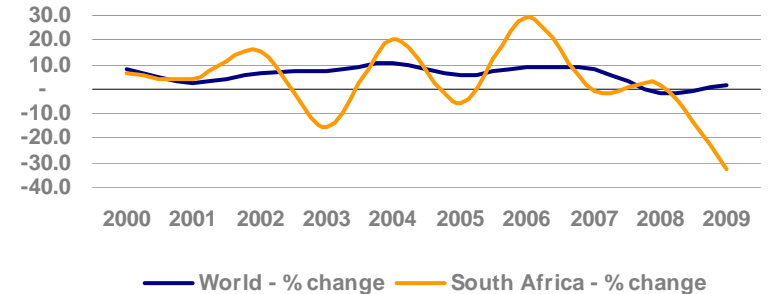
Global economic cycle - apparent consumption of finished steel (mt)
(Source: Worldsteel Association)



Steel Capacity Utilisation Ratio July 2008 - June 2010 (%)
(Source: Worldsteel Association)



Global economic cycle - apparent consumption of finished steel (% change)
(Source: Worldsteel Association)



Source: 1. Worldsteel Short Range Outlook, 20 April 2010;
2. Worldsteel Association, 20 July 2010

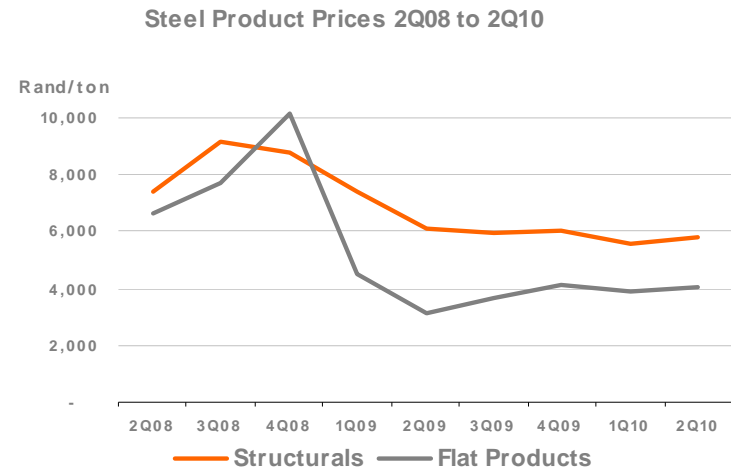
Input Cost Trends

- Material increase in energy cost – 69% effective increase 1H09 to 1H10 with a subsequent R470/t impact on rolled product cost
- Ore prices well managed within integrated operations – production cost per ton of ore increased 16%
- Metallurgical coal prices increased by 12% due to annual price increases and unfavourable supplier mix
- Maintenance costs increased by 73%
- Average crude oil prices up 50% in 1H2010 compared to 1H2009
- ZAR strengthened by 17.9% from 1H2009 to 1H2010 against increasing raw material costs

Steel Price Trends

- Global steel prices in free fall following 2008 global economic crisis in 4Q2008
- Average fall of 60% between August 2009 and April 2010
- Recent consolidation with prices reflecting upward trend
- Exchange rate influence
- Interdepartmental task team formed to make recommendations on appropriate policy tools to ensure the viability and cost competitiveness of the SA steel industry

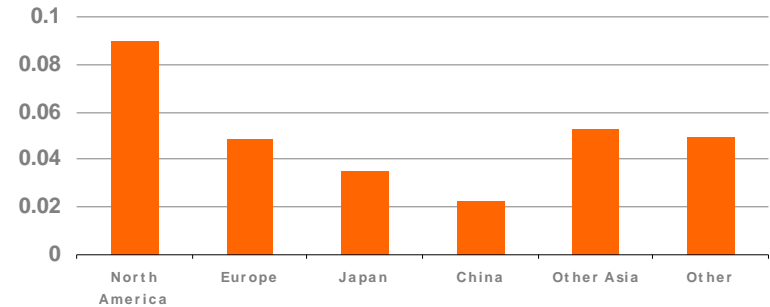
Source: *Engineering News 2010*



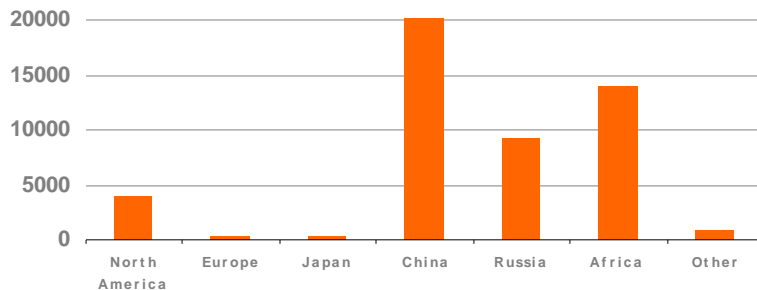
Global Vanadium Trends

- Outlook for vanadium market bullish
- Increased use of higher strength steels in high-growth Asian markets
- Ongoing global urbanisation will stimulate use of vanadium

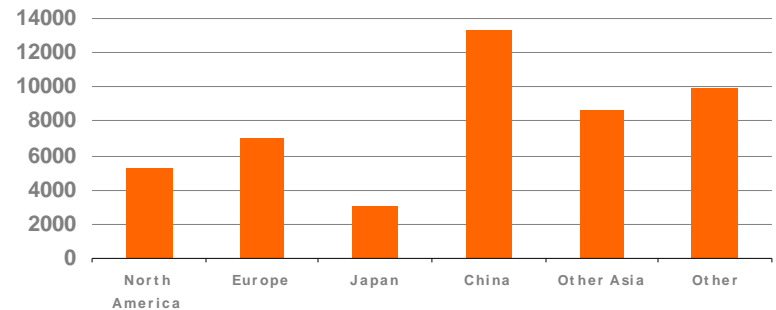
Vandium intensity of use in 2009 (kg V/ton)
(Source: CRU Strategies)



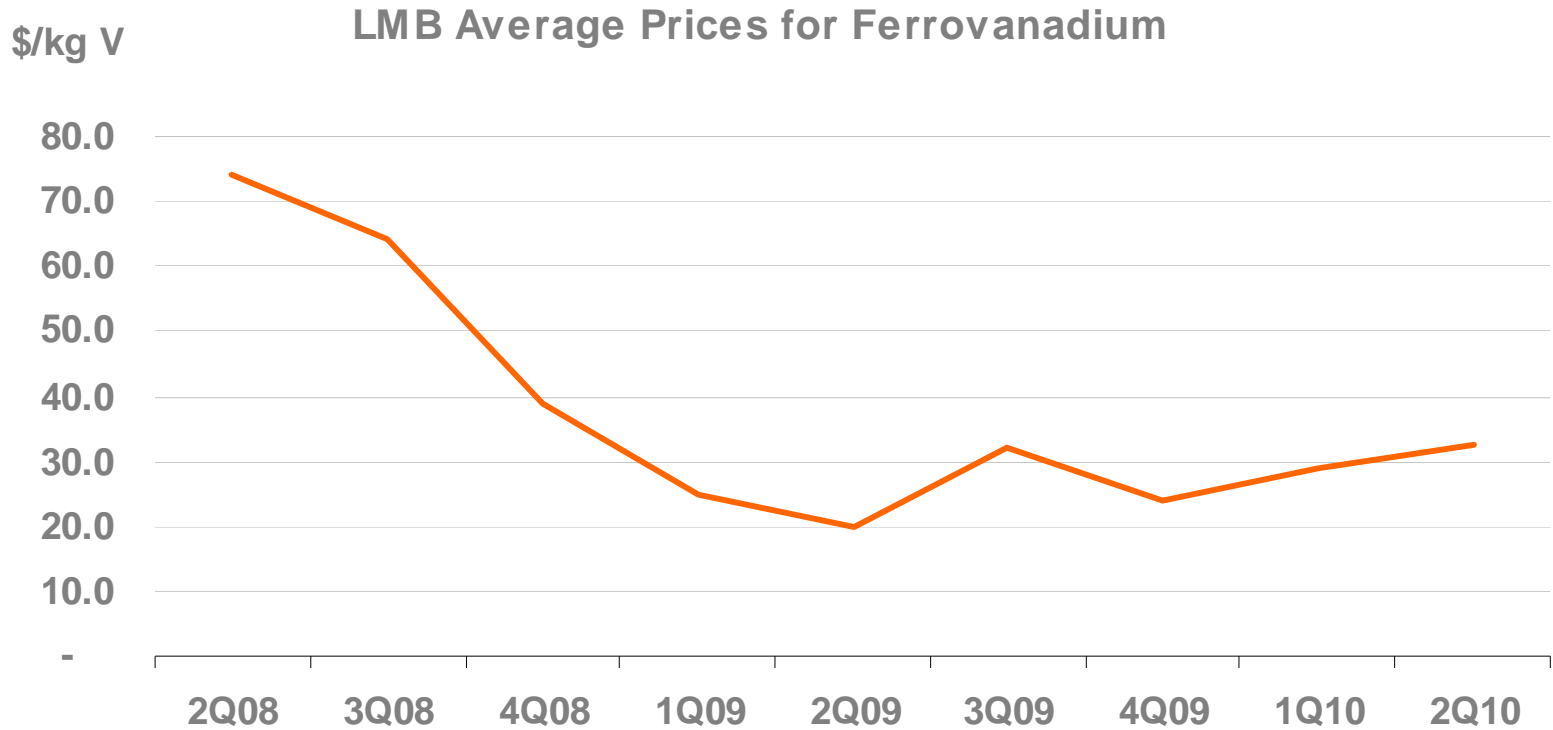
Vanadium production in 2009 (tons V)
(Source: CRU Strategies)



Vanadium consumption in 2009 (tons V)
(Source: CRU Strategies)



□ Ferrovandium Price Trends



Operational Results



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Safety

Injuries

- LTIFR based on
1 000 000 man hours 1.72
- Target 1.75
- Actual 2009 1.80

Health

- Occupational diseases 0
- HIV/AIDS – VCT testing 896

Environment

Steelworks

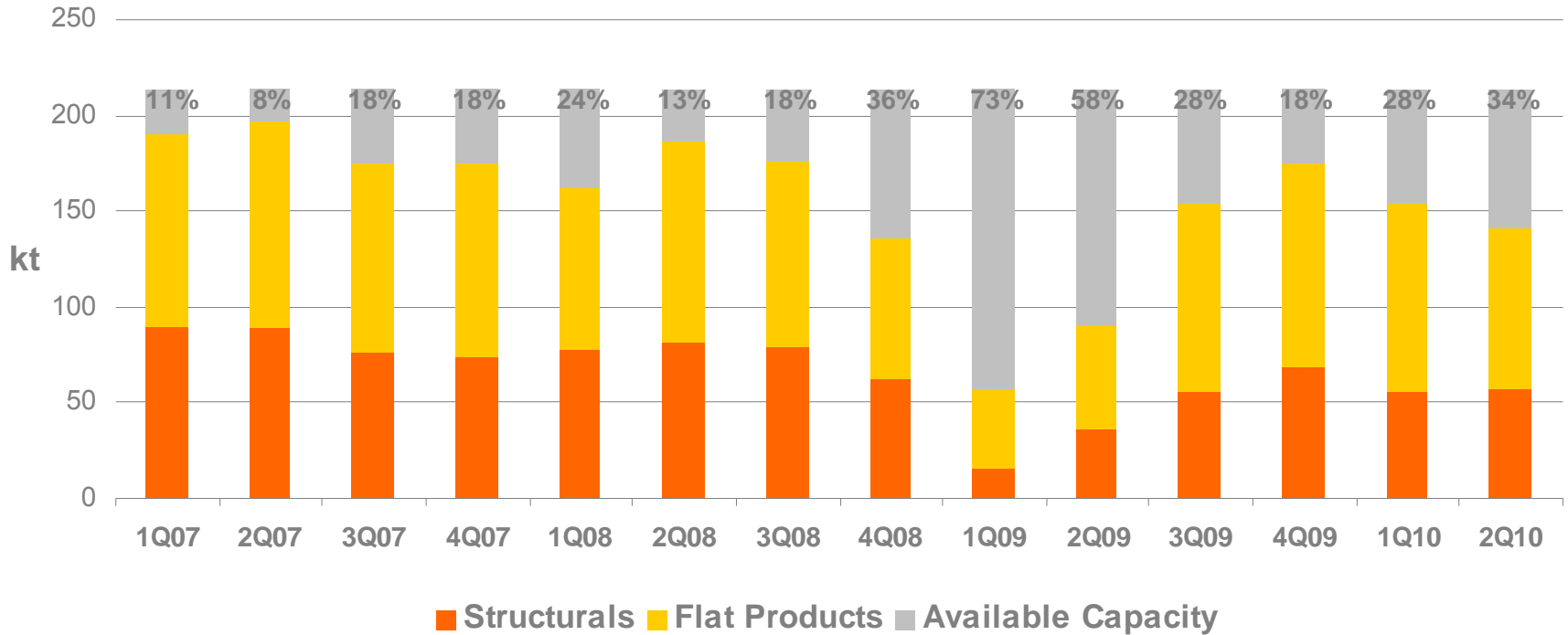
- Emission optimisation pre-feasibility study
- Rebuild of precipitators
- Abatement equipment maintenance

Quality

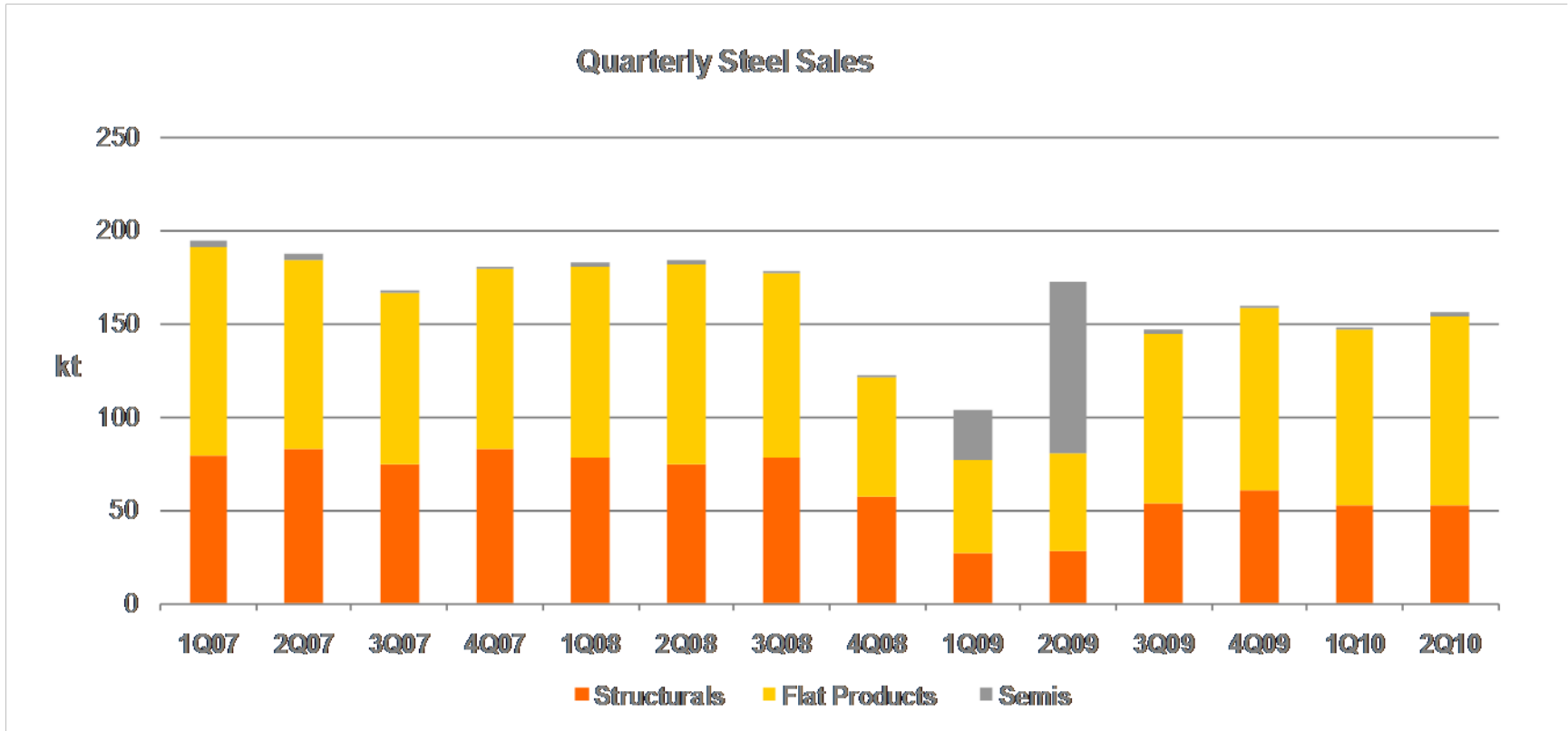
- Mapochs Mine received OSHAS 18001:2007 certificate
- Product ranges DNV and Lloyds certified
- Steelworks ISO9001 audit
15 - 17 September 2010

Steel Production and Capacity

Quarterly Steel Production and Capacity



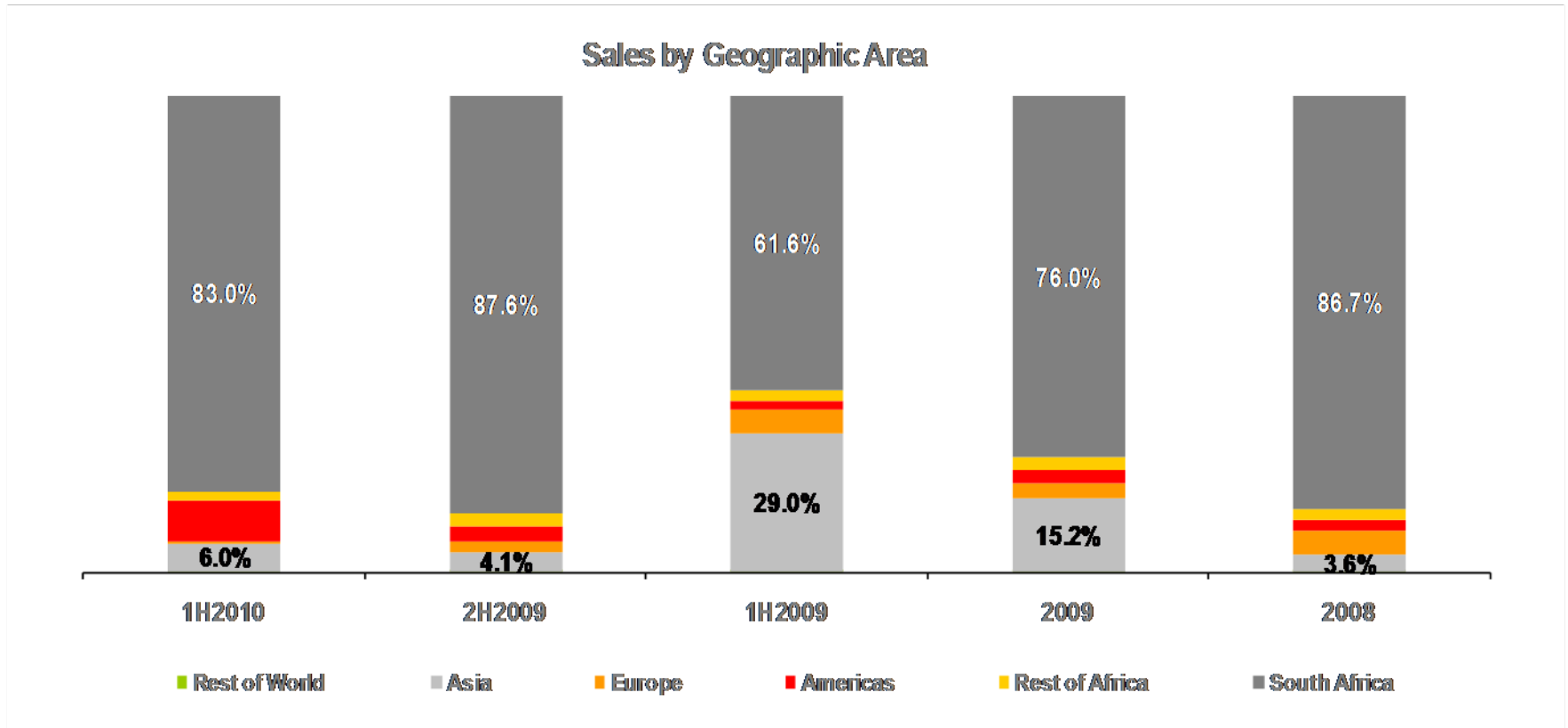
Quarterly Sales



Flat products made up of coil and plate, Semis made up of billets, slabs, blooms and blocks

Local: Ex-works; Export: FOB and CFR

□ Sales by Geographic Region



Financial Results



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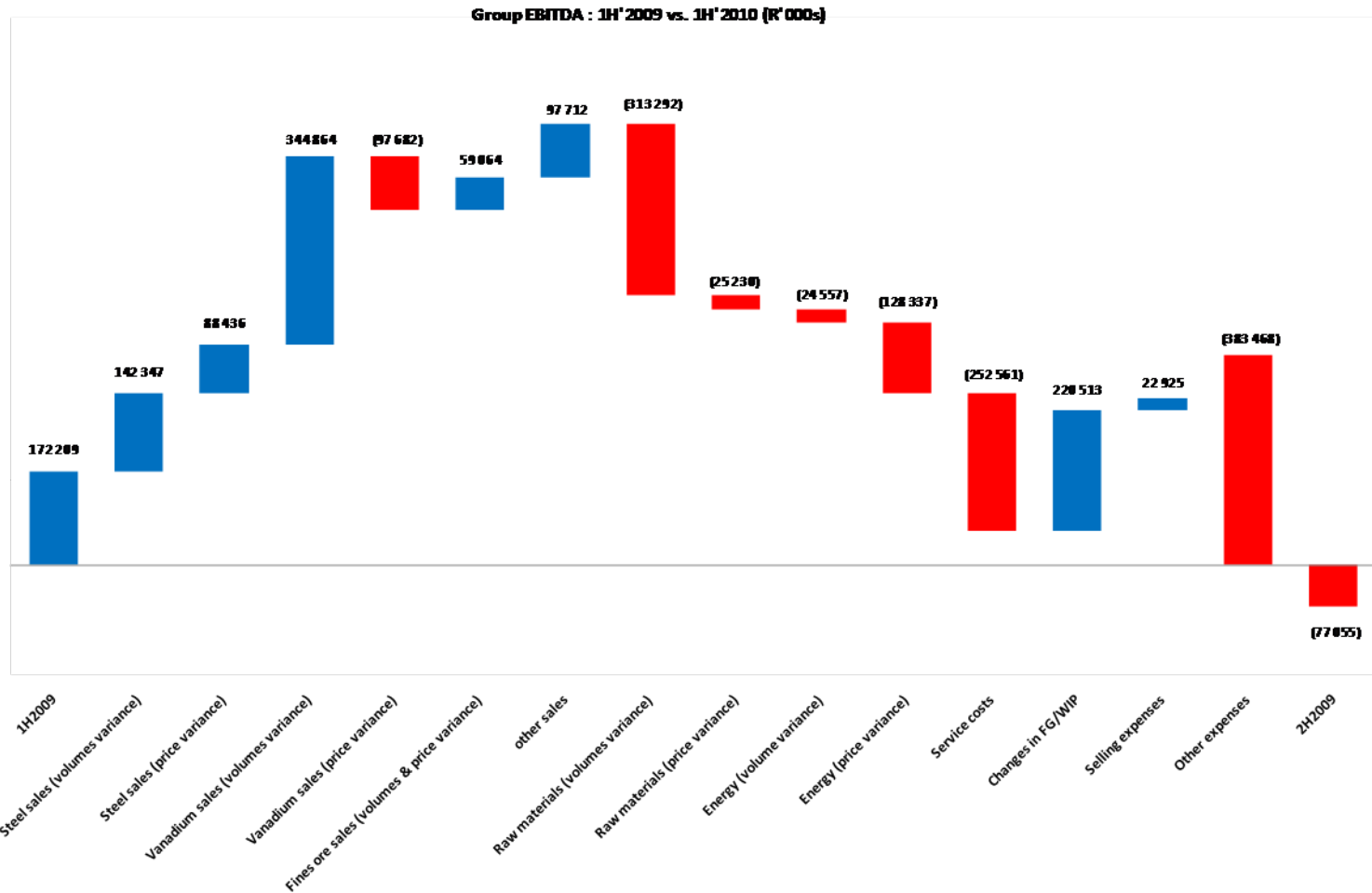
□ Group Financial Summary

Rm	1H2010	2H2009	1H2009
Revenue *	2 539	2 348	1 904
EBITDA	(77)	383	172
EBITDA margin	(3%)	16%	9%
Headline earnings	(138)	22	145
Cash and cash equivalents **	638	1 074	1 068
Steel sales ('000 tons)	303	306	275
Vanadium slag sales (tons V)	1 050	454	-
Ferrovandium sales (tons V)	3 116	2 507	2 377

* Excludes discontinued operations

** As of the end of the period

EBITDA 1H2009 vs. 1H2010



□ Operating Costs

	1H2010 Rm	2H2009 Rm	1H2009 Rm
Raw materials	865	909	527
Energy	330	353	177
Auxiliary materials	111	119	64
Services	690	588	468
Plant maintenance	273	226	157
Staff costs	335	325	291
Selling, administration and other	190	(300)	156
Total	2 794	2 220	1 840
Percentage movement	25.7%	20.7%	

□ Cash Flow

Rm	1H2010	2H2009	1H2009
Cash generated from operations	(230)	23	12
Net interest and investment income	19	23	46
Taxation paid	(83)	(91)	(474)
CAPEX	(110)	(107)	(89)
Proceeds from sale of discontinued operations	-	164	-
Dividends and short-term loans	(2)	2	-
Sub-total	(406)	14	(505)
Effect of foreign exchange rate changes on cash	(30)	(8)	(28)
Net cash flow	(436)	6	(533)
Cash and Cash equivalents	638	1 074	1 068

□ Key Numbers

	1H2010	2H2009	1H2009
Return on Capital Employed (ROCE%)	(7.2%)	3.4%	1.8%
Current ratio	2.57	2.71	2.74
Quick ratio	1.52	1.61	1.72
Net cash to shareholders equity	21.8%	34.9%	35.0%
Total liabilities to shareholders equity	58.1%	59.3%	53.5%
NAV per share (cents)	2 955	3 101	2 968

□ Prospects



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Future Prospects

-  Apparent global steel use forecast to increase by 10.7% to 1241mmt in 2010 after contracting by 6.7% in 2009 ¹
-  World steel demand forecast to grow by 5.3% in 2011 to reach a historical high of 1306mmt ¹
-  Steel industry remains weak with excess capacity that needs to be removed through closures or increased demand ²
-  Challenges in passing input cost increases on to customers ³
-  Overcapacity in China may cause a multi-year cost price squeeze ⁴
-  Seasonal weakness and concerns over macro factors expected to drive steel production down in coming months ⁴
-  Market is presently overstocked, leading to inventory reduction ⁴

Source: 1. Worldsteel Short Range Outlook 20 April 2010, 2. Credit Suisse 29 July 2010, 3. Credit Suisse 20 July 2010 4. Credit Suisse 2 July 2010

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THANK YOU!