

Current report no. 8/2012

Dated 22 February 2012

JANUARY 2012 PRODUCTION UPDATE

Sadovaya Group S.A., a joint stock company under Luxembourg law, with registered office at 412F, route d'Esch, L-2086 Luxembourg, registered in the Luxembourg Register of Companies under No. B 153.489, (the "Company"), hereby provides update on coal production in January 2012:

- Coal output increased 33.1% year-on-year
- Coal extraction decreased month-on-month due to relining of the cross-section of the main inclined shaft for increased air inflow at Sadovaya mine. Repair works were successfully completed in late February 2012
- January results were affected by decrease in consumption as power generation sector mainly consumed significant coal stocks formed before 2012
- As of today contracting of coal supplies are resuming to the historical levels

<i>in tonnes</i>	January 2012	January 2011	% change, y-o-y	December 2011	% change, m-o-m	Year-to-date 2012	Year-to-date 2011	% change, y-o-y
Coal sold	58,380	110,823	-47.3%	123,198	-52.6%	58,380	110,823	-47.3%
Coal mined	36,400	27,343	33.1%	57,010	-36.2%	36,400	27,343	33.1%
<i>including:</i>								
<i>Sadovaya mine</i>	15,150	12,502	21.2%	27,340	-44.6%	15,150	12,502	21.2%
<i>Rassvet-1 mine</i>	21,250	14,841	43.2%	29,670	-28.4%	21,250	14,841	43.2%
Coal recovered from waste dumps	3,450	3,260	5.8%	5,906	-41.6%	3,450	3,260	5.8%

Legal grounds: article 56.1 in connection with article 56.6 of the Act of 29 July 2005 on the public offering, conditions governing the introduction of financial instruments to organised trading system and on public companies.

Signatures of individual authorised to represent the Company:
Viktor Chornogor