

Current report no. 12/2012

Dated 16 April 2012

### MARCH 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 March 2012:

- Coal sales increased by 22.3% month-on-month on demand recovery from power generating sector since late February 2012
- After completion of repair works Sadovaya coal extraction volumes returned to its historical levels and comprised 23,780 tonnes
- Rassvet-1 coal extraction decreased by 19.5% month-on-month due to the closure of one of the longwalls. In substitution a new one is expected to be launched in June 2012

<i>in tonnes</i>	March 2012	March 2011	% change, y-o-y	February 2012	% change, m-o-m	Year-to-date 2012	Year-to-date 2011	% change, y- o-y
Coal sold	74,308	100,794	-26.3%	60,742	22.3%	193,430	286,900	-32.6%
Coal mined	39,790	37,475	6.2%	27,020	47.3%	103,210	96,746	6.7%
<i>including:</i>								
<i>Sadovaya mine</i>	23,780	19,070	24.7%	7,130	233.5%	46,060	43,198	6.6%
<i>Rassvet-1 mine</i>	16,010	18,405	-13.0%	19,890	-19.5%	57,150	53,548	6.7%
Coal recovered from waste dumps	1,775	3,721	-52.3%	2,760	-35.7%	7,985	7,721	3.4%

**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