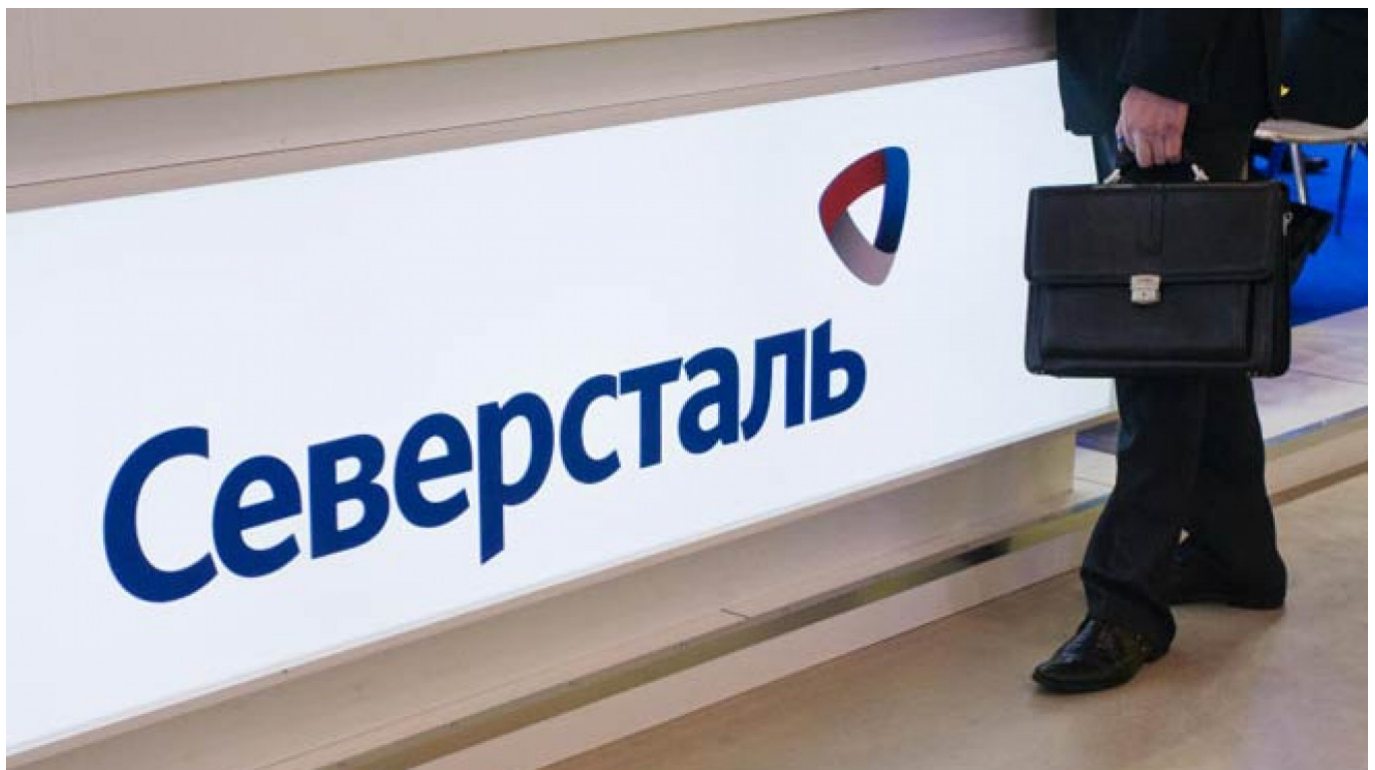


Severstal Q1 Steel Output Up 3%, Sales Down 3%

By [The Moscow Times](#)

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Severstal's steel output in Russia in the first quarter rose by 2 percent to 2.7 million tons, while in the U.S. they were 4 percent up at 1.2 million tons.

Russia's second-largest steelmaker Severstal produced 3.9 million tons of crude steel in the first quarter of 2014, an increase of 3 percent from the same period a year ago, while the company's sales of steel products fell by the same amount to 3.7 million tons, the company said in a statement on Tuesday.

The announcement came as steelmakers battled weak steel prices and low demand caused by overcapacity in the sector.

Severstal, which is 79.2 percent controlled by billionaire Alexei Mordashov, has its main producing assets in Russia and the U.S.

The statement said the company's steel output in Russia in the first quarter rose by 2 percent

to 2.7 million tons, while in the U.S. they were 4 percent up at 1.2 million tons.

Steel product sales in Russia declined by 7 percent to 3.6 million tons, while in the U.S. they rose by 6 percent to 1.1 million tons.

Sales of coking coal concentrate produced by company's Vorkutaugol unit fell by 24 percent in the first three months of 2014, Severstal said.

"The pricing environment was challenging; coking coal concentrate at Vorkuta and high value added products at Russian Steel division were impacted the most, while Severstal North America saw a favorable 1 percent quarter-on-quarter increase in prices for rolled products," it said.

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