



March 14, 2013

FOR IMMEDIATE RELEASE

MEDIA RELEASE



The Board of Directors of OJSC "Kuzbasskaya Toplivosnaya Company" reviewed questions about preparing for annual general meeting of shareholders.

On March 13, 2013 the session of the Board of Directors took place in Kemerovo. Questions concerning preparing for annual meeting of shareholders were discussed, as well as questions of current activities of the Company.

The annual general meeting of shareholders will take place at 14:00 Kemerovo time (GMT +7.00) on April 15, 2013, address: conference room, 4, 50 Let Oktyabrya st., Kemerovo.

The Board of Directors approved the agenda of meeting of shareholders, and also made a decision to approve preliminary and to introduce to shareholders the annual report and financial statements for 2012.

The Board of Directors recommended the annual general meeting of shareholders to make a decision to distribute dividends for 2012 at the rate of RUB 5 for 1 common share of nominal value of RUB 0.2 each, and to direct for this purpose 27.7% of the Company's 2012 net profit under RAS amounting to RUB 496,291,775. Dividends will be transferred to shareholders within 60 days from the date of making a decision of their payment.

The Company's Share Register Book's closing date for the rights to receive dividends was scheduled on March 13, 2013.

Informational note:

The Agenda of the annual General meeting of shareholders of OJSC "Kuzbasskaya Toplivosnaya Company", approved by the Board of Directors, includes following questions:

1. Approving the annual report of OJSC "Kuzbasskaya Toplivosnaya Company" for 2012.
2. Approving the annual financial statements, including report of profit and loss of OJSC "Kuzbasskaya Toplivosnaya Company" for 2012.
3. Approving the annual consolidated financial statements of OJSC "Kuzbasskaya Toplivosnaya Company" for 2012.
4. Distribution of profit and loss of OJSC "Kuzbasskaya Toplivosnaya Company", including payment of dividends following the financial results of 2012.

5. Electing of the members of the Board of Directors of OJSC "Kuzbasskaya Toplivnaya Company".
6. Approving of the size of remuneration, paid to the members of the Board of Directors of OJSC "Kuzbasskaya Toplivnaya Company".
7. Electing of members of the audit committee of OJSC "Kuzbasskaya Toplivnaya Company".
8. Approving of the size of remuneration, paid to the members of the audit committee of OJSC "Kuzbasskaya Toplivnaya Company".
9. Approving of the Auditor of OJSC "Kuzbasskaya Toplivnaya Company".

Contacts for analysts and investors:

OJSC "Kuzbasskaya Toplivnaya Company" (Moscow)

Vasily Rumyantsev
Head of Moscow office, IRO
Tel.: +7 (495) 787-68-05
E-mail: vkr@oaoktk.ru

Contacts for press:

OJSC "Kuzbasskaya Toplivnaya Company" (Kemerovo)

Elena Sarycheva
Head of public affairs department

Tel.: +7 (3842) 36-47-62
E-mail: es@oaoktk.ru

Notes to editors:

Additional information about the Company and investor calendar: www.oaoktk.ru/en/investors

Company Overview

OJSC "Kuzbasskaya toplivnaya company" ("KTK") is one of the fastest-growing thermal coal producers in Russia. In terms of 2012 production volume¹, it was ranked 6th among the largest thermal coal producers in the country. In the thirteen years since its establishment, the Company has commissioned and launched three open-pit mines and a two washing plants, achieving annual production volume of 8.71 mln. tonnes of coal in 2012.

The Company's JORC coal resources totaled 391 mln. tonnes of raw thermal coal as of January 1, 2013 and proven and probable reserves amounted to 174 mln. tonnes, recoverable during the period of 2013-2030. In December 2011 the Company won an auction for the right to use subsurface of "Bryansky" coal deposit with reserves of 250 mln. tonnes of coal in the C2 category. The surface mine is located in close proximity to existing infrastructure and production assets.

The Company produces exclusively thermal coal, classified as grade "D" under the Russian classification system, with a naturally low sulphur and phosphorus content, as well as a relatively high calorific value.

¹ Metal Expert, January 2013

The Company conducts mining operations at three open-pit mines, located in the Kuzbass area, Russia's largest coal producing region. The Company's mining operations are supported by an extensive production and logistics infrastructure, including its own railway network and facilities, which enable the Company to transport 100% of produced coal from the open-pit mines to the main railway hub at the long-distance railway network, operated by the Russian Railways. Furthermore, as the Company's mines are compactly located within 5 km from each other, a number of operations are conducted centrally, thereby minimizing overhead costs and expenses.

In 2012, the Company's total coal sales amounted to 10.20 mln. tonnes of coal, of which 8.51 mln. tonnes were produced by the Company and 1.70 mln. tonnes were resold after purchasing from other coal producers. The Company maintains a diversified sales structure balanced between export and domestic sales: in 2012 about 42% of coal was sold to domestic consumers and approximately 58% exported, primarily to Eastern Europe and the Asia-Pacific region.

The Company's strong regional presence is supported by an extensive retail distribution network, located throughout the Kemerovo, Novosibirsk, Omsk and Altay regions of Western Siberia. As of January 1, 2012, the Company's distribution network included 70 owned and operated points of sales and delivered 3.45 mln. tonnes of coal in 2011, positioning KTK as one of the principal suppliers of coal to retail customers in Western Siberia.

65.61% of share capital is owned by the management (I. Prokudin – 50.001%, V. Danilov – 15.61%), free-float – 34.39% is distributed between 25 investment funds and individuals (about 0.31%).

FY 2011 Financial Highlights

- Revenue increased by 69% to RUB 23,939 mln. (2010: RUB 14,160 mln.)
- EBITDA² – RUB 3.911 mln. (2010: RUB 2,134 mln.)
- EBITDA margin – 16.3% (2010: 15.1%)
- Net income – RUB 2,018 mln. (2010: RUB 823 mln.)
- Net income margin – 8.4% (2010: 5.8%)

² EBITDA for each period is defined as results from operating activities, adjusted for amortization and depreciation, impairment loss and loss on disposal of property, plant and equipment. EBITDA is not a measurement of the Company's operating performance under IFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities or as a measure of the Company's liquidity.