

Current report no. 7/2011
Dated 17 February 2011

JANUARY 2011 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 2011:

- Production of coal at mines increased 234.8% year to year and 15.0% month to month
- Coal sales increased 480% year to year

in tonnes

	January 2011	January 2010	% change, y-o-y	December 2010	% change, m-o-m
Coal sold	110,823	19,106	480.0%	127,906	-13.4%
Coal extracted	27,343	8,168	234.8%	23,770	15.0%
<i>Sadovaya mine</i>	<i>12,502</i>	<i>8,168</i>	<i>53.1%</i>	<i>11,631</i>	<i>7.5%</i>
<i>Rassvet-1 mine</i>	<i>14,841</i>	<i>0</i>	<i>n/m</i>	<i>12,139</i>	<i>22.3%</i>
Coal recovered from wastes and dumps	3,260	0	n/m	3,625	-10.1%

Legal grounds: Art.14 of the Luxembourg Law of 9 May 2006 on market abuse, and Art. 56 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