

Agreement on commencing the study of establishing
a joint venture company with SSA

Isuzu Motors Limited (hereinafter called "Isuzu") have agreed by signing a protocol that the three companies, that is, Isuzu, OAO Severstal-Avto (hereinafter called "SSA") and Sojitz Corporation (hereinafter called "Sojitz") will make their best efforts and cooperate with each other in conducting a study of truck manufacturing and sales businesses that is currently being performed in Russia.

Since July 2006, Isuzu have supplied and delivered SKD parts for small trucks to OAO Ulyanovsky Avtomobilny Zavod (hereinafter called "UAZ), which is under the control of SSA. Up to this time, manufacturing and sales activities have been steadily and favorably developing and expanding. As for the next stage, the above three companies will commence a study of establishing a joint venture company, including but not limited to an additional introduction of products, in order to enhance the framework of truck manufacturing and sales businesses in Russia.

Isuzu has positioned the CIS nations as one of the most important markets in the future and in countries other than Russia, has launched manufacturing and sales activities in Ukraine in 1998 and in Uzbekistan in 2006. Based on these experiences, Isuzu together with the other 2 parties will study the establishment of a joint venture company engaged in manufacturing and sales with a view to develop and expand a business activities in Russia, the biggest market among the CIS nations. The total sales volume in the CIS nations in 2007 is estimated to amount to 10,000 vehicles, and is potentially expected to rise to around 50,000 vehicles in the near future.

Reference: Corporate Profile of SSA

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| Company name | OAO Severstal-Avto |
| Location | Moscow City |
| Date of Foundation | 2002 |
| President and Representative Director | Vadim Shvetov |
| Major Shareholders | Vadim Shvetov: 58%; Others: 42% |
| Main Business Lines | Manufacturing and sales of trucks passenger vehicles and engines for automobiles |

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