

**ACCOUNTING BALANCE SHEET**  
**as of December 31, 2004**

Form No. 1 per OKUD	CODES
Date (year, month, day)	<b>0710001</b>
per OKPO	<b>2005 03 18</b>
INN	<b>14582388</b>
per OKVED	<b>7703370008/770301001</b>
per OKOPF/OKFS	<b>74.14,65.23.1</b>
per OKEI	<b>47 34</b>
<b>384</b>	

Organisation: **Mechel Steel Group Open Joint Stock Company**  
 Taxpayer Identification Number: **commercial operations and management consultations, investments into securities**  
 Line of business: **consultations, investments into securities**  
 Legal status: **Open Joint Stock Company**  
 Measurement unit: **RUR thou.**  
 Location (address): **123610, Moscow, Krasnopresnenskaya Naberezhnaya 12**

Date of approval: **31.12.2004**  
 Date of despatch/receipt: **.**

ASSETS	Item code	Reporting year beginning	Reporting year end
1	2	3	4
<b>1. FIXED ASSETS</b>			
Intangible assets	110	-	77,146
Plant and equipment	120	9,160	17,621
Construction in progress	130	371	321
Income-bearing investments in tangible assets	135	-	-
Long-term investments	140	9,025,973	21,907,852
Deferred tax assets	145	1,142	67,394
Other fixed and non-current assets	150	10	29
<b>Subtotal for Section I</b>	<b>190</b>	<b>9,036,656</b>	<b>22,070,363</b>
<b>II. WORKING ASSETS</b>			
Reserves	210	23,247	35,784
Including:			
raw materials, materials and other similar items of material value	211	4,440	1,085
livestock in breeding and fattening	212	-	-
costs of work in progress	213	17,153	28,648
finished products and goods for re-sale	214	-	1,314
goods shipped	215	-	-
prepaid expenses	216	1,654	4,737
other reserves and expenses	217	-	-
Input value-added tax	220	3,600	1,115
Accounts receivable (maturing in over 12 months after the reporting	230	-	-
Including:			
purchasers and contractors	231	-	-
Accounts receivable (maturing within 12 months after the reporting d	240	132,125	1,074,361
Including:			
purchasers and contractors	241	121,894	82,684
sundry debtors and creditors, account 76	242	4,186	13,693
advance payments, account 60.2, 60.22, 60.7, 62.3	243	3,876	954,888
taxes and collections, account 68	244	1,896	22,803
social insurance expenses, account 69	245	47	36
other debtors, account 71, 73, 75, 79	246	226	257
Short-term investments	250	-	3,231,045
Cash	260	8,807	32,867
Including:			
cash in hand	261	206	262
accounts (account 51)	262	8,601	32,604
hard-currency accounts (account 52)	263	-	1
transfers in transit account account 57)	264	-	-
special bank accounts (Account 55)	265	-	-
Other working assets	270	-	-
<b>Subtotal for Section II</b>	<b>290</b>	<b>167,779</b>	<b>4,375,172</b>
		<b>Seal</b>	<b>Signature</b>

<b>BALANCE</b>	<b>300</b>	<b>9,204,435</b>	<b>26,445,535</b>
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LIABILITIES	Item code	Reporting year beginning	Reporting year end
1	2	3	4
<b>III. Capital and Reserves</b>			
Charter capital	410	3,829,691	4,162,707
Treasury stock	411	-	-
Surplus capital	420	-	6,023,340
Reserve capital	430	-	191,484
Including:			
statutory reserves required by law	431	-	-
reserves required by constitutive documents	432	-	191,484
Retained profit of reporting year (uncovered loss)	470	4,640,071	13,881,698
<b>Subtotal for Section III</b>	<b>490</b>	<b>8,469,762</b>	<b>24,259,229</b>
<b>IV. Long-Term Liabilities</b>			
Loans and credits	510	-	2,021,087
Deferred tax liabilities	515	837	3,836
Other long-term liabilities	520	-	9,827
<b>Subtotal for Section IV</b>	<b>590</b>	<b>837</b>	<b>2,034,750</b>
<b>V. Short-Term Liabilities</b>			
Loans and credits	610	121,001	-
Accounts payable	620	612,835	151,264
Including:			
suppliers and contractors	621	578,798	117,461
employees	622	15,605	15,732
state-run extrabudgetary funds	623	858	811
taxes and collections payable	624	5,284	3,327
trade account advance payments received	625	8,546	1
sundry debtors and creditors, account 76	626	3,507	13,932
other creditors 71, 73, 75, 79	627	237	292
Accrued income due partners (founders)	630	-	-
Unearned income	640	-	-
Provisions for anticipated payments	650	-	-
Other short-term liabilities	660	-	-
<b>Subtotal for Section V</b>	<b>690</b>	<b>733,836</b>	<b>151,556</b>
<b>BALANCE</b>	<b>700</b>	<b>9,204,435</b>	<b>26,445,535</b>

<b>STATEMENT OF ASSETS RECORDED ON OFF BALANCE</b>			
Leased assets	910	-	-
including under leasing arrangements	911	-	-
Inventories in custody	920	-	-
Goods on commission	930	-	-
Bad debt written off to loss	940	-	-
Received security of obligations and payments	950	-	-
Granted security of obligations and payments	960	-	5,523,778
Housing stock depreciation	970	-	-
Depreciation of on-site improvements and other similar facilities	980	-	-
Received intangible assets in use	990	-	-
		-	-

**General Director**

Signature

(signature)

**V.F. Iorich**

(name)

**Chief Accountant**

Signature

(signature)

**T.A. Kalyadina**

(name)

Signature

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