

**To the Shareholders**

**of Mechel Steel Group Open Joint Stock Company**

**Auditor's Opinion on Financial (Accounting) Statements**

**Auditor**

***Name:***

Limited Liability Company "Financial and Accounting Consultants" (OOO "FAC").

***Location:***

101990 Moscow, Myasnitskaya Street 44/1, Bldg 2AB

***State Registration:***

Registered by Moscow Registration Chamber on November 15, 1993, Registration Certificate: Series YuZ 3 No. 484.583 RP. Entered into the Uniform State Register of Legal Entities on July 24, 2002, under Main State Registration Number 1027700058286.

***License:***

License No. E 000001 for the conduct of auditor operations, issued by the Ministry of Finance of the Russian Federation on April 10, 2002, for a term of five years.

***Membership in Accredited Professional Auditor Associations:***

Non-Commercial Partnership "National Federation of Consultants and Auditors".

Non-Commercial Partnership "Institute of Professional Accountants of Russia".

Non-Commercial Partnership "Institute of Professional Auditors".

## **Audited Entity**

### ***Name:***

Mechel Steel Group Open Joint Stock Company (OAO "MSG").

### ***Location:***

123610 Moscow, Krasnopresnenskaya Naberezhnaya 12.

### ***State Registration:***

Certificate of State Registration Series 77 No. 004285413, date of registration: March 19, 2003. Entered into the Uniform State Register of Legal Entities on March 19, 2003, under Main State Registration Number 1037703012896.

We conducted an audit of attached financial (accounting) statements of OAO "MSG" for the period from January 1, 2004, up to and including December 31, 2004.

Financial (accounting) statements of OAO "MSG" consists of:

- Accounting Balance Sheet;
- Profit and Loss Statement;
- Supplements to Accounting Balance Sheet and Profit and Loss Statement;
- Explanatory Note.

All responsibility for the preparation and presentation of the said financial (accounting) statements is borne by the executive body of OAO "MSG". Our responsibility is to express our opinion as to the accuracy and reliability of the financial (accounting) statements in all material respects, and compliance of accounting procedures with the current law of the Russian Federation based on the findings of our audit.

We conducted the audit in accordance with the following laws and regulations:

1. Federal Law "On Audit";
2. Federal Audit Rules (Standards);
3. Audit Rules (Standards) approved by the Audit Committee under the President of the Russian Federation, to the extent they are consistent with the applicable Federal Audit Rules (Standards);
4. Internal audit standards, methodologies and regulations.

The audit was planned and conducted so as to obtain reasonable assurances that the financial (accounting) statements do not contain any material misstatements. The audit was conducted on a sample basis, and included the testing of evidence confirming the meaning and disclosure in the financial (accounting) statements of information about the financial and business operations of the audited entity, an evaluation of accounting methods and procedures for the preparation of financial (accounting) statements used by the audited entity, determination of the fundamental assumptions made by the management of the audited entity, and an assessment of the general presentation of financial (accounting) statements. We believe that our audit gives us sufficient grounds to express an opinion as to the accuracy and reliability of the financial (accounting) statements in all material respects, and compliance of accounting procedures with the current law of the Russian Federation.

In our opinion, financial (accounting) statements of OAO "MSG" truly and fairly reflect in all material respects its financial situation as of December 31, 2004, and the results of its financial and business operations for the period from January 1, 2004, up to and including December 31, 2004, in accordance with the applicable requirements of the current law of the Russian Federation governing procedures for the preparation of financial (accounting) statements, and with the provisions of the accounting policy approved by OAO "MSG".

March 22, 2005

OOO "FAC" President	Signature	S.M. Shapiguzov
	Seal	(acting in accordance with the Charter)
Audit Manager	Signature	S.I. Novikov
		(General Audit Commission Certificate No. K 017650, issued on August 5, 2004, for an indeterminate period of time)

**EXPLANATORY NOTE**  
**to Accounting Statements of OAO "Mechel Steel Group" for 2004**

**1. Brief Description of the Company and Main Areas of Its Operations**

Open Joint Stock Company "Mechel Steel Group" (hereinafter referred to as the "Company") was established in accordance with the Memorandum of Incorporation dated March 7, 2003, and is conducting its operations in accordance with the Civil Code of the Russian Federation, Federal Laws *On Joint Stock Companies*, *On Foreign Investments in the Russian Federation*, other current law of the Russian Federation, and the Charter of the Company.

Location of the Company: Russian Federation, Moscow, Krasnopresnenskaya Naberezhnaya 12. The Company is registered by the Inspection No. 3 of the Ministry for Taxes and Duties of the Russian Federation for the Central Administrative District of the City of Moscow on March 19, 2003. The auditor of the is OOO "Financial and Accounting Consultants", the holder of License for the Conduct of Audit Operations No. E 000001 dated April 10, 2002, issued for a term of five years from the aforementioned date.

Pursuant to its Charter, the Company is authorized to conduct the following types of operations:

- Integrated management services;
- Information and consulting services;
- Investments into securities;
- Business management of stone coal extraction and enrichment;
- Business management of metallurgical production;
- Business management of retail and wholesale trade in metallurgical, coal and other products;
- Procurement and distribution;
- Organization of production and distribution of products, wholesale and retail trade;
- Business management of procurement and distribution operations;
- Conduct of marketing surveys;
- Consultations on matters related to commercial operations, finance and management;
- Cargo transportation and forwarding services;
- Foreign trade operations;
- Granting the use of trade marks under license agreements.

From the time of its establishment, the Company has been engaged in the following types of operations:

- Integrated management services;
- Information and consulting services;
- Investments into securities;
- Granting the use of trade marks under license agreements.

Material events which occurred in 2004 include the following:

1. Issuance of shares at the New York Stock Exchange through the issuance of American Depositary Receipts (ADRs) representing additional ordinary shares of the Company.
  - State Registration Number of the additional issue of securities: 1-01-55005-E-001D
  - Par value of each share of the additional issue: RUR 10.00
  - Selling price: US\$ 6.6325 (approved by resolution of the Board of Directors dated October 28, 2004)
  - Number of securities of the issue placed at the aforementioned price: 33,301,659
  - Method of placement: private offering
  - Actual issue start date: October 29, 2004; actual issue end date: November 3, 2004
  - Underwriter of the Company: UBS Limited acting under Underwriting Agreement dated October 29, 2004
  - Report on the outcome of additional issue of securities was registered on November 23, 2004
2. Issuance of documentary interest-bearing non-convertible bearer bonds of Series 01 with mandatory centralized custody (Bonds).
  - State Registration Number of the securities issue: 4-01-55005-E
  - Number of issued securities: 2,000,000
  - Par value: RUR 1 000
  - Aggregate par value of the issue: RUR 2,000,000,000
  - Method of issuance: public offering
  - Maturity date: 1 092nd calendar day following the issue start date
  - First coupon interest rate is set by the Board of Directors on March 29, 2004, at 10.69% p.a.
  - Bond issue arranger: OAO "ALPHA-BANK" acting under Bond Issue Arrangement Agreement No. 230/04 dated March 3, 2004
  - Report on the outcome of the securities issue was registered on December 21, 2004
3. Acquisition of intangible assets - exclusive rights to trade marks.
4. Engagement in an additional type of operations - granting the use of trade marks under license agreements.

Distribution of profit for 2003

Resolution on distribution of profit was approved by the Annual General Meeting of Shareholders and registered in Minutes No. 3 dated June 25, 2004. The profit was distributed as follows:

- Creation of the Reserve Fund - RUR 191,484 thousand
  - Payment of dividends on outstanding shares - RUR 149,358 thousand
  - Retained net profit - RUR 4,299,229 thousand
5. Dividends accrued and paid for 2003.
- Resolution to pay dividends for 2003 was approved by the Annual General Meeting of Shareholders and registered in Minutes No. 3 dated June 25, 2004 as follows:
- Dividends to be paid on ordinary registered book-entry shares based on the operating results of the Company in 2003: RUR 0.39 per share
  - Payment to be effected in cash by electronic fund transfer not later than December 31, 2004

The dividends were actually paid on September 29, 2004.

The Company was created by consolidation of majority stakes in such large entities as OAO "Southern Kuzbass", OAO "Chelyabinsk Metallurgical Plant" ("ChMP"), OAO "Beloretsk Metallurgical Plant", ZAO "Vyartsilya Metal Plant", OOO "Mechel Trading House", OAO "Yuzhuralnickel Integrated Works", and a number of others.

As of December 31, 2004, the following shareholders holding at least 5% of the Charter Capital of the Company were registered in the Register of Shareholders of the Company:

No.	Shareholder	Number of Shares	Share in the Charter Capital, %
1	Conares Holding AG	101,852,561	24.47
2	Zyuzin I.V.	81,776,632	19.65
3	Iorich V.F.	64,517,186	15.50
4	Britta Investments LTD	60,320,703	14.49
5	OOO "MetHol"	43,061,257	10.34

The Company has no registered branches or representative offices in the Russian Federation or in other countries.

The Company has a separate division "ChMP Legal Evaluation and Control Group" established on October 7, 2003, and conducting its financial and business operations in Chelyabinsk Region. According to the Charter, the General Director is the individual executive body of the Company. The Charter of the Company does not envisage a collective executive body. By resolution of the Board of Directors of the Company dated January 15, 2004, Vladimir Filippovich Iorich was elected the General Director of the Company as of January 16, 2004.

Members of the Board of Directors:

1. Last Name, First Name, Patronymic: Iorich Vladimir Filippovich

Place of Work: OAO "Mechel"

Position: General Director

2. Last Name, First Name, Patronymic: Zyuzin Igor Vladimirovich

Place of Work: Does not work under labor agreement

3. Last Name, First Name, Patronymic: Proskurnya Valentin Vassilyevich

Place of Work: Does not work under labor agreement

4. Last Name, First Name, Patronymic: Ivanushkin Aleksey Gennadyevich

Place of Work: OAO "Mechel"

Position: Executive Director

5. Last Name, First Name, Patronymic: Kolpakov Seraphim Vassilyevich

Place of Work: International Union of Metallurgists

Position: President

6. Last Name, First Name, Patronymic: Evtushenko Alexander Evdokimovich

Place of Work: Does not work under labor agreement

7. Last Name, First Name, Patronymic: Johnson Arthur David

Place of Work: Joy Mining Machinery, UK Ltd.

Position: Chairman

8. Last Name, First Name, Patronymic: Wood Andrew Marley

Place of Work: Wavecrest Group Enterprises Limited

Position: Chairman of the Board of Directors, General Director

Place of Work: Starnorth Limited

Position: Director

9. Last Name, First Name, Patronymic: Gale Roger Ian

Place of Work: WaveCrest Communications Ltd.

Position: Chairman

According to the Minutes of the General Meeting of Shareholders dated April 29, 2004, the following persons were elected members of the Audit Committee of the Company:

S. V. Ardentova

E. A. Tuvayeva

N. N. Galushina

The Specialized Registrar maintaining the register of the Company is OAO "Registrar NIKoil", located at the following address: 129010 Moscow, Mir Avenue 36, Bldg 1.

The average number of the Company's personnel in 2004 was 135 individuals.

The average number of the Company's personnel in 2003 was 47 individuals. This indicator was measured for the period from March 19, 2003, up to and including December 31, 2003.

## **2. Main Provisions of the Company's Accounting Policy**

The Accounting Policy of the was developed in accordance with the provisions of Accounting Regulations *Accounting Policy of a Legal Entity* approved by Order of the Ministry of Finance of the Russian Federation No. 60n dated December 6, 1998, and Accounting Regulations *Reporting of a Legal Entity* approved by Order of the Ministry of Finance of the Russian Federation No. 43n dated July 6, 1999.

The Accounting Policy of the Company was developed on the basis of the following fundamental principles applicable to corporate accounting: completeness, accuracy, promptness, prudence, priority of content over form, consistency, and rationality.

The Company does not plan any material changes in 2005 in its Accounting Policy either for accounting or taxation purposes.

Accounting records are maintained on the basis of source documents.

Cash evaluation of property, liabilities and business operations for accounting purposes is made by summing up the actually incurred expenses. Other types of evaluation are used in situations stipulated by the current law of the Russian Federation, accounting regulations, provisions of the Accounting Policy, and other regulatory documents of the Russian Federation.

The Company evaluates its property, liabilities and business operations in rubles. Accounting entries with respect to FX-denominated accounts and operations are made in the currency used in the Russian Federation by converting FX amounts at the exchange rate of the Central Bank of the Russian Federation in effect on the date of the appropriate operation. Concurrently with that, parallel accounting entries are made in the currency in which the actual settlements were performed.

Non-current assets are reflected in the Company's balance sheet at cost.



In the Company's accounting statements for 2004, financial investments include securities of other entities, contributions to charter capitals, acquisitions of equity participations in charter capitals of other entities, loans extended, and funds deposited on a deposit account with the Savings Bank of the Russian Federation.

The fixed assets reflected in the Company's balance sheet for 2004 include machines and equipment, manufacturing and other tools and implements, and other fixed assets.

Intangible assets reflected in the Company's balance sheet for 2004 as of December 31, 2004, include exclusive rights to trade marks.

The Company conducts, and maintains separate accounting records of, VAT-taxable and VAT-exempt operations. The VAT taxation base is determined as of the date when cash is credited to the Company's account, i.e. the date of payment for works performed (services provided). As of December 31, 2004, the Company's net assets amounted to RUR 24,259,229 thousand.

Computation of net assets shows the extent of economic stability of the entity, and allows to determine whether the entity will be capable to meet its obligations as they fall due and to compute the entity's equity.

Item	Balance Sheet Line Code	At the Beginning of 2004	At the End of 2004
Assets			
Intangible assets	110	-	77,146
Fixed assets	120	9 160	17,621
Construction in progress	130	371	321
Interest-bearing investments	135	-	0
Long-term and short-term financial investments	140+250	9,025,973	25,138,897
Other non-current assets	145+150	1 152	67,423
Inventories	210	23,247	35,784
Value added tax on acquired items	220	3 600	1 115
Accounts receivable	230+240	132,125	1,074,361
Cash	260	8 807	32,867
Other current assets	270		
Total assets	X	9,204,435	26,445,535
Liabilities	X		
Long-term obligations under loan and credit agreements	510	-	2,021,087
Other long-term obligations	515+520	837	13,663
Short-term obligations under loan and credit agreements	610	121,001	0
Accounts payable	620	612,835	151,556
Amounts due to members (founders)	640	-	0
Deferred expense provisions	650	-	0
Other short-term obligations	660	-	
Total liabilities	X	734,673	2,186,306
Net assets of the joint stock company	X	8,469,762	24,259,229
As of December 31, 2003, the Company's net assets amounted to RUR 8,469,762 thousand.			

Item	Balance Sheet Line Code	At the Beginning of 2003	At the end of 2003
Assets			
Intangible assets	110		-
Fixed assets	120		9,160
Construction in progress	130	-	371
Interest-bearing investments	135	-	-
Long-term and short-term financial investments	140+250	-	9,025,973
Other non-current assets	145+150		1,152
Inventories	210		23,247
Value added tax on acquired items	220	-	3,600
Accounts receivable	230+240		132,125
Cash	260		8,807
Other current assets	270		
Total assets	X		9,204,435
Liabilities	X		
Long-term obligations under loan and credit agreements	510	-	-
Other long-term obligations	515+520	-	837
Short-term obligations under loan and credit agreements	610	-	121,001
Account payable	620	-	612,835
Amounts due to members (founders)	640	-	
Deferred expense provisions	650		
Other short-term obligations	660		-
Total liabilities	X		734,673
Net assets of the joint stock company		-	8,469,762

Comparative analysis of net assets

Items	At the Beginning of 2004, RUR'000	At the end of 2004, RUR'000	Difference, RUR'000
Total net assets	8,469,762	24,259,229	+15,789,467
Difference between net assets and charter capital	4,640,071	20,096,522	+15,456,451
Net assets/charter capital	2.21	5.83	+ 3.62

As of December 31, 2004, the base profit of the Company amounted to RUR 9,582,468 thousand.

As of the same date, the average weighted number of ordinary shares was 385,744,224 as of December 31, 2004.

The average weighted number of ordinary shares as measured in accordance with the provisions of Order No. 29n dated March 21, 2000.

Date	Outstanding Ordinary Shares
January 1, 2004	382,969,086
December 31, 2004*	416,270,745
Total as of December 31, 2004	416,270,745

Note\*

*Ordinary shares are classified as, and included into the computation of, the average weighted number of ordinary shares as of the date of accrual of rights granted by such shares to their first holders.*

The average weighted number of outstanding ordinary shares:  $((382,969,086 \times 11) + 416,270,745) : 12 = 385,744,224$

As of December 31, 2004, the earnings per share, defined as the ratio of post-tax profit of the reporting period to the average weighted number of ordinary shares outstanding during the reporting period, stood at RUR 24.84.

As of December 31, 2003, the base profit of the Company amounted to RUR 4,640,071 thousand, and the average weighted number of ordinary shares was 382,969,086.

As of December 31, 2003, the earnings per share, defined as the ratio of post-tax profit of the reporting period to the average weighted number of ordinary shares outstanding during the reporting period, stood at RUR 12.12.

The increase year-on-year of the base profit as of December 31, 2004, amounted to 204.95%.

### 3. Analysis of the Company's Financial Situation as of December 31, 2004

The sources of the Company's assets are represented by its equity and liabilities.

Equity is shown in Section III of Form No. 1 *Accounting Balance Sheet*. As of December 31, 2004, it amounted to RUR 24,259,229 thousand. Liabilities are reflected in Sections IV and V of the accounting balance sheet, including RUR 2,034,750 thousand of long-term obligations and RUR 151,556 thousand of short-term obligations.

Information about the movement of equity and reserves is provided in Form No. 3 *Equity Movement Report*. As of the beginning of the year, the Company's equity consisted of its charter capital, reserve capital, and retained profit; at the end of the year, the Company's equity included its charter capital, additional capital, reserve capital and retained profit.

It is not possible to follow the movement of the indicators shown in the Company's accounting statements, as the Company has been conducting its financial and business operations only since July 2003.

#### 3.1. Movement of Sources of Assets as Shown in Accounting Statements

The analysis of the Company's liabilities is performed with a breakdown by aggregated items reflecting its equity and liabilities, and the changes in absolute and relative indicators.

Item	Line Code	At the Beginning of the Year, RUR'000	At the end of the Year, RUR'000	Change in 2004, RUR'000
Equity	490	8,469,762	24,259,229	+15,789,467
including:		X	X	X
Charter capital	410	3,829,691	4,162,707	+333,016
Additional capital	420	-	6,023,340	+6,023,340
Reserve capital	430	-	191,484	+191,484
Retained profit	470	4,640,071	13,881,698	+9,241,627

As of December 31, 2004, the Company's equity increased by RUR 15,789,467 thousand. This increase can be accounted for by the following factors:

1. Increase of the charter capital:
  - Resolution to increase the charter capital of the Company by private offering of additional ordinary shares was approved by the Extraordinary General Meeting of Shareholders on January 23, 2004 (Minutes of the Extraordinary General Meeting of Shareholders No. 1 dated January 23, 2004);
  - Amendments and addenda to the Charter of the Company were made and registered on December 16, 2004, under Main State Registration Number 1037703012896 (Certificate Series 77 No. 004304261);
  - The charter capital of the Company is represented by the aggregate par value of 416,270,745 ordinary registered shares with the par value of RUR 10 (ten) each, and amounts to RUR 4,162,707 thousand.
2. Creation of additional capital:
  - Additional capital is represented by the issuance income from the sale of shares above par value, and is defined as the difference between the amount of funds credited to the account of the Underwriter in payment for the shares (at the exchange rate in effect on the date when such funds were so credited to the account of the Underwriter) and the par value of the shares as per the Company's constituent documents).
3. Increase of the retained profit for 2004.

Analysis of movements in the structure of equity and liabilities

Item	Line Code	Structural Changes				
		At the Beginning of the Year, RUR'000	% of Final Value	At the end of the Year, RUR'000	% of Final Value	Change for 2004, %
Equity^	490	8,469,762	92.02	24,259,229	91.73	-0.29
including:		X	X	X	X	X
Charter capital	410	3,829,691	41.61	4,162,707	15.74	-25.87
Additional capital	420	-	-	6,023,340	22.78	+22.78
Reserve capital	430	-	-	191,484	0.72	+0.72
Retained profit	470	4,640,071	50.41	13,881,698	52.49	+2.08
Borrowed capital, including:		734,673	7.98	2,186,306	8.27	+0.29
Long-term obligations*	590	837	0.01	2,034,750	7.69	+7.68
including:		X	X	X	X	X
Loans and credits	510	-	-	2,021,087	7.64	+7.64
Deferred tax obligations	515	837	0.01	3 836	0.01	0
Other long-term obligations	520	-	-	9 827	0.04	+0.04
Short-term obligations	690	733,836	7.97	151,556	0.57	-7.4
including:		X	X	X	X	X
Loans	610	121,001	1.31	0	0	-1.31
Account payable	620	612,835	6.66	151,556	0.57	-6.09
Total sources of assets	700	9,204,435	100.00	26,445,535	100	X

\* Note: Long-term obligations include deferred tax obligations created in accordance with the provisions of Accounting Regulations PBU 18/02 Profit Tax Accounting.

Aggregated structure of the Company's assets and liabilities is shown in the table below: Analysis of the Balance Sheet A/L Structure (%)

Item	Line Code	At the Beginning of the Year, %	At the end of the Year, %	Change, %
<b>Assets</b>		X	X	X
I. Non-current assets	190	98.18	83.46	-14.72
II. Current assets	290	1.82	16.54	+14.72
Balance Sheet	300	100.00	100.00	X
<b>Liabilities</b>		X	X	X
I. Capital and reserves	490	92.02	91.73	-0.29
II. Long-term obligations	590	0.01	7.69	+7.68
III. Short-term obligations	690	7.98	0.57	- 7.41
<b>Balance Sheet</b>	700	100.00	100.00	X

The overall assessment of sources of the Company's assets shows that equity is the predominant source. The structure of the Company's assets is consistent with its financial and business operations.

### **3.2 . Analysis of the Company's Financial Sustainability**

Financial sustainability is determined by the gearing ratio. This indicator provides a general evaluation of financial sustainability.

The indicators that can be used for a comprehensive evaluation of the Company's financial sustainability are discussed in the following paragraphs.

The Company's gearing ratio is 8.39%. This indicator is reflective of the amount of borrowed funds per each ruble of own funds invested into the Company's assets. The value of the indicator testifies to insignificant dependence of the Company on borrowed funds.

The autonomy ratio is 91.73%. This indicator shows the share of the Company's assets covered with equity. The high level of the indicator testifies to high financial sustainability.

The overall solvency ratio is 0.29. The level of this indicator is reflective of the amount of borrowed funds per each ruble of proceeds received by the Company.

The working capital adequacy ratio is 5.55.

This ratio shows the extent of sufficiency of the Company's working capital in terms of financial sustainability.

### **3.3. Turnover Rates**

Turnover rates show the velocity of asset and liability turnover and, consequently, are reflective of the level of the Company's business activity in the process of attainment of its economic objectives.

The average cash turnover rate in 2004 was 23 days, which the management of the Company believes to be proof of the high level of its business activity and mobility. The Company's business activity is manifested in rational asset management.

Return on assets stands at 36.23%. This indicator is computed as the ratio of net profit to the value of the Company's assets. The level of the indicator describes the extent of efficiency of asset utilization by the Company.

Net profit margin is 1,858.04%. This indicator is computed as the ratio of net profit to the Company's net income. Its value describes the extent of profitability of the Company's business operations.

It is impossible to fully analyze asset turnover rates in the reporting period vis-à-vis the previous period, as the Company has been conducting its financial and business operations only since July 2003.

#### **4. Fixed Assets**

As of December 31, 2004, Line 120 of Form No. 1 *Accounting Balance Sheet* of the Company shows fixed assets which do not require state registration, with the book value of RUR 17,621 thousand. Fixed assets accounting records are maintained in accordance with Accounting Regulations PBU 6/01 *Fixed Assets Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 26n dated March 30, 2001.

The Company registers fixed assets for accounting purposes at cost, namely, at acquisition or manufacturing cost less VAT and other refundable taxes (except where otherwise stipulated by the current law of the Russian Federation).

The Company did not revalue its fixed assets during the reporting period.

Useful lives of fixed assets are set by the Company at the time of their registration for accounting purposes.

Duration of useful lives of fixed assets are determined subject to regulatory and other restrictions on their use.

Currently the Company uses useful life duration stipulated by Decree of the Government of the Russian Federation No. 1 dated January 1, 2002.

The Company uses straight line depreciation method.

Fixed assets valued at less than RUR 10,000 per unit are charged to production costs by allocation of 100% of depreciation charges as they are being released into operation.

Acquired books and brochures are charged to costs as they are being released into operation, regardless of their original cost.

Allocation of depreciation charges was not suspended during the use of fixed assets.



Movement of fixed assets in 2004 (with a breakdown by main groups) is shown in the table below:

No.	Fixed Assets Group	Book (Acquisition) Value as of December 31, 2003, RUR'000	Acquisitions in 2004, RUR'000	Disposals in 2004, RUR'000	Book (Acquisition) Value as of December 31, 2004, RUR'000
Proprietary fixed assets					
1.	Machines and equipment	8 029	5 128	152	13,005
2.	Production and business tools and implements	2 001	8 756	X	10,757
3.	Other	6	38	-	44
	TOTAL	10,036	13,922	152	23,806

Information on the movement of accumulated fixed assets depreciation in 2004 is provided in the following table:

No.	Fixed Assets Group	Accumulated Depreciation as of December 31, 2003, RUR'000	Depreciation Accumulated in 2004, RUR'000	Fixed Assets Depreciation Charged to Costs in 2004, RUR'000	Accumulated Depreciation as of December 31, 2004, RUR'000
Proprietary fixed assets					
1.	Machines and equipment	586	3 592	X	4 178
2.	Production and business tools and implements	290	1 717	X	2 007
	TOTAL	876	5 309	X	6 185

As of December 31, 2004, residual value of the Company's fixed assets amounted to RUR 17,621 thousand. The Company conducts its financial and business operations on premises leased from OAO "International Trade Center".

As of December 31, 2004, the Company had the following outstanding lease agreements:

- Agreement No. 6000/032339 dated October 6, 2003;  
Area of leased premises: 67.8 m<sup>2</sup>;

- Agreement No. 6000/031980 dated July 30, 2003;  
Area of leased premises: 483.5 m<sup>2</sup>;  
Agreement expires on June 30, 2004;
- Agreement No. 6000/041024 dated June 1, 2004;  
Area of leased premises: 1393.1 m<sup>2</sup>.

The book value of leased fixed assets was not shown in the *List of Off-Balance-Sheet Assets* attached to Form No. 1 *Accounting Balance Sheet*, as the lessor failed to provide documents evidencing the value of leased property (as confirmed by the official enquiry filed by the Company to the lessor). The Company does not have real properties.

As of December 31, 2004, all fixed assets of the Company were in active operation.

## 5. Intangible Assets

As of December 31, 2004, Line 110 of Form No. 1 *Accounting Balance Sheet* of the Company showed intangible assets with the total value of RUR 77,146 thousand.

The Company maintains accounting records of intangible assets in accordance with the provisions of Accounting Regulations PBU 14/2000 *Intangible Assets Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 91n dated October 16, 2000.

The Company registers intangible assets for accounting purposes at the amount equal to the sum total of their actual acquisition value and expenses incurred to bring them into a condition suitable for use for intended purpose.

Useful lives of intangible assets are determined by the Company at the time when they are registered for accounting purposes. For intangible assets whose useful lives are impossible to determine, this indicator is assumed at twenty years.

Useful lives of trade marks are set based on effective terms of the appropriate certificates.

The Company uses straight line depreciation method.

The movement of intangible assets in 2004 is shown in the following table:

No.	Intangible Asset	Value as of December 31, 2003, RUR'000	Acquisitions in 2004, RUR'000	Disposals in 2004, RUR'000	Value as of December 31, 2004, RUR'000
1	Trade Mark, Certificate No. 124 790	-	13,225	-	13,225,
2	Trade Mark, Certificate No. 88 202	-	10,805	-	10,805
3	Trade Mark, Certificate No. 88 203	-	10,805	-	10,805
4	Trade Mark, Certificate No. 88 705	-	10,564	-	10,564
5	Trade Mark, Certificate No. 88 706	-	10,645	-	10,645
6	Trade Mark, Certificate No. 88 876	-	10,805	-	10,805
7	Trade Mark, Certificate No. 100 070	-	3 551	-	3 551
8	Trade Mark, Certificate No. 100 071	-	3 551	-	3 551
9	Trade Mark, Certificate No. 94 623	-	3 412	-	3 412
10	Trade Mark, Certificate No. 99 372	-	3 551	-	3 551
	TOTAL:		80,915		80,915

Information on the movement of accumulated intangible assets depreciation in 2004 is provided in the following table:

No.	Intangible Asset	Accumulated Depreciation as of December 31, 2003, RUR'000	Depreciation Accumulated in 2004, RUR'000	Depreciation Charged on Withdrawn Intangible Assets in 2004, RUR'000	Accumulated Depreciation as of December 31, 2004, RUR'000
1	Trade Mark, Certificate No. 124 790	-	385	-	385
2	Trade Mark, Certificate No. 88 202	-	559	-	559
3	Trade Mark, Certificate No. 88 203	-	559	-	559
4	Trade Mark, Certificate No. 88 705	-	566	-	566
5	Trade Mark, Certificate No. 88 706	-	570	-	570
6	Trade Mark, Certificate No. 88 876	-	559	-	559
7	Trade Mark, Certificate No. 100 070	-	140	-	140
8	Trade Mark, Certificate No. 100 071	-	140	-	140
9	Trade Mark, Certificate No. 94 623	-	151	-	151
10	Trade Mark, Certificate No. 99 372	-	140	-	140
	TOTAL:	-	3 769	-	3 769

As of December 31, 2004, residual value of the Company's intangible assets amounted to RUR 77,146 thousand.

## 6. Goods and Inventories

The Company maintained accounting records of inventories in accordance with the provisions of Accounting Regulations PBU 5/01 *Inventories Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 44n dated June 9, 2001.

Goods and inventories are shown in accounting records at cost. The actual cost of inventories at the time when they are released into production or otherwise disposed of is determined based on their average cost.

The main types of inventories included into Line 211 *Raw and Other Materials and Other Valuable Items* of Form No. 1 *Accounting Balance Sheet* are the Company's firm products and office supplies. The Company has no illiquid assets shown in Line 211 *Raw and Other Materials and Other Valuable Items* of Form No. 1 *Accounting Balance Sheet*.

Taking into consideration the foregoing, the Company did not have an inventories impairment provision as of December 31, 2004.

## 7. Financial Investments

Line 140 *Long-Term Financial Investments* of Form No. 1 *Accounting Balance Sheet* of the Company includes securities, contributions to charter capitals, and acquisitions of equity participations in other entities.

The Company maintains accounting records of financial investments in accordance with the provisions of Accounting Regulations PBU 19/02 *Financial Investments Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 126n dated December 10, 2002. Financial investments are recorded on a separate sub-account of Account 58 *Financial Investments*. Financial investments into the shares of OAO "Chelyabinsk Metallurgical Plant", OAO "Izhstal" and OAO "Chelyabenergo" are shown in accounting records at the end of the reporting year at their fair market value marked-to-market after the previous reporting date. The said adjustment was reflected by the Company as part of operating income as of the latest reporting date.

	Balance as of January 1, 2004	Acquisitions	MTM (Increase)	Disposals	MTM (Decrease)	Balance as of December 31, 2004
Mechel Trading AG	841,109	-	-	-	-	841,109
OAO "BMP"	182,336	21,697	-	-	-	204,033
OOO "VostSibRuda"	80	-	-	80	-	-
ZAO "VMP"	1 627	304	-	-	-	1 932
OAO Mining and Processing Factory "Tomusinskaya"	-	2 750	-	2 750	-	-
OAO "Izhstal"	-	732,187	297,455	-	66,496	963,146
OOO "Kaslino Architectural and Ornamental Casting Plant"	-	6 093	-	-	-	6 093
Share conversion*	-	2 750	-	2 750	-	-
OAO "Korshunovskiy Mining and Processing Integrated Works"	473,186	6 064	-	-	-	479,250
OAO "Mezhdurech'ye"	-	99,544	-	-	-	99,544
OAO "ChMP"	5,689,805	919,135	11,456,908	-	1,799,368	16,266,480
OOO "Mechel-Invest"	-	22,713	-	-	-	22,713
OOO "Trading House Mechel"	750,000	-	-	-	-	750,000
OAO "Trading Port Posyet"	-	856,208	-	-	-	856,208
OAO "Southern Kuzbass" ^	701,414	945,815	-	820,901	-	826,328
OAO "Uralkuz" ~	346,191	-	-	-	219	345,972
OAO "Chelyabenergo"	-	248,386	2,465	-	65,184	185,667
OAO "Integrated Works Yuzhuralnickel"	40,224	19,153	-	-	-	59,377
Total	9,025,973	15,639,627	11,756,828	826,481	1,931,267	21,907,852

Notes:

\* Following the reorganization of OAO Mining and Processing Factory "Tomusinskaya" by accession to OAO "Coal Company "Southern Kuzbass", securities (3,713 ordinary registered shares, Issue State Registration No. 39-III-00631, and 846 ordinary registered shares, Issue State Registration No. 1-02-10442-F) of OAO "Mining and Processing Factory "Tomusinskaya" owned by the Company were converted at the ratio of 1:25 into securities of OAO "Coal Company "Southern Kuzbass" (113,975 ordinary registered shares, Issue State Registration No. 1-02-10591-F-006D).

^ Several issues of ordinary registered book-entry shares of OAO "Coal Company "Southern Kuzbass" were merged; as a result, the following registration numbers assigned to issues of ordinary registered book-entry shares of OAO "Coal Company "Southern Kuzbass" were canceled:

- 39-In-01005 dated April 19, 1996
- 39-In01092 dated December 14, 1996
- 1-04-10591-F dated May 19, 2000
- 1-05-10591-F dated August 24, 2001
- 1-06-10591-F dated September 23, 2002
- 1-07-10591-F dated February 13, 2003

On February 11, 2003, the aforementioned merged issues of ordinary registered book-entry shares of OAO "Coal Company "Southern Kuzbass" were assigned State Registration No. 1-02-10591-F.

~ Value adjustment.

Long-term financial investments of the Company are contributions into charter capitals and investments into shares of other entities.

No.	Type of Financial Investments	Amount, RUR'000	Share in Total Financial Investments, %
1.	Contributions to charter capitals of subsidiary entities	778,806	3.56
2.	Shares of subsidiary entities	20,843,834	95.14
3.	Shares of other companies	285,212	1.30
	<b>TOTAL</b>	<b>21,907,852</b>	<b>100.00</b>

Financial investments are booked at cost.

Actual costs are determined subject to translation differences emerging prior to registration of the appropriate assets for accounting purposes.

Original cost of financial investments represented by contributions to charter capitals is their cash value approved by the founders of the Company.

Upon disposal of financial investments whose current fair market value cannot be determined, the value is the estimate received using the FIFO method.

Financial investments of the Company accounting for more than 10% of total financial investments as of December 31, 2004, are shown in the following table:

No.	Name of the Entity	Amount of Financial Investments, RUR	Share in Total Financial Investments, %
<b>Securities (Shares)</b>			
1	OAO "Chelyabinsk Metallurgical Plant"	16,266,480,238	74.25
2	Other financial investments	5,641,371,290	25.75
	<b>TOTAL</b>	<b>21,907,851,528</b>	<b>100.00</b>

In 2004 the Company did not create an impairment reserve for investments into securities, taking into consideration the following:

- the issuers did not conduct any operations which could significantly impair the value of financial investments during the period starting on the date of acquisition of the appropriate securities and other financial investments and ending on December 31, 2004;
- the Company is providing the issuers with integrated management services;

- the Company is monitoring financial and business operations of the issuers.

The net asset value of the issuers increased during the period from December 31, 2003, to December 31, 2004. Therefore, the Company believes that the probability of impairment of its financial investments into securities is extremely low.

The following issuers paid dividends on financial investments:

1. OAO "Coal Company "Southern Kuzbass"
  - The resolution to pay the dividends was approved by the annual general shareholders meeting on June 25, 2004.
  - The number of shares owned by the Company on the record date prior to the meeting (May 17, 2004) was 33,302,766.
  - The dividends due to the Company amounted to RUR 6,660,553.20, and were credited to the account of the Company in full less the amount of the profit tax withheld by the Company's tax agent in accordance with the current law of the Russian Federation.
2. OAO "Chelyabenergo"
  - The resolution to pay the dividends was approved by the extraordinary general shareholders meeting on December 31, 2004 (Minutes No. 16 dated December 31, 2004).
  - The number of shares owned by the Company on the record date prior to the meeting was 175,157,594.
  - The amount of dividends due to the Company was RUR 6,603,441.29, and was not paid as of December 31, 2004.

In 2004 the Company resolved to liquidate OOO "VostSibRuda", an entity where it acts as the sole member. The liquidation balances were approved on November 10, 2004.

Upon completion of the liquidation proceedings, the following assets remaining after the settlement of creditor claims, was received by the Company:

- Cash in the amount of RUR 3,795,142.47 was credited to the account of the Company less the profit tax withheld by the tax agent in accordance with the current law of the Russian Federation.
- Other current assets, including:
  - Strong box AJKO SDA-2K
  - Strong box AIKO SDA-2K

The appropriate entry on the liquidation of OOO "VostSibRuda" was made into Uniform State Register of Legal Entities under Main State Registration Number 1023801030439 on January 24, 2005, Certificate Series 38 No. 001853162. Entries reflecting disposal of the appropriate financial investments were properly made in the accounting records of the Company.



Line 250 *Short-Term Financial Investments* of Form No. 1 *Accounting Balance Sheet* of the Company shows loans extended and funds deposited onto deposit accounts.

Loans extended are recorded on a separate sub-account of Account 58 *Loans Extended*.

Movement of short-term financial investments:

Name of the Entity	Balance as of January 1, 2004, RUR	Extended, RUR	Repaid, RUR	Balance as of December 31, 2004, RUR
OA0 "BMP"		93,000,000		93,000,000
OA0 "Korshunovskiy Mining and Processing Integrated Works"		125,000,000	-	125,000,000
OA0 "ChMP"		912,000,000		912,000,000
OOO "Mechel-Trans"	-	200,000,000	-	200,000,000
OOO "Trading House Mechel"	-	1,593,381,977	300,337,00	1,293,044,977
OA0 "Yuzhuralnickel" Plant		58,000,000	-	58,000,000
Total	-	2,981,381,977	300,337,000	2,681,044,977

Cash was extended under Loan Agreements.

The Borrowers are obligated to pay interest on the funds borrowed at the rate of 11% p.a. Interest accrued on the aforementioned loans in 2004 amounted to RUR 5,240,165. As of December 31, 2004, the said interest accrued on the loans extended by the Company was not fully paid.

Accounting records for the funds deposited to deposit accounts are maintained on a separate Account 55.3 *Deposit Accounts* in rubles.

	Balance as of January 1, 2004, RUR	Deposited, RUR	Withdrawn, RUR	Balance as of December 31, 2004, RUR
Savings Bank of the Russian Federation	-	550,000,000	-	550,000,000
Total		550,000,000		550,000,000

The cash was deposited under a Bank Deposit Agreement for a period of 31 days at 4.5% p.a.

## 8. Account Receivable and Accounts Payable

### 8.1. Accounts Receivable

The structure of accounts receivable of the Company as of December 31, 2004, as in Line 240 *Accounts Receivable Within 12 Months After the Reporting Date* of Form No. 1 *Accounting Balance Sheet* is shown in the following table:

No.	Debtor	Balance as of December 31, 2003, RUR'000	A/R Accrued during the Reporting Period, RUR'000	A/R Paid during the Reporting Period, RUR'000	Balance as of December 31, 2004, RUR'000
1.	Buyers and customers	121,894	603,406	642,616	82,684
2.	Advances paid	3,876	2,239,742	1,288,729	954,888
3.	Social insurance contributions	47	3,158	3,169	36
4.	Voluntary medical insurance contributions	2,762	4,698	3,436	4,024
5.	VAT on advances received	1,424	6,006	7,430	-
6.	Dividends	-	9,669	-	9,669
7.	Taxes and duties	1,896	5,148,531	5,127,625	22,803
8.	Other	226	23,623	23,592	257
	<b>TOTAL</b>	<b>132,125</b>	<b>8,038,833</b>	<b>7,096,597</b>	<b>1,074,361</b>

In 2004 the Company did not create any bad debt provisions.

List of debtors with outstanding debts in excess of 10% of total accounts receivable as of December 31, 2004:

No.	Debtor	Balance as of December 31, 2004, RUR'000
1	Ministry of Property Management of Republic of Sakha	450,000
2	Tula Investment Company	451,696
3	Other	172,665
	<b>TOTAL</b>	<b>1,074,361</b>

## 8.2. Accounts Payable

No.	Creditor	Balance as of December 31, 2003, RUR'000	A/P Accrued during the Reporting Period, RUR'000	A/P Paid during the Reporting Period, RUR'000	Balance as of December 31, 2004, RUR'000
1.	Suppliers	578,798	8,085,828	8,547,165	117,461
2.	Personnel of the Company	15,605	259,329	259,202	15,732
3.	State extra-budgetary funds	858	28,093	28,140	811
4.	Due taxes and duties	5,284	134,173	136,130	3,327
5.	Advances received	8,546	39,375	47,920	1
6.	Deferred tax (VAT)	3,507	86,979	77,872	12,614
7.	Other debtors and creditors	-	12,728,322	12,727,004	1,318
	Other creditors	237	24,810	24,755	292
	<b>TOTAL</b>	<b>612,835</b>	<b>21386,909</b>	<b>21,848,188</b>	<b>151,556</b>

List of creditors with outstanding claims in excess of 10% of total accounts payable as of December 31, 2004:

No.	Creditor	Balance as of December 31, 2004, RUR'000
1	Mellin Universal S.A.	57,801
4	Other	93,755
	<b>TOTAL</b>	<b>151,556</b>

## 8. Accounting for Assets and Liabilities Denominated in Foreign Currencies

Accounting records for assets and liabilities denominated in foreign currencies are maintained, and the value of such assets and liabilities is converted into the currency of the Russian Federation (rubles), in accordance with the provisions of Accounting Regulations PBU 3/2000 *FX-Denominated Assets and Liabilities Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 2n dated January 10, 2000.

Currency translation differences charged to the Company's profit and loss accounts as of December 31, 2004:

1. Currency translation gains – RUR 30,312,900,  
Including the currency translation gains from the sale of foreign currency by the Underwriter arising as a result of deviation of the foreign currency sale rate from the exchange rate established by the Central Bank of the Russian Federation on the date of transfer of title to such foreign currency – RUR 2,915,526:  
The cost of shares for offering at the New York Stock Exchange in the Underwriting Agreement dated October 29, 2004, was set in US dollars. Payment for the shares was credited to A Type Account of the Underwriter (UBS Limited). To ensure compliance with the foreign currency regulations, payment for the shares was transferred to the account of the Company in rubles at the exchange rate agreed upon by the parties some time after the date when the transfer.
2. Currency translation losses – RUR 44,110,041.

The exchange rate of the Central Bank of the Russian Federation on the date of preparation of accounting statements was RUR 27.7487 per US\$ 1.00.

## 9. Events after the Reporting Date

After the reporting date, there occurred the following events affecting the position of the Company:

1. By resolution of the Board of Directors of OAO "Mechel Steel Group" dated January 14, 2005, Vladimir Filippovich Iorich was elected the General Director of the Company since January 15, 2005, for a term of 1 year.
2. Resolution of the Board of Directors of OAO "Mechel Steel Group" dated February 8, 2005, approved the loan agreement by and between OAO "Mechel Steel Group" and OAO "Chelyabinsk Metallurgical Plant":
  - *Subject matter of the agreement:*  
Pursuant to the loan agreement, OAO "Mechel Steel Group" ("Lender") undertakes to extend to OAO "Chelyabinsk Metallurgical Plant" ("Borrower") a cash loan, and the Borrower undertakes to repay the said loan and pay interest accrued thereon to the Lender. The total amount of the loan extended under the loan agreement is RUR 200,000,000.  
The loan interest rate is 11% p.a. The loan is extended for a period starting on February 7, 2005, and ending on February 7, 2008. The purpose of the loan: funding of capital expenditures.

## 10. Income

Income accounting records are maintained by the Company in accordance with Accounting Regulations PBU 9/99 *Corporate Income Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 32n dated May 6, 1999.

As of the December 31, 2004, proceeds from the sale works/services shown in Line 010 *Proceeds from the Sale of Goods, Products, Works, Services* of Form No. 2 *Profit and Loss Statement* amounted to RUR 515,728 thousand.

The company is engaged in the following financial and business operations classified as standard operations:

- Provision of integrated management services;
- Provision of information and consulting services;
- Granting the use of trade marks under license agreements.

The structure of income received from standard operations in 2004 is shown in the following table:

No.	Item	Amount, RUR'000	Share in Total Income from Standard Operations, %
1	Income from provision of integrated management services	438,441	85.01
2	Income from provision of information and consultation services	8,788	1.70
3	License agreements	68,499	13.29
	TOTAL	515,728	100.0

Proceeds (income) from provision of integrated management services are recognized in the Company's accounting records on the date of the signing by customers of Services Acceptance Certificates with respect to services provided under the appropriate agreements.

The overall cost of services so provided is made up of the fees and overhead expenses increased by the amount of VAT liability as determined in accordance with the current law of the Russian Federation. Fees are computed on the basis of the time required for the provision of services and hourly rates charged by the employees of the Company.

As of December 31, 2004, the Company had entered into agreements for provision of integrated management services and information/consulting services with a number of entities.

The Company entered into a License Agreement for the Use of Trade Marks No. 01 dated June 17, 2004, with OAO "Chelyabinsk Metallurgical Plant", whereby the latter was granted, for a consideration, non-exclusive licenses for the use of trade marks for the entire period of their registration.

The date of receipt of proceeds (income) from granting the use of trade marks under the License Agreement is the last day of the month.

As of December 31, 2004, other operating income shown in Line 090 of Form No. 2 *Profit and Loss Statement* amounted to RUR 18,997,033.

The structure of other operating income received by the Company in 2004 is shown in the following table:

No.	Item	Amount, RUR'000	Share in Total Other Income, %
1	Foreign currency purchase/sale operations	7,239,565	38.11
2	Adjustment of fair market value of financial investments (marked-to-the-market)	11,756,827	61.88
4	Other	641	0.01
	TOTAL	18,997,033	100.0

As of December 31, 2004, non-operating income shown in Line 120 of Form No. 2 *Profit and Loss Statement* amounted to RUR 74,232 thousand.

Structure of non-operating income of the Company in 2004:

No.	Item	Amount, RUR'000	Share in Total Non-Operating Income, %
1	Translation differences on financial investments	30,122	40.58
2	Currency translation differences	44,110	59.42
	TOTAL	74,232	100.0

Structure of income of the Company in 2004:

No.	Item	Amount, RUR'000	Share in Total Other Income, %
1	Income from standard operations	515,728	2.63
2	Interest receivable	5,545	0.03
3	Income from participation in other entities	17,323	0.09
4	Other operating income	18,997,033	96.87
5	Non-operating income	74,232	0.38
	<b>TOTAL</b>	<b>19,609,861</b>	<b>100.0</b>

## 11. Expenses

Expense accounting records are maintained by the Company in accordance with Accounting Regulations PBU 10/99 *Corporate Expense Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 33n dated May 6, 1999. As of December 31, 2004, expenses related to services provided within the framework of standard operations as shown in Line 020 *Cost of Sold Goods, Products, Works, Services* of Form No. 2 *Profit and Loss Statement* amounted to RUR 240,887 thousand.

The structure of expenses incurred by the Company in the course of standard operations in 2004 is shown in the following table:

No.	Item	Amount, RUR'000	Share in Total Expenses Associated with Standard Operations, %
1	Payroll and Uniform Social Tax	193,999	80.84
2	Business travel	29,646	12.35
3	Legal services	3 805	1.59
4	Depreciation of intangible assets	3 769	1.57
5	Contractual services	2 526	1.05
6	Advertising	1 862	0.78
7	Personnel selection services	733	0.31
8	Workshop services	647	0.27
9	Consulting services	621	0.26
10	Marketing surveys	322	0.13
11	Information services	217	0.09
12	Translation services	223	0.09
13	Other	2 517	0.67
	<b>TOTAL</b>	<b>240,887</b>	<b>100.00</b>

The Company uses the following accounts to maintain accounting records of expenses associated with standard operations:

- Account 20 *Main Production*
- Account 26 *General Administration Expenses*

At the end of the reporting period general administration expenses are debited from Account 90. In 2004 general administration expenses of the Company amounted to RUR 452,405 thousand.

No.	Item	Amount, RUR'000	Share in Total Expenses Associated with Standard Operations, %
1	Legal services	117,909	26.06
2	Audit services	94,070	20.79
3	Payroll and Uniform Social Tax	82,677	18.27
4	Non-deductible administration and management expenses	46,016	10.17
5	Lease of premises	21,132	4.67
6	Advertising	17,797	3.93
7	Management expenses	15,037	3.32
8	Consulting services	13,450	2.97
9	Current repairs	6 920	1.53
10	Communication services	6 829	1.51
11	Depreciation of fixed assets	5 333	1.18
12	Personnel provision services	5 014	1.11
13	Voluntary medical insurance	3 436	0.76
14	Business trips	2 838	0.63
15	Information services	2 081	0.46
16	Personnel selection services	1 290	0.29
17	Property protection	1 416	0.31
18	Publication and information disclosure expenses	1 144	1.77
19	Other	8 016	0.25
	TOTAL	452,405	100.00

As of December 31, 2004, other operating expenses shown in Line 100 of Form No. 2 *Profit and Loss Statement* amounted to RUR 9,194,476 thousand.



The structure of other operating expenses incurred by the Company in 2004 is shown in the following table:

No.	Item	Amount, RUR'000	Share in Total Other Income, %
1	Foreign currency purchase/sale operations	7,241,923	78.76
2	Expenses not deductible for profit taxation purposes	1,932,369	21.02
3	Bond issuance expenses	14,139	0.15
4	Bank services	1976	0.02
5	Taxes	1,041	0.01
6	Referee court expenses	197	0.01
7	Other	2,831	0.02
	TOTAL	9,194,476	100.00

Structure of non-operating expenses of the Company in 2004:

No.	Item	Amount, RUR'000	Share in Total Non- Operating Expenses, %
1	Currency translation differences	30,313	90.34
2	Expenses not deductible for profit taxation purposes	3 147	9.38
3	Other	93	0.28
	TOTAL	33,553	100.00

Structure of expenses of the Company in 2004:

No.	Item	Amount, RUR'000	Share in Total Other Income, %
1	Expenses associated with standard operations	240,887	2.39
2	Management expenses	452,405	4.48
3	Interest payable	168,127	1.67
4	Other operating expenses	9,194,476	91.13
5	Non-operating expenses	33,553	0.33
	TOTAL	10,089,448	100.00

## 12. Capital

As of December 31, 2004, the charter capital of the Company was RUR 4,162,707,450 (four billion one hundred and sixty-two million seven hundred and seven thousand four hundred and fifty rubles), was defined as the sum total of par values of outstanding shares, and consisted of 416,270,745 (four hundred and sixteen million two hundred and seventy thousand seven hundred and forty-five) ordinary registered book-entry shares with par value RUR 10 each.

Authorized shares that the Company may issue in addition to the currently outstanding shares are represented by 81,698,341 (eighty-one million six hundred and ninety-eight thousand three hundred and forty-one) ordinary registered shares with par value RUR 10 (ten rubles) each. The form of issuance of the Company's shares is book-entry.

The amount of the charter capital of the Company specified in this section of the Explanatory Note is consistent with the amount specified in constituent documents of the Company.

List of shareholders holding at least 1% of the charter capital of the Company as of December 31, 2004

No.	Shareholder	Number of Shares, pc	Share in the Charter Capital, %
1	Conares Holding AG	101,852,561	24.47
2	I. V. Zyuzin	81,776,632	19.65
3	V. F. Iorich	64,517,186	15.50
4	Britta Investments LTD	60,320,703	14.49
5	Deutsche Bank Ltd. (nominee holder)	51,509,341	12.37
6	OOO "MetHol"	43,061,257	10.34
7	Mechel Trading AG	13,152,065	3.16
	TOTAL	416,189,745	99.98

In 2004 the Company increased its charter capital.

The resolution to increase the charter capital of the Company by private offering of additional ordinary shares was approved by the Extraordinary General Meeting of Shareholders on January 23, 2004 (Minutes of the Extraordinary General Meeting of Shareholders No. 1 dated January 23, 2004). The appropriate amendments and addenda to the Charter of the Company were made and registered on December 16, 2004, under Main State Registration Number 1037703012896 (Certificate Series 77 No. 004304261).

The charter capital of the Company is represented by the aggregate par value of 416,270,745 ordinary registered shares with the par value of RUR 10 (ten rubles) each, and amounts to RUR 4,162,707 thousand.

The Company did not engage in operations related to redemption of its shares for the purposes of subsequent resale (transfer).

The Charter of the Company envisages creation of a reserve fund equal to 5% of the charter capital of the Company, which on the date of the Annual General Meeting of Shareholders for 2003 amounted to RUR 191,484 thousand. Pursuant to Resolution of the Annual General Meeting of Shareholders dated June 24, 2004 (Minutes No. 3 dated June 25, 2004), a portion of the profit received by the Company in 2003, equal to RUR 191,484 thousand, was directed to the reserve fund, whereupon the said reserve fund attained the amount specified by the Charter of the Company.

Following the increase of the charter capital of the Company, the amount of the reserve fund to be formed by the Company increased to RUR 208,135 thousand.

As of December 31, 2004, the reserve fund was not fully formed.

Additional capital of the Company is represented by the issuance income from the sale of shares above par value, and is defined as the difference between the amount of funds credited to the account of the Underwriter in payment for the shares (at the exchange rate in effect on the date when such funds were so credited to the account of the Underwriter) and the par value of the shares as per the Company's constituent documents).

As of December 31, 2004, the shares issued by the Company were fully paid.

### **13. Loans and Loan Service Accounting**

The Company maintains accounting records of loans and loan service payments in accordance with the provisions of Accounting Regulations PBU 15/01 *Loans and Loan Service Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 60n dated August 2, 2001.

Interest payments on loans received by the Company are recognized during the period in which the appropriate expenses were incurred.

#### **13.1 Loan Agreement Payments**

Loans were received under the following agreements:

- Loan Agreement No. 13/05-03 dated May 6, 2003, contractual loan repayment date: December 31, 2003.  
Supplementary Agreement No. 5 dated December 29, 2003, prolonged the maturity of the loan to December 31, 2004.
- Loan Agreement No. 209/04 dated February 10, 2004, contractual loan repayment date: February 10, 2005 (the loan was extended by a non-resident of the Russian Federation).

The proceeds of the loan extended under Loan Agreement No. 209/04 dated February 10, 2004, were to be used for acquisition by the Company of shares in the charter capital of OAO "Trade Port Posyet".

Using the proceeds of the loan, the Company acquired 11,362,093 ordinary registered shares of OAO "Trade Port Posyet".

The loans received by the Company in 2004 are classified as short-term obligations. The principal amounts of the said loans are RUR 2,095,720,000 and US\$ 30,200,000, respectively.

The Company has repaid the following amounts:

RUR 2,095,720,000

US\$ 30,200,000

The Company also repaid the following loans received in 2003:

- Loan received under Loan Agreement No. 190031 dated December 25, 2003, principal amount: RUR 15,000,000
- Loan received under Loan Agreement No. 13/05-03 dated May 6, 2003, principal amount: RUR 102,470,216

As of December 31, 2004, all short-term loans were fully repaid. In 2004 interest payments under loan agreements amounted to RUR 149,988,600.

As of December 31, 2004, the Company paid interest on loans received as follows:

RUR 105,797,594

US\$ 1,520,067\*

The Company also paid interest on the following loans received in 2003 in the amount of RUR 3,531,212.

Note:

*\* At the time of payment of interest on the loan received by the Company under Loan Agreement No. 209/04 dated February 10, 2004, the Company, acting as the tax agent in accordance with the current law of the Russian Federation, withheld profit tax at the rate of 10%.*

As of December 31, 2004, all principal amount and interest payments on the loans received by the Company were made in full.

### **13.2 Bond Issue**

The Company issued documentary interest-bearing non-convertible bearer bonds of Series 01 with mandatory centralized custody (Bonds).

- State Registration Number of the securities issue: 4-01-55005-E
- Number of issued securities: 2,000,000
- Par value: RUR 1,000
- Aggregate par value of the issue: RUR 2,000,000,000
- Method of issuance: public offering
- Maturity date: 1,092nd calendar day following the issue start date

First coupon interest rate was set by the Board of Directors on March 29, 2004, at 10.69% p.a. Coupon payment date: May 26, 2005.

Coupon payments on the Bonds will be effected in cash by electronic funds transfer in the currency of the Russian Federation.

The Bonds issued in 2004 are classified as long-term obligations.

Additional expenses incurred in 2004 in connection with the issuance of the Bonds are shown by the Company on Account 91.2 *Other Income and Expense Items*, and amount to RUR 14,139,365.

As of December 31, 2004, the interest accrued on the Bonds (based on the first coupon interest rate) amounted to RUR 21,087,123.

## 14. Segment Information

Segment information included into this Explanatory Note is furnished in accordance with the provisions of Accounting Regulations *Segment Information* approved by Order of the Ministry of Finance of the Russian Federation No. 11n dated January 21, 2000.

### 14.1. Segment Income Information

The Company deems the operating segment to be primary, and the geographical segment to be secondary.

#### 2004:

No.	Item	Amount, RUR'000	% of Total
1	Services	447,166	86.71
2	License agreement	68,499	13.28
3	Other	63	0.01
	TOTAL	515,728	100.00

#### 2003:

No.	Item	Amount, RUR'000	% of Total
1	Services	114,379	99.64
2	License agreement	-	-
3	Other	416	0.36
	TOTAL	114,795	100.00

## 14.2. Segment Expense Information

2004:

No.	Item	Amount, RUR'000	% of Total
1	Services	236,817	98.31
2	License agreement	4 000	1.66
3	Other	70	0.03
	TOTAL	240,887	100.00

2003:

No.	Item	Amount, RUR'000	% of Total
1	Services	63,154	99.41
2	License agreement	-	-
3	Other	375	0.59
	TOTAL	63,529	100.00

## 14.3. Segment Financial Results Information (Structure of Profit from Standard Operations of the Company)

2004:

No.	Item	Amount, RUR'000	% of Total
1	Services	210,349	76.53
2	License agreement	64,499	23.47
3	Other	(7)	0.0
	TOTAL	274,841	100.00

2003:

No.	Item	Amount, RUR'000	% of Total
1	Services	51,225	99.92
2	License agreement	-	-
3	Other	41	0.08
	TOTAL	51,266	100.00

#### 14.4. Geographical Segment Information (Income from Standard Operations)

##### 2004:

No.	Region	Amount, RUR'000	% of Total
1	Republic of Karelia	1,782	0.35
2	Republic of Bashkortostan	33,921	6.58
3	Orenburg Region	21,320	4.13
4	Chelyabinsk Region	211,697	41.05
5	Irkutsk Region	945	0.18
6	Kemerovo Region	54,566	10.58
7	Moscow	153,050	29.68
8	Primorski Krai	1 297	0.25
9	Republic of Udmurtia	4 567	0.89
10	Switzerland	31,806	6.17
11	Lithuania	777	0.14
	TOTAL	515,728	100.00

##### 2003:

No.	Region	Amount, RUR'000	% of Total
1	Republic of Karelia	1 057	0.92
2	Republic of Bashkortostan	9 626	8.38
3	Orenburg Region	7 166	6.24
4	Chelyabinsk Region	34,067	29.68
5	Irkutsk Region	42	0.04
6	Kemerovo Region	17,342	15.11
7	Moscow	37,224	32.42
8	Romania	1 548	1.35
9	Switzerland	6,723	5.86
	TOTAL	114,795	100.00

#### 14.5. Geographical Segment Information (Expenses Associated with Standard Operations)

##### 2004:

No.	Region	Amount, RUR'000	% of Total
1	Republic of Karelia	1 036	0.43
2	Republic of Bashkortostan	20,495	8.51
3	Orenburg Region	10,314	4.28
4	Chelyabinsk Region	76,222	31.64
5	Irkutsk Region	695	0.29
6	Kemerovo Region	28,420	11.80
7	Moscow	79,018	32.80
8	Primorski Krai	4 020	1.67
9	Republic of Udmurtia	2 790	1.16
10	Switzerland	17,448	7.24
11	Lithuania	429	0.18
	TOTAL	240,887	100.00

##### 2003:

No.	Region	Amount, RUR'000	% of Total
1	Republic of Karelia	618	0.97
2	Republic of Bashkortostan	4 833	7.61
3	Orenburg Region	4 167	6.56
4	Chelyabinsk Region	16,844	26.51
5	Irkutsk Region	33	0.05
6	Kemerovo Region	10,390	16.36
7	Moscow	22,142	34.85
8	Romania	658	1.04
9	Switzerland	3 844	6.05
	TOTAL	63,529	100.00

#### 14.6. Segment Assets Information

As of December 31, 2004, the Company's assets were not allocated among segments.

#### 14.7. Segment Liabilities Information

As of December 31, 2004, the Company's liabilities were not allocated among segments.



## 15. Profit Tax

### 15.1. Maintenance of Profit Tax Accounting Records in Accordance with the Provisions of Accounting Regulations PBU 18/02 Profit Tax Accounting

The Company maintains profit tax accounting records in accordance with the provisions of Accounting Regulations *Profit Tax Accounting* approved by Order of the Ministry of Finance of the Russian Federation No. 114n dated November 19, 2002.

As of December 31, 2004, contingent profit tax expense, defined as the amount of profit tax liability based on accounting profit and shown on the Company's accounting records regardless of the amount of taxable profit, amounted to RUR 2,734,497 thousand, including:

RUR 2,733,260 thousand at the tax rate of 24%

RUR 643 thousand at the tax rate of 6% (with respect to due and received income from equity participations in other entities)

RUR 594 thousand at the tax rate of 9% (with respect to dividends due but not received as of December 31, 2004)

As of December 31, 2004, contingent profit tax income, defined on the basis of accounting loss and shown on the Company's accounting records regardless of the amount of taxable profit, amounted to RUR 452,518 thousand.

The Company's accounting records show the following permanent and temporary differences:

1. Permanent differences – (-RUR 9,769,138) thousand, including those related to:

- Permanent tax liabilities – RUR 9,227,275 thousand, including: RUR 7,241,923 thousand\* from the sale/purchase of foreign currency
- Permanent tax assets - RUR 18,996,413 thousand, including: RUR 7,239,565 thousand^ from the sale/purchase of foreign currency

Note:

\* This amount includes permanent tax liabilities in the amount of RUR 6,353,442 thousand representing the value of sold foreign currency credited to the FX account of the Underwriter as proceeds from the sale of the Company's shares following the issuance of American Depositary Receipts (ADRs) at the New York Stock Exchange, as the Underwriter actually disposed of the said foreign currency owned by the Company, and sold it for subsequent transfer of ruble-denominated amounts.

<sup>^</sup> This amount includes permanent tax assets in the amount of RUR 6,351,763 thousand representing the value of sold foreign currency credited to the FX account of the Underwriter as proceeds from the sale of the Company's shares following the issuance of American Depositary Receipts (ADRs) at the New York Stock Exchange, as the Underwriter actually disposed of the said foreign currency owned by the Company, and sold it for subsequent transfer of ruble-denominated amounts.

2. Temporary differences – RUR 263,550 thousand, including:

- Deductible temporary differences – RUR 276,050 thousand
- Taxable temporary differences - RUR 12,500 thousand

Based on the operating results of the Company in 2004, the base of profit taxation is equal to 0.

As of December 31, 2003, contingent profit tax expense, defined as the amount of profit tax liability based on accounting profit and shown on the Company's accounting records regardless of the amount of taxable profit, amounted to RUR 1,114,028 thousand.

The Company's accounting records for 2003 show the following permanent and temporary differences:

1. Permanent differences - (-RUR 4,634,643) thousand, including those related to:

- Permanent tax liabilities – RUR 5,346 thousand
- Permanent tax assets – RUR 4,639,989 thousand

2. Temporary differences - RUR 1,273 thousand, including:

- Deductible temporary differences - RUR 4,759 thousand
- Taxable temporary differences - RUR 3,486 thousand

In 2004 Open Joint Stock Company "Coal Company "Southern Kuzbass", acting pursuant to the resolution of the general meeting of shareholders dated June 25, 2004, paid to the Company dividends in the amount of RUR 6,660 thousand. At the time of the payment, Open Joint Stock Company "Coal Company "Southern Kuzbass" performed its tax agent functions and withheld profit tax in the amount of RUR 400 thousand.

In 2004 the Company received assets remaining after the liquidation of its subsidiary company OOO "VostSibRuda" for the amount of RUR 4,058 thousand. At the time of the payment, OOO "VostSibRuda" performed its tax agent functions and withheld profit tax in the amount of RUR 238 thousand.

Pursuant to the resolution of the annual general meeting of shareholders (Minutes No. 3 dated June 25, 2004), dividends to be allocated among shareholders amounted to RUR 149,358 thousand.

The amount of dividend profit tax withheld at the source was computed in accordance with the provisions of Article 275 of the Tax Code of the Russian Federation.

The overall tax liability is defined as the product of the tax rate and the difference between the amount of dividends allocable among shareholders during the current taxation period reduced by the amount of dividends payable by the tax agent, and the amount of dividends received by the tax agent during the current taxation period, if such dividends did not previously participate in the computation of taxable dividend income.

At the time of computation of dividend profit tax withheld at the source, the Company received dividends in the amount of RUR 6,660 thousand, which amount was used to compute the amount of its tax liability payable by the Company as a resident of the Russian Federation.

The value of the property received by the Company after the liquidation of its subsidiary company in the amount of RUR 4,058 thousand will reduce the base of taxation for the purposes of the payment of withholding taxes by the residents of the Russian Federation in the following taxation (reporting) period.

Line 150 *Current Tax Profit Liability* of Form No. 2 *Profit and Loss Statement* shows the current profit tax related to the income received by the Company from equity participations in charter capitals of other entities and withheld by the tax agent at the time of payment, in the amount of RUR 638 thousand.

## **15.2. Recognition of Expense and Income Items for Taxation Purposes**

The Company recognizes income during the reporting (taxation) period during which it was received, regardless of when the relevant cash, other property (works, services) and/or proprietary rights were actually received/accrued.

The Company uses accrual accounting method (pursuant to the provisions of Article 271 of the Tax Code of the Russian Federation of the Russian Federation).

Pursuant to the provisions of paragraph 1.2 of Article 167 of the Tax Code of the Russian Federation of the Russian Federation, taxation base for the purposes of payment of the value added tax is determined on the date of payment for goods shipped (works performed, services provided).

Pursuant to the provisions of paragraph 4 of Article 170 of the Tax Code of the Russian Federation of the Russian Federation, if during any taxation period (month) the shares of aggregate expenses related to the production of goods (works, services) whose sale is not subject to taxation does not exceed five percent of total aggregate expenses related to standard operations, the Company deducts all VAT listed among expenses incurred by it in connection with the production of such goods (works, services).

The date of performance of works (provision of services) with respect to integrated management services is the date of the signing of the appropriate Works (Services) Acceptance Certificate.

The date of receipt of income from granting the use of trade marks under the License Agreement is the last day of the month.

Expenses listed in Article 252 of the Tax Code of the Russian Federation of the Russian Federation are recognized as such in the reporting (taxation) period during which they were incurred, regardless of the date of actual cash payment.

Raw and other materials used for the performance of works (provision of services) are valued at average cost (paragraph 8 of Article 254 of the Tax Code of the Russian Federation of the Russian Federation).

#### **16. Information about Affiliated Persons**

As of December 31, 2004, the Company had the following subsidiaries:

1.     OOO "Trading House Mechel"
2.     OAO "Chelyabinsk Metallurgical Plant"
3.     OAO "Beloretsk Metallurgical Plant"
4.     ZAO "Vyartsilya Metal Plant"
5.     OAO "Korshunovskiy Mining and Processing Integrated Works"
6.     OAO "Coal Company "Southern Kuzbass"
7.     OAO "South-Ural Nickel Integrated Works"
8.     OAO "Uralskaya Kuznitsa"
9.     Mechel Trading AG
10.    OAO "Izhstal"
11.    OOO "Kaslino Architectural and Ornamental Casting Plant"
12.    OOO "Mechel-Invest"
13.    OAO "Trading Port Posyet"

### List of Affiliated Persons

Types of Information		Information	
		As of the Reporting Date / Following the Amendment	Prior to the Amendment
1.			
Last Name, First Name, Patronymic		Vladimir Filippovich Iorich	Vladimir Filippovich Iorich
Place of Residence		Moscow. Russia	Moscow. Russia
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		March 7, 2003 January 16, 2004 January 16, 2004	March 7, 2003 January 16, 2004 January 16, 2004
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person is a member of the Board of Directors of the Joint Stock Company  The Person acts as the Individual Executive Body of the Joint Stock Company  The Person belongs to the group of persons comprising the Joint Stock Company	The Person is a member of the Board of Directors of the Joint Stock Company  The Person acts as the Individual Executive Body of the Joint Stock Company  The Person belongs to the group of persons comprising the Joint Stock Company
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	15.4989%	17.9335%
	Preferred	None	None
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		November 3, 2004	
Contents of the Amendment		Change of Stake in the Joint Stock Company Shares Held by the Person	
2.			
Last Name, First Name, Patronymic		Aleksey Gennadyevich Ivanushkin	

Place of Residence		<i>Moscow. Russia</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>March 7, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person is a member of the Board of Directors of the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>3.</b>			
<i>Last Name, First Name, Patronymic</i>		<i>Igor Vladimirovich Zyuzin</i>	<i>Igor Vladimirovich Zyuzin</i>
Place of Residence		<i>Moscow. Russia</i>	<i>Moscow. Russia</i>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>March 7, 2003</i> <i>May 25, 2003</i>	<i>March 7, 2003</i> <i>May 25, 2003</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person is a member of the Board of Directors of the Joint Stock Company</i>  <i>The Person has the right to control more than 20% of the Company's voting shares</i>	<i>The Person is a member of the Board of Directors of the Joint Stock Company</i>  <i>The Person has the right to control more than 20% of the Company's voting shares</i>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>19.645%</i>	<i>23.02%</i>
	<i>Preferred</i>	<i>None</i>	<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons			

Date of the Amendment Made to the List of Affiliated Persons		<i>December 1, 2004</i>	
<i>Contents of the Amendment</i>		<i>Change of Stake in the Joint Stock Company Shares Held by the Person</i>	
4.			
<i>Last Name, First Name, Patronymic</i>		<i>Valentin Vassilievich Proskyrnya</i>	
Place of Residence		<i>Moscow. Russia</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>March 7, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person is a member of the Board of Directors of the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
5.			
<i>Last Name, First Name, Patronymic</i>		<i>Alexander Evdokimovich Evtushenko</i>	
Place of Residence		<i>Moscow. Russia</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 24, 2004</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person is a member of the Board of Directors of the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	

Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
6.			
Last Name, First Name, Patronymic		Seraphim Vassilievich Kolpakov	
Place of Residence		Moscow, Russia	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		June 24, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person is a member of the Board of Directors of the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
7.			
Last Name, First Name, Patronymic		Arthur David Johnson	
Place of Residence		United Kingdom	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		October 27, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person is a member of the Board of Directors of the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	



Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>October 27, 2004</i>
<b>Contents of the Amendment</b>		<i>The Person is included into the List of Affiliated Person since the Person has been elected as a member of the Board of Directors of the Joint Stock Company</i>
<b>8.</b>		
<b>Last Name, First Name, Patronymic</b>		<i>Roger Ian Gale</i>
Place of Residence		<i>United Kingdom</i>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>October 27, 2004</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person is a member of the Board of Directors of the Joint Stock Company</i>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>
	<i>Preferred</i>	<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>October 27, 2004</i>
<b>Contents of the Amendment</b>		<i>The Person is included into the List of Affiliated Person since the Person has been elected as a member of the Board of Directors of the Joint Stock Company</i>
<b>9.</b>		
<b>Last Name, First Name, Patronymic</b>		<i>Andrew Marley Wood</i>
Place of Residence		<i>United Kingdom</i>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>October 27, 2004</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person is a member of the Board of Directors of the Joint Stock Company</i>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>
	<i>Preferred</i>	<i>None</i>

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons	October 27, 2004	
Contents of the Amendment	The Person is included into the List of Affiliated Person since the Person has been elected into the Board of Directors of the Joint Stock Company	
10.		
Full Trade Name	Open Joint Stock Company “Beloretsk Metallurgical Plant”	
Location	Russian Federation, Republic of Bashkortostan, Beloretsk	
Mailing Address for Correspondence Addressed to the Legal Person	Russian Federation, 453500, Republic of Bashkortostan, Beloretsk, ul. Blyukhera 1	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	June 9, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	Joint Stock Company may control more than 20% of the total number of votes represented by the shares constituting the charter capital of the Person  The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None
	Preferred	None

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		None
Contents of the Amendment		None
11.		
Full Trade Name		Closed Joint Stock Company “Belkanpromimpeks”
Location		Russian Federation, Republic of Bashkortostan, Mezhgorye
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 453500, Republic of Bashkortostan, Mezhgorye
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		June 9, 2003
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None
	Preferred	None
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		None
Contents of the Amendment		None
12.		
Full Trade Name		Closed Joint Stock Company “Vekselniy Tsentr”
Location		Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Krasnykh Partizan. 13

Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Krasnykh Partizan, 13</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 9, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b>Contents of the Amendment</b>		<i>None</i>	
<b>13.</b>			
<b>Full Trade Name</b>		<i>Limited Liability Company "Avtotransport i Mekhanizatsiya"</i>	
Location		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Blyukhera 1</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 453500, Republic of Bashkortostan, Beloretsk, ul. Blyukhera 1</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 9, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
14.			
Full Trade Name		Limited Liability Company "Zhilservis"	
Location		Russian Federation, Republic of Bashkortostan, Beloretsk, per. Pukhovski, 9	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 453500, Republic of Bashkortostan, Beloretsk, per. Pukhovski, 9	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		June 9, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
15.			

<b>Full Trade Name</b>		<b>Limited Liability Company "Beloretsk Brick Factory"</b>
Location		<b>Russian Federation, Republic of Bashkortostan, Beloretsk, Lomovka</b>
Mailing Address for Correspondence Addressed to the Legal Person		<b>Russian Federation, 453500, Republic of Bashkortostan, Beloretsk, Lomovka</b>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>June 9, 2003</b>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	<b>None</b>
	Preferred	<b>None</b>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<b>September 27, 2004</b>
<b>Contents of the Amendment</b>		<b>The Person is excluded from the List of Affiliated Persons</b>
<b>16.</b>		
<b>Full Trade Name</b>		<b>Limited Liability Company "Sosnovyi Bor Sport and Recreation Complex"</b>
Location		<b>Russian Federation, Republic of Bashkortostan, Beloretski Area, Sosnovka</b>

Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, Republic of Bashkortostan, Beloretski Area, Sosnovka</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 9, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	
<b>17.</b>			
<b><i>Full Trade Name</i></b>		<i>Limited Liability Company "Mettalurg Sport Club"</i>	
Location		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Lenina, 70</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 453500, Republic of Bashkortostan, Beloretsk, ul. Lenina, 70</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 9, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
<b>Contents of the Amendment</b>		None	
<b>18.</b>			
<b>Full Trade Name</b>		Limited Liability Company "Stroyservis"	
Location		Russian Federation, Republic of Bashkortostan, Beloretsk, Luki area	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 453500, Republic of Bashkortostan, Beloretsk, Luki area	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		June 9, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
<b>Contents of the Amendment</b>		None	
<b>19.</b>			



<b>Full Trade Name</b>		<b>Limited Liability Company "Bashkortostan Trading House"</b>	
Location		<b>Republic of Uzbekistan, Tashkent, ul. Babury, 73</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>Republic of Uzbekistan, Tashkent, ul. Babury, 73</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>June 9, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>	
<b>20.</b>			
<b>Full Trade Name</b>		<b>Limited Liability Company "Tukan Mine Group"</b>	
Location		<b>Russian Federation, Republic of Bashkortostan, Beloretsk, Tukan, ul. Matrosova, 1</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>Russian Federation, Republic of Bashkortostan, Beloretsk, Tukan, ul. Matrosova, 1</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>June 9, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	
<b>21.</b>			
<b><i>Full Trade Name</i></b>		<i>Limited Liability Company "Tukan Mine"</i>	
Location		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, Tukan,</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, Tukan,</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 9, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	
<b>22.</b>			

<b>Full Trade Name</b>		<b>Open Joint Stock Company "Beloretsk Trading House"</b>	
Location		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Lenina, 47</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Lenina, 47</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 9, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b>Contents of the Amendment</b>		<i>None</i>	
<b>23.</b>			
<b>Full Trade Name</b>		<b>Joint Venture "Belfer"</b>	
Location		<i>Vaduz, the Principality of Liechtenstein, Switzerland</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Vaduz, the Principality of Liechtenstein, Switzerland</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 9, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	
<b>24.</b>			
<b><i>Full Trade Name</i></b>		<i>Closed Joint Stock Company "Belkord"</i>	
Location		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Blyukhera, 1</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Blyukhera, 1</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>August 22, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	

25.			
Full Trade Name		Closed Joint Stock Company “BMK-Invest”	
Location		Russian Federation, Republic of Bashkortostan, Beloretsk, ul. Blyukhera, 1	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 453500 Republic of Bashkortostan, Beloretsk, ul. Blyukhera, 1	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		March 26, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
26.			
Full Trade Name		Open Joint Stock Company Coal Company “Southern Kuzbass”	
Location		Russian Federation, Kemerovo Region, Mezhdurechensk, ul. Yunosti, 6	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 652877 Kemerovo Region, Mezhdurechensk, ul. Yunosti, 6	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 27, 2003	

Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares constituting the charter capital of the Person</i>	
		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
27.			
Full Trade Name		Closed Joint Stock Company "Vzryvprom Yuga Kuzbassa"	
Location		Russian Federation, Kemerovo Region, Mezhdurechensk, ul. Yunosti, 10	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 652870 Kemerovo Region, Mezhdurechensk, ul. Yunosti, 10	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 27, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
28.			
Full Trade Name		Closed Joint Stock Company “Central Processing Plant “Sibir”	
Location		Russian Federation, Kemerovo Region, Myski-5	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 652845 Kemerovo Region, Myski-5	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		July 3, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
29.			

<b>Full Trade Name</b>		<b>Closed Joint Stock Company "Mine "Uglekop"</b>	
Location		<b>Russian Federation, Kemerovo Region, Mezhdurechensk, ul. Yunosti, 10</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>Russian Federation, 652870 Kemerovo Region, Mezhdurechensk, ul. Yunosti, 10</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 27, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>	
<b>30.</b>			
<b>Full Trade Name</b>		<b>Open Joint Stock Company "Tomusinsk Power Control"</b>	
Location		<b>Russian Federation, Kemerovo Region, Mezhdurechensk</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>Russian Federation, 652870 Kemerovo Region, Mezhdurechensk</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 27, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	



Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	
<b>31.</b>			
<b><i>Full Trade Name</i></b>		<i>Open Joint Stock Company "Vzryvprom Yuga Kuzbassa"</i>	
Location		<i>Russian Federation, Kemerovo Region, Mezhdurechensk, ul. Yunosti, 10</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 652870 Kemerovo Region, Mezhdurechensk, ul. Yunosti, 10</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>May 27, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	

<i>Contents of the Amendment</i>		<i>None</i>	
<b>32.</b>			
<i>Full Trade Name</i>			<i>Open Joint Stock Company Group Processing Plant “Tomusinskaya”</i>
Location			<i>Russian Federation, Kemerovo Region, Mezhdurechensk</i>
Mailing Address for Correspondence Addressed to the Legal Person			<i>Russian Federation, Kemerovo Region, Mezhdurechensk</i>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company			<i>July 8, 2003</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company			<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>		<i>None</i>
	<i>Preferred</i>		<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>October 18, 2004</i>	
<i>Contents of the Amendment</i>		<i>The Legal Entity is excluded from the List of Affiliated Persons due to its takeover by OAO “Southern Kuzbass”</i>	
<b>33.</b>			
<i>Full Trade Name</i>		<i>Open Joint Stock Company “Razrez Krasnogorski”</i>	
Location		<i>Russian Federation, Kemerovo Region, Mezhdurechensk</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 652870 Kemerovo Region, Mezhdurechensk</i>	

Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>May 27, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b>Contents of the Amendment</b>		<i>None</i>	
<b>34.</b>			
<b>Full Trade Name</b>		<i>Open Joint Stock Company "Razrez Olzherasski"</i>	
Location		<i>Russian Federation, Kemerovo Region, Mezhdurechensk</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 652870 Kemerovo Region, Mezhdurechensk</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>May 27, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>
<i>Contents of the Amendment</i>		<i>None</i>
<b>35.</b>		
<b>Full Trade Name</b>	<i>Open Joint Stock Company "Razrez Sibirginski"</i>	
Location	<i>Russian Federation, Kemerovo Region, Myski</i>	
Mailing Address for Correspondence Addressed to the Legal Person	<i>Russian Federation, 652860 Kemerovo Region, Myski</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<i>May 27, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>
	<i>Preferred</i>	<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>
<i>Contents of the Amendment</i>		<i>None</i>
<b>36.</b>		
<b>Full Trade Name</b>	<i>Open Joint Stock Company "Razrez Tomusinski"</i>	
Location	<i>Russian Federation, Kemerovo Region, Mezhdurechensk, ul. Gorkogo, 300</i>	

Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 652870 Kemerovo Region, Mezhdurechensk, ul Gorkogo, 300</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>May 27, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>37.</b>			
<i>Full Trade Name</i>		<i>Open Joint Stock Company "Tomusinsk Motor Depot"</i>	
Location		<i>Russian Federation, Kemerovo Region, Mezhdurechensk</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, Kemerovo Region, Mezhdurechensk</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>August 22, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		None
Contents of the Amendment		None
38.		
Full Trade Name		Open Joint Stock Company “Central Processing Plant “Kuzbasskaya”
Location		Russian Federation, Kemerovo Region, Mezhdurechensk, Raspadni
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 652870 Kemerovo Region, Mezhdurechensk, Raspadni
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 27, 2003
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None
	Preferred	None
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		None
Contents of the Amendment		None
39.		

<b>Full Trade Name</b>		<b>Open Joint Stock Company "V.I. Lenin's Mine"</b>	
Location		<b>Russian Federation, Kemerovo Region, Mezhdurechensk</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>Russian Federation, 652570 Kemerovo Region, Mezhdurechensk</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 27, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>	
<b>40.</b>			
<b>Full Trade Name</b>		<b>Open Joint Stock Company "Mine "Usinskaya"</b>	
Location		<b>Russian Federation, Kemerovo Region, Mezhdurechensk, ul. Nagornaya, 30</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>Russian Federation, 652870 Kemerovo Region, Mezhdurechensk, ul. Nagornaya, 30</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 27, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
41.			
Full Trade Name		Closed Joint Stock Company "Invest-Ugol"	
Location		Russian Federation, Kemerovo Region, Mezhdurechensk, ul. 50 let Komsomola, 26A	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 654870 Kemerovo Region, Mezhdurechensk, ul. 50 let Komsomola, 26A	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		August 20, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	



<b>Contents of the Amendment</b>		<b>None</b>
<b>42.</b>		
<b>Full Trade Name</b>	<b>Closed Joint Stock Company "Yuzhkuzbassbeton"</b>	
Location	<b>Russian Federation, Kemerovo Region, Myski, ul. Levologovaya, 1</b>	
Mailing Address for Correspondence Addressed to the Legal Person	<b>Russian Federation, Kemerovo Region, Myski, ul. Levologovaya, 1</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<b>October 30, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>
	<i>Preferred</i>	<b>None</b>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons	<b>August 21, 2004</b>	
<b>Contents of the Amendment</b>		<b>The Person is included into the List of Affiliated Persons</b>
<b>43.</b>		
<b>Full Trade Name</b>	<b>Open Joint Stock Company "Chelyabinsk Metallurgical Plant"</b>	
Location	<b>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 14</b>	
Mailing Address for Correspondence Addressed to the Legal Person	<b>Russian Federation, 454047 Chelyabinsk, ul. 2-Paveletskaya, 14</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<b>June 5, 2003</b>	

Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares constituting the charter capital of the Person</i>	
		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
<b>Contents of the Amendment</b>		None	
<b>44.</b>			
<b>Full Trade Name</b>		<i>Closed Joint Stock Company "MetEnergo-Projekt"</i>	
Location		<i>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 14</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 454047 Chelyabinsk, ul. 2-Paveletskaya, 14</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 5, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>
<i>Contents of the Amendment</i>		<i>None</i>
<b>45.</b>		
<i>Full Trade Name</i>	<i>Closed Joint Stock Company "Mechelstroy"</i>	
Location	<i>Russian Federation, Chelyabinsk, ul. B. Khmel'nitskogo, 15</i>	
Mailing Address for Correspondence Addressed to the Legal Person	<i>Russian Federation, 454017 Chelyabinsk, ul. B. Khmel'nitskogo, 15</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 5, 2003</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>
	<i>Preferred</i>	<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>
<i>Contents of the Amendment</i>		<i>None</i>
<b>46.</b>		
<i>Full Trade Name</i>	<i>Closed Joint Stock Company "Resurs"</i>	

Location		<i>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 32</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 454047 Chelyabinsk, ul. 2-Paveletskaya, 32</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 5, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>47.</b>			
<i>Full Trade Name</i>		<i>Open Joint Stock Company "Resurs"</i>	
Location		<i>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 32</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 454047 Chelyabinsk, ul. 2-Paveletskaya, 32</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 5, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>
<b>Contents of the Amendment</b>		<i>None</i>
<b>48.</b>		
<b>Full Trade Name</b>	<i>Limited Liability Company "Mechel-Invest"</i>	
Location	<i>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 14</i>	
Mailing Address for Correspondence Addressed to the Legal Person	<i>Russian Federation, 454047 Chelyabinsk, ul. 2-Paveletskaya, 14</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<i>June 5, 2003 July 7, 2004</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>  <i>Joint Stock Company may control more than 20% of the charter capital of the Person</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>
	<i>Preferred</i>	<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>

<b>Contents of the Amendment</b>		<b>None</b>
<b>49.</b>		
<b>Full Trade Name</b>	<b>Limited Liability Company "Sovkhoz Kashtakski"</b>	
Location	<b>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 14</b>	
Mailing Address for Correspondence Addressed to the Legal Person	<b>Russian Federation, 454047 Chelyabinsk, ul. 2-Paveletskaya, 14</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<b>June 5, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>
	<i>Preferred</i>	<b>None</b>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons	<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>
<b>50.</b>		
<b>Full Trade Name</b>	<b>Limited Liability Company "Ekomechel"</b>	
Location	<b>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 14</b>	
Mailing Address for Correspondence Addressed to the Legal Person	<b>Russian Federation, 454047 Chelyabinsk, ul. 2-Paveletskaya, 14</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company	<b>June 5, 2003</b>	

Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>51.</b>			
<i>Full Trade Name</i>		<i>Open Joint Stock Company "Korshunovskiy Mining and Processing Integrated Works"</i>	
Location		<i>Russian Federation, Irkutsk Region, Zheleznogorsk-Ilimski</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 665651 Irkutsk Region, Zheleznogorsk-Ilimski</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>May 29, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares constituting the charter capital of the Person</i>  <i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		None
Contents of the Amendment		None
52.		
Full Trade Name		Limited Liability Company “Dushkachan Recreation Center”
Location		Republic of Buryatia, Severobaikalsk Area, Dushkachan
Mailing Address for Correspondence Addressed to the Legal Person		Republic of Buryatia, Severobaikalsk Area, Dushkachan
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 29, 2003
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None
	Preferred	None
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		None
Contents of the Amendment		None
53.		



<b>Full Trade Name</b>		<b>Limited Liability Company "Housing Enterprise"</b>
Location		<b>Zheleznogorsk-Ilimski</b>
Mailing Address for Correspondence Addressed to the Legal Person		<b>665651 Zheleznogorsk-Ilimski</b>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 29, 2003</b>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>
	<i>Preferred</i>	<b>None</b>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<b>November 10, 2004</b>
<b>Contents of the Amendment</b>		<b>The Legal Person is excluded from the List of Affiliated Persons</b>
<b>54.</b>		
<b>Full Trade Name</b>		<b>Limited Liability Company "Labor Collective of Korshunovskiy Mining and Processing Integrated Works"</b>
Location		<b>Russian Federation, 665680 Irkutsk Region, Zheleznogorsk-Ilimski</b>
		<b>Limited Liability Company "Construction Materials Plant"</b>
		<b>Zheleznogorsk-Ilimski</b>

Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 665680 Irkutsk Region, Zheleznogorsk-Ilimski, Administration of Limited Liability Company” Korshunovskiy Mining and Processing Integrated Works”, Unit 323</i>	<i>665651 Zheleznogorsk-Ilimski</i>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>May 29, 2003</i>	<i>May 29, 2003</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	<i>None</i>
	<i>Preferred</i>	<i>None</i>	<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>October 15, 2004</i>	
<i>Contents of the Amendment</i>		<i>Amendments to the List of Affiliated Persons are made due to the change of name of the Person</i>	
55.			
<i>Full Trade Name</i>			<i>Limited Liability Company ”Public Catering Combine”</i>
Location			<i>Zheleznogorsk-Ilimski</i>
Mailing Address for Correspondence Addressed to the Legal Person			<i>665651 Zheleznogorsk-Ilimski</i>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company			<i>May 29, 2003</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company			<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary		None
	Preferred		None
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		September 13, 2004	
Contents of the Amendment		The Person is excluded from the List of Affiliated Persons	
56.			
Full Trade Name			Limited Liability Company "Wood-Processing Works"
Location			Zheleznogorsk-Ilimski
Mailing Address for Correspondence Addressed to the Legal Person			665651 Zheleznogorsk-Ilimski
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company			May 29, 2003
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company			The Person belongs to the group of persons comprising the Joint Stock Company
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary		None
	Preferred		None
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		December 27, 2004	
Contents of the Amendment		The Legal Person is excluded from the List of Affiliated Persons	
57.			

<b>Full Trade Name</b>		<b>Limited Liability Company "Magnetit"</b>	
Location		<b>Zheleznogorsk-Ilimski, Magnetit Hotel</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>665651 Zheleznogorsk-Ilimski, Magnetit Hotel</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 29, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>	
<b>58.</b>			
<b>Full Trade Name</b>			<b>Limited Liability Company "Rabochee Pitaniye"</b>
Location			<b>Zheleznogorsk-Ilimski</b>
Mailing Address for Correspondence Addressed to the Legal Person			<b>665651 Zheleznogorsk-Ilimski</b>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company			<b>May 29, 2003</b>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company			<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary		None
	Preferred		None
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		December 27, 2004	
Contents of the Amendment		The Legal Person is excluded from the List of Affiliated Persons	
59.			
Full Trade Name		Limited Liability Company "Sovkhoz Ilinski"	
Location		Zheleznogorsk-Ilinski	
Mailing Address for Correspondence Addressed to the Legal Person		665651 Zheleznogorsk-Ilinski	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 29, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
60.			

<b>Full Trade Name</b>		<b>Limited Liability Company "Construction and Assembly Administration"</b>
Location		<b>Zheleznogorsk-Ilimski</b>
Mailing Address for Correspondence Addressed to the Legal Person		<b>665651 Zheleznogorsk-Ilimski</b>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 29, 2003</b>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>
	<i>Preferred</i>	<b>None</b>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<b>November 18, 2004</b>
<b>Contents of the Amendment</b>		<b>The Legal Person is excluded from the List of Affiliated Persons</b>
<b>61.</b>		
<b>Full Trade Name</b>		<b>Open Joint Stock Company "South Ural Nickel Integrated Works"</b>
Location		<b>Russian Federation, Orsk</b>
Mailing Address for Correspondence Addressed to the Legal Person		<b>Russian Federation, Orsk, ul. Prizavodskaya, 1</b>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>June 2, 2003</b>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>Joint Stock Company may control more than 20% of the total number of votes represented by the shares of the Person</b>  <b>The Person belongs to the group of persons comprising the Joint Stock Company</b>

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	
<b>62.</b>			
<b><i>Full Trade Name</i></b>		<i>Limited Liability Company "Kaskad Security Company"</i>	
Location		<i>Russian Federation, Orenburg Region, Orsk, ul. Prizavodskaya, 1</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 462424 Orenburg Region, Orsk, ul. Prizavodskaya, 1</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 2, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>
<i>Contents of the Amendment</i>		<i>None</i>
<b>63.</b>		
<i>Full Trade Name</i>	<i>Limited Liability Company "Yuzhpolimetal"</i>	
Location	<i>Russian Federation, Orenburg Region, Orsk, ul. Prizavodskaya, 1</i>	
Mailing Address for Correspondence Addressed to the Legal Person	<i>Russian Federation, 462424 Orenburg Region, Orsk, ul. Prizavodskaya, 1</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 2, 2003</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>
	<i>Preferred</i>	<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>
<i>Contents of the Amendment</i>		<i>None</i>
<b>64.</b>		



Full Trade Name		Limited Liability Company "YuzhUralgips"	
Location		Russian Federation, Orenburg Region, Belyayevo Area, Dubenski, ul. Sovetskaya, 19	
Mailing Address for Correspondence Addressed to the Legal Person		461330 Orenburg Region, Belyayevo Area, Dubenski, ul. Sovetskaya, 19	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		July 20, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		October 15, 2004	
Contents of the Amendment		The Person is included into the List of Affiliated Persons	
65.			
Full Trade Name		Limited Liability Company "Trading House Mechel"	
Location		Russian Federation, Moscow, per. Pozharski, 5/12, Building 5	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 123610 Moscow, Krasnopresnenskaya nab., 12 International Trading Center, Office Building, Office 1002	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 15, 2003	

Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares (investments, stakes) constituting the charter (reserve) capital of the Person</i>	
		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
<b>Contents of the Amendment</b>		None	
<b>66.</b>			
<b>Full Trade Name</b>		<i>Limited Liability Company "Uglemet-Avto"</i>	
Location		<i>Russian Federation, Chelyabinsk, ul. F. Gorelova, 12</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 454012 Chelyabinsk, ul. F. Gorelova, 12, unit 712</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>May 15, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
<b>Contents of the Amendment</b>		None	
<b>67.</b>			
<b>Full Trade Name</b>		Limited Liability Company "Mechel-Trans"	
Location		Russian Federation, Moscow, ul. Garibaldi, 21	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 117335 Moscow, ul. Garibaldi, 21	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 15, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
<b>Contents of the Amendment</b>		None	
<b>68.</b>			

<b>Full Trade Name</b>		<i>Closed Joint Stock Company "Financial-Transport Administration"</i>
Location		<i>Russian Federation, Kemerovo Region, Mezhdurechensk, ul. Yunosti, 6</i>
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 652870 Kemerovo Region, Mezhdurechensk, ul. Yunosti, 6</i>
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>December 22, 2003</i>
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>
	<i>Preferred</i>	<i>None</i>
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		<i>August 19, 2004</i>
<b>Contents of the Amendment</b>		<i>The Legal Person is excluded from the List of Affiliated Persons due to takeover</i>
<b>69.</b>		
<b>Full Trade Name</b>		<i>Limited Liability Company "Mechel Private Security Company"</i>
Location		<i>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 12a</i>
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, Chelyabinsk, ul. 2-Paveletskaya, 12a</i>

Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>December 19, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>70.</b>			
<i>Full Trade Name</i>		<i>Limited Liability Company "Mechel-UK Private Security Company"</i>	
Location		<i>Russian Federation, Chelyabinsk Region, Chebarkul, ul. Dzerzhinskogo, 7</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, Chelyabinsk Region, Chebarkul, ul. Dzerzhinskogo, 7</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>December 17, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	

Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		None
Contents of the Amendment		None
71.		
Full Trade Name		Limited Liability Company "Mechel-Tsentr Private Security Company"
Location		Russian Federation, Moscow, Krasnopresnenskaya nab., 12
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 123610 Moscow, Krasnopresnenskaya nab., 12 International Trading Center, Office Building, Office 1409
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		December 16, 2003
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None
	Preferred	None
Date and Content of Amendment Made to the List of Affiliated Persons		
Date of the Amendment Made to the List of Affiliated Persons		None
Contents of the Amendment		None
72.		

<b>Full Trade Name</b>		<b>Limited Liability Company "MECHEL-ENERGO"</b>	
Location		<i>Russian Federation, Moscow, per. Pozharski, 5/12, Building 5</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 123610 Moscow, Krasnopresnenskaya nab., 12 International Trading Center, Office Building, Office 1002</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>April 29, 2004</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b>Contents of the Amendment</b>		<i>None</i>	
<b>73.</b>			
<b>Full Trade Name</b>		<b>Limited Liability Company "VostSibRuda"</b>	
Location		<i>Russian Federation, Irkutsk, ul. Sovetskaya, 55</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 664007 Irkutsk, ul. Sovetskaya, 55</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>August 5, 2003</i>	

Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<p><i>Joint Stock Company has obtained the right to control more than 20% of the charter capital of the Person</i></p> <p><i>The Person belongs to the group of persons comprising the Joint Stock Company</i></p>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
<b>74.</b>			
Full Trade Name		Closed Joint Stock Company "Vyartsilya Metal Plant"	
Location		Russian Federation, Republic of Karelia, Sortavala, Vyartsilya, ul. Zavodskaya, 1	
Mailing Address for Correspondence Addressed to the Legal Person		Russian Federation, 186757 Republic of Karelia, Sortavala, Vyartsilya, ul. Zavodskaya, 1	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		June 21, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<p><i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares (investments, stakes) constituting the charter (reserve) capital of the Person</i></p> <p><i>The Person belongs to the group of persons comprising the Joint Stock Company</i></p>	



Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	
<b>75.</b>			
<b><i>Full Trade Name</i></b>		<i>Open Joint Stock Company "Uralskaya Kuznitsa"</i>	
Location		<i>Chelyabinsk Region, Chebarkul, ul. Dzerzhinskogo, 7</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>456400 Chelyabinsk Region, Chebarkul, ul. Dzerzhinskogo, 7</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>August, 19, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares constituting the charter capital of the Person</i>  <i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
76.			
Full Trade Name		Conares Holding AG	Conares Holding AG
Location		19 Dammstrasse, Zug, Switzerland	19 Dammstrasse, Zug, Switzerland
Mailing Address for Correspondence Addressed to the Legal Person		19 Dammstrasse, Zug, Switzerland 6300	19 Dammstrasse, Zug, Switzerland 6300
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 25, 2003	May 25, 2003
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		Joint Stock Company may control more than 20% of the total number of votes represented by the shares of the Person	Joint Stock Company may control more than 20% of the total number of votes represented by the shares of the Person
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	24.4679%	26.60%
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		November 3, 2004	
Contents of the Amendment		Change in the stake of the Joint Stock Company held by the Person	
77.			
Full Trade Name		Mechel Trading AG	

Location		<i>19 Dammstrasse, Zug, Switzerland 6300</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>19 Dammstrasse, Zug, Switzerland 6300</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>September 29, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares constituting the charter capital of the Person</i>  <i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>3.7842%</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>78.</b>			
<i>Full Trade Name</i>		<i>S.C. COST S.A. Targoviste</i>	
Location		<i>Targoviste, 11 Soso Gaesti, Dombovita Kauiti, 0200, Romania</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Targoviste, 11 Soso Gaesti, Dombovita Kauiti, 0200, Romania</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>September 29, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment			
79.			
Full Trade Name		Mechel Zeljezara d.a.o.	
Location		19 NoneBojidara Adjii, Sikak, Republic of Croatia	
Mailing Address for Correspondence Addressed to the Legal Person		19 NoneBojidara Adjii, Sikak, Republic of Croatia	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		September 29, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
80.			

<b>Full Trade Name</b>		<b>Limited Liability Partnership "Mechelugleresurs"</b>	
Location		<b>Republic of Kazakhstan, 470056 Karaganda, accounting area 108, section 7</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>Republic of Kazakhstan, 470056 Karaganda, accounting area 108, section 7</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>February, 04, 2004</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>	
<b>81.</b>			
<b>Full Trade Name</b>		<b>UAB "Mechel Nemunas"</b>	
Location		<b>R. Kalantos, g. 83, LT-3014, Kaunas, Lietuvos Respublika</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>R. Kalantos, g. 83, LT-3014, Kaunas, Lietuvos Respublika</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>October 15, 2004</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
82.			
Full Trade Name		Inter-rail Transport Limited	
Location		Charlotte House Charlotte Street P.O. Box N-65, Nassau, Bahamas	
Mailing Address for Correspondence Addressed to the Legal Person		Charlotte House Charlotte Street P.O. Box N-65, Nassau, Bahamas	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		March 04, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
83.			

<b>Full Trade Name</b>		<b>Mechel Metal Supply</b>	
Location		<b>In alten Riet 102 P.O. Box 841, FL-9494 Schaan Principality of Liechtenstein</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>In alten Riet 102 P.O. Box 841, FL-9494 Schaan Principality of Liechtenstein</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>August 1, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>	
<b>84.</b>			
<b>Full Trade Name</b>		<b>Mechel Metal Supply (International) Limited</b>	
Location		<b>In alten Riet 102 FL-9494 Schaan Liechtenstein</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>In alten Riet 102 FL-9494 Schaan Liechtenstein</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>August 1, 2003</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
85.			
Full Trade Name		Little Echo Invest Corp.	
Location		P.O. Box 958, Pasea Estate Road Town Tortola, BVI	
Mailing Address for Correspondence Addressed to the Legal Person		P.O. Box 958, Pasea Estate Road Town Tortola, BVI	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		March 4, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
86.			
Full Trade Name		Browhill Limited	
Location		Chrisantou Milona street, CY 3030, Limassol, Cyprus	



Mailing Address for Correspondence Addressed to the Legal Person		<i>Chrisantou Milona street, CY 3030, Limassol, Cyprus</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>April 18, 2004</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>87.</b>			
<i>Full Trade Name</i>		<i>Fulwell Investments limited</i>	
Location		<i>Chrisantou Milona street, CY 3030, Limassol, Cyprus</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Chrisantou Milona street, CY 3030, Limassol, Cyprus</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>April 18, 2004</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			

Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>88.</b>			
<i>Full Trade Name</i>		<i>S.C. Industria Sirmei S.A.</i>	
Location		<i>Str. Laminoristilor, 145, Cod 3351, Cimpia Turzii, jud. Cluj, ROMANIA</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>Str. Laminoristilor, 145, Cod 3351, Cimpia Turzii, jud. Cluj, ROMANIA</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>June 20, 2003</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>89.</b>			
<i>Full Trade Name</i>		<i>Open Joint Stock Company “Trading Port Posyet”</i>	
Location		<i>Russian Federation, 692705 Primorski Krai, Khasansk Area, Posvet, ul. Portovaya, 41</i>	

Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 692705 Primorski Krai, Khasansk Area, Posyet, ul. Portovaya, 41</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>February 10, 2004</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares constituting the charter capital of the Person</i>  <i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<i>Contents of the Amendment</i>		<i>None</i>	
<b>90.</b>			
<i>Full Trade Name</i>		<i>Limited Liability Company “Nord Transport Agency”</i>	
Location		<i>Russian Federation, 692705 Primorski Krai, Khasansk Area, Posvet, ul. Portovaya, 41</i>	

Mailing Address for Correspondence Addressed to the Legal Person		<i>Russian Federation, 692705 Primorski Krai, Khasansk Area, Posyet, ul. Portovaya, 41</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>February 10, 2004</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<i>None</i>	
	<i>Preferred</i>	<i>None</i>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<i>None</i>	
<b><i>Contents of the Amendment</i></b>		<i>None</i>	
<b>91.</b>			
<b><i>Full Trade Name</i></b>		<i>Open Joint Stock Company "Izhstal"</i>	
Location		<i>Russian Federation, Republic of Udmurtia, Izhevsk</i>	
Mailing Address for Correspondence Addressed to the Legal Person		<i>426006 Republic of Udmurtia, Izhevsk, ul. Novoazhimova, 6</i>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>May 14, 2004 May 20, 2004</i>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>Joint Stock Company may control more than 20% of the total number of votes represented by the shares constituting the charter capital of the Person</i>  <i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
92.			
Full Trade Name		Closed Joint Stock Company “Stalinvest”	
Location		Russian Federation, Republic of Udmurtia, Izhevsk	
Mailing Address for Correspondence Addressed to the Legal Person		426057 Republic of Udmurtia, Izhevsk, ul. M. Gorkogo, 43	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 20, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
93.			

<b>Full Trade Name</b>		<b>Limited Liability Company "Izhstal-avto"</b>	
Location		<b>Russian Federation, Republic of Udmurtia, Izhevsk</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>426006 Republic of Udmurtia, Izhevsk, ul. Novoazhimova, 6</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 20, 2004</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>	
<b>94.</b>			
<b>Full Trade Name</b>		<b>Limited Liability Company "Izhstal-Agro"</b>	
Location		<b>426000 Republic of Udmurtia, Izhevsk, Zavialovo, ul. Kalinina, 31</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>426000 Republic of Udmurtia, Izhevsk, ul. Agrarnaya, 13</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 20, 2004</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	

Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
95.			
Full Trade Name		Limited Liability Company “Izhstal-TNP”	
Location		426006 Republic of Udmurtia, Izhevsk, ul. Novoazhimova, 6	
Mailing Address for Correspondence Addressed to the Legal Person		426006 Republic of Udmurtia, Izhevsk, ul. Novoazhimova, 6	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		May 20, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
96.			

<b>Full Trade Name</b>		<b>Limited Liability Company "Izhstal Health Resort"</b>	
Location		<b>426054 Republic of Udmurtia, Izhevsk, ul. 30 let Pobedy, 65</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>426054 Republic of Udmurtia, Izhevsk, ul. 30 let Pobedy, 65</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>May 20, 2004</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>None</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>None</b>	
<b>Contents of the Amendment</b>		<b>None</b>	
<b>97.</b>			
<b>Full Trade Name</b>		<b>Limited Liability Company "Kaslino Architectural and Ornamental Casting Plant"</b>	
Location		<b>454080 Chelyabinsk, pr. Lenina, 68</b>	
Mailing Address for Correspondence Addressed to the Legal Person		<b>454080 Chelyabinsk, pr. Lenina, 68</b>	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>June 18, 2004</b>	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<b>Joint Stock Company has obtained the right to control more than 20% of the charter capital of the Person</b>  <b>The Person belongs to the group of persons comprising the Joint Stock Company</b>	



Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
98.			
Full Trade Name		Mechel Trading Romania SRL	
Location		5 Gheorge Manu Str., Bucharest, Romania	
Mailing Address for Correspondence Addressed to the Legal Person		5 Gheorge Manu Str., Bucharest, Romania	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		November 19, 2003	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			

Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
99.			
Full Trade Name		Steel Consulting LLP	
Location		Rotherwick House, 3 Thomas More Street, London E1W 1YX	
Mailing Address for Correspondence Addressed to the Legal Person		Rotherwick House, 3 Thomas More Street, London E1W 1YX	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		September 19, 2004	
Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		The Person belongs to the group of persons comprising the Joint Stock Company	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	Ordinary	None	
	Preferred	None	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		None	
Contents of the Amendment		None	
100.			
Full Trade Name		Britta Investments LTD	
Location		P.O. Box 958, Pasea Estate, Road Town, Torgola, British Virgin Islands	
Mailing Address for Correspondence Addressed to the Legal Person		P.O. Box 958, Pasea Estate, Road Town, Torgola, British Virgin Islands	
Date of Occurrence of the Event Resulting in the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		September 19, 2004	

Reason for the Person Acquiring the Status of an Affiliated Person of the Joint Stock Company		<i>The Person belongs to the group of persons comprising the Joint Stock Company</i>	
Stake in the Joint Stock Company Shares of Each Category Held by its Affiliated Person	<i>Ordinary</i>	<b>14.4907%</b>	
	<i>Preferred</i>	<b>None</b>	
Date and Content of Amendment Made to the List of Affiliated Persons			
Date of the Amendment Made to the List of Affiliated Persons		<b>November 03, 2004</b>	
<b>Contents of the Amendment</b>		<b>Change in the fraction of shares of the Joint Stock Company held by the Person</b>	

#### Settlements with Affiliated Persons

Name	Payable at the beginning of 2004, RUR'000	Cost of Services Provided, RUR'000	Amount Paid, RUR'000	Payable at the end of 2004, RUR'000
Private Security Company "Alpha"	-	11	11	-
OAO "BMP"	-	40,097	40,019	78
ZAO "VMP"	1 218	2 103	1 607	1 714
OAO "Izhstal"	-	5 388	5 302	86
OP "Cascade"	-	11	11	-
OOO "Kaslino Architectural and Ornamental Casting Plant"	-	159	-	159

OA0 "Korshunovskiy Mining and Processing Integrated Works"	50	1 115	1 165	-
ZAO "Mechel Nyamunas"	-	778	778	-
OA0 "ChMP"	-	238,137	157,878	80,259
Private Security Company "Mechel UK"		11	11	
OOO "Mechel-Trans"	-	64	17	47
Mechel Trading AG	1 729	31,877	33,606	-
OOO "Mechel-Energo"	-	16	16	-
OOO "Trading House Mechel"	80,428	227,803	308,231	-
OA0 "Trading Port Posyet"	-	1 531	1 498	33
OA0 "Uralkuz"	-	12,534	12,489	45
OOO Private Security Company "Mechel"	-	11	11	-
OOO Private Security Company "Mechel Center"		31	11	20
OA0 "Southern Kuzbass"	27,312	64,377	91,522	167
OA0 "Integrated Works Yuzhuralnickel"	2 610	25,146	27,683	73
TOTAL	113,347	651,200	681,866	82,681

Procurement Operations:

Name	At the beginning of 2004, RUR'000		Movement in 2004, RUR'000		At the end of 2004, RUR'000	
	Accounts receivable	Accounts Payable	Sale	Settlements	Accounts receivable	Accounts Payable
OA0 "BMP"		-	1	1	-	
OA0 Mining and Processing Factory "Tomusinskaya"	-	8 397	8 398	-	-	

Inter-Rail Transport Limited		27,374	27,374	-	-	-
Mechel Trading AG		241,989	241,909	-	80	-
OAo "ChMP"	5		155,523	155,528		-
OOO "Mechel-Invest"	-	-	30,276	30,276	-	-
OOO "Mechel-Energo"	-	-	36	36	-	-
ZAO "Steel-Invest"	-	-	291,626	289,705	1,921	-
OOO "Trading House Mechel"	-	206,635	5,157,409	4,950,802		28
OAo "Southern Kuzbass"	-	-	8 398	11,133	-	2 735
OOO Private Security Company "Mechel Center"	-	-	1 439	1,648	-	209
OAo Integrated Works "Yuzhuralnickel"	-	2	2	-	-	-
TOTAL	5	484,397	5,922,391	5,439,129	2 001	2 972

Cash received under Loan Agreements:

Name	At the beginning of 2004, RUR'000	Repaid, RUR'000	Received, RUR'000	At the end of 2004, RUR'000
Mechel Trading AG	-	882,616	882,616	-
OOO "Trading House Mechel"	117,470	2,095,720	2,213,190	-
TOTAL	117,470	2,978,336	3,095,806	-

Interest accrued under Loan Agreements:

Name	At the beginning of 2004, RUR'000	Paid, RUR'000	Accrued, RUR'000	At the end of 2004, RUR'000
Mechel Trading AG	-	44,191	44,191	-
OOO "Trading House Mechel"	3 531	109,329	105,798	-
TOTAL	3 531	153,520	149,989	-

Cash extended under Loan Agreements:

Name	At the beginning of 2004, RUR'000	Extended, RUR'000	Repaid, RUR'000	At the end of 2004, RUR'000
OAO "BMP"		93,000		93,000
OAO "Korshunovskiy Mining and Processing Integrated Works"	-	125,000	-	125,000
OAO "ChMP"		912,000		912,000
OOO "Mechel-Trans"	-	200,000		200,000
OOO "Trading House Mechel"	-	1,593,381	300,337	1,293,044
OAO Integrated Works "Yuzhuralnickel"	-	58,000	-	58,000
TOTAL	-	2,981,381	300,337	2,681,044

Interest accrued on extended loans:

Name	At the beginning of 2004, RUR'000	Accrued, RUR'000	Paid, RUR'000	At the end of 2004, RUR'000
OA0 "BMP"	-	166	91	75
OA0 "Korshunovskiy Mining and Processing Integrated Works"	-	4 059	4 059	-
OA0 "ChMP"	-	263	-	263
OOO "Mechel-Trans"	-	1 919	1 919	-
OOO "Trading House Mechel"	-	120	55	65
OA0 Integrated Works "Yuzhuralnickel"	-	2 651	-	2 651
TOTAL	-	9 178	6 124	3 054

Remuneration paid in 2004 to the members of the Board of Directors of the Company pursuant to Regulations *On Remuneration of the Members of the Board of Directors of Open Joint Stock Company "Mechel Steel Group"*, including compensation of expenses incurred by them in connection with the performance of their official functions, amounted to RUR 61,311,647.51.

**17. Contingent Business Operations**

The Company is not engaged in contingent operations.

**18. Cessation of Operations**

The Company does not intend to cease its financial and business operations.

General Director	Signature	V. F. Iorich	Seal
Chief Accountant	Signature	T. A. Kalyadina	