

PROFIT AND LOSS STATEMENT

in 200 5

Organization: Mechel Steel Group Open Joint Stock Company per OKUD
 Taxpayer Identification Number _____ Date (year, month, day) _____
 Line of business commercial operations and management consultations, investments into securities per OKPO
 Legal status / Type of ownership Open Joint Stock Company, Private per OKVED
RUR thou. per OKOPF/OKFS
 Measurement unit: RUR thousand per OKEI

CODES		
0710002		
2 006	3	27
14 582 388		
7703370008		
74.14.65.23.1		
47	34	
384/385		

Item Description	Code	Reporting year		Same period, previous year	
		1	2	3	4
Operating Income and Expenses					
(Net) proceeds from sales of goods, products, work, services (exclusive of VAT, excises and similar mandatory levies)	010		1 015 452		515 728
Cost of goods, products, work, services sold	020		(607 477)		(240 887)
Gross profit	029		407 975		274 841
Commercial expenses	030		-		-
Management expenses	040		(343 476)		(452 405)
Sales profit (loss)	050		64 499		(177 564)
Other operating income and expenses					
Interest receivable	060		224 349		5 545
interest on loans to banks	061				5 240
Interest payable	070		(417 971)		(168 127)
Income from participation in other entities	080		-		17 323
Other operating income	090		7 057 267		18 997 033
including: mark-to-market gains	091		904 529		11 756 827
sale of foreign currency	092		6 152 478		7 239 565
court of referees operations	093		244		515
Other operating expenses	100		(6 296 280)		(9 194 476)
including: mark-to-market losses	101		142 639		1 931 048
sale of foreign currency	103		6 142 292		7 241 923
court of referees operations	106		-		197
sale of shares	107		5 427		-
bond servicing expenses	108		-		14 139
Non-operating gains	120		24 622		74 232
financial investments revaluation gains	121		566		30 122
foreign exchange translation gains	122		23 967		44 110
Non-operating expenses	130		92 278		(33 553)
foreign exchange translation losses	131		83 499		(30 313)
non-deductible non-operating expenses	132		5 178		(3 147)
Profit (loss) before taxes	140		564 208		9 520 413
Deferred tax assets	141		37 321		66 252
Deferred tax liabilities	142		1 590		(3 000)
Current profit tax	150		(1 688)		(638)
Payments referred to profit and loss account	151		(127)		(720)
Restated profit tax for 2003	152		-		161
Net profit (loss) of the reporting period	190		601 304		9 582 468
REFERENCE:					
Standing tax liabilities	200		1 505 823		2 214 546
Standing tax assets	201		(1 676 343)		(4 559 139)
Basic profit (loss) per share			-		-
Diluted profit (loss) per share			-		-

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PROFIT AND LOSS BREAKDOWN

Item Description	code	Reported period		Same period, previous year	
		profit	loss	profit	loss
1	2	3	4	5	6
Penalties, fines, and forfeits admitted or regarding which court judgments (arbitration awards) were received on their levy	210	-	119	-	-
Profit (loss) of previous years	220	-	3480	674	-
Recovery of losses caused by non-performance or improper performance of obligations	230			-	-
Exchange rate differences	240	23 967	(83 499)	44 100	(30 313)
Deductions to evaluation reserves	250	X		X	-
Relief of past-limitation payables and receivables	260	-	-	-	-

Chief Executive Officer V.F. Iorich (signature) (name) Chief Accountant T.A. Kalyadina (signature) (name)
 March 27, 200 6