

**AUDIT REPORT**  
**on JSC Dorogobuzh Financial Statements**  
**for the Year 2008**

**Moscow, 2009**

## AUDITOR

- (1) **Name:** LLC Baker Tilly Russaudit
- (2) **Domicile:** 95 Prospect Mira, 129085 Moscow, Russia.
- (3) **Phone No.:** + 7 495 788 09 06, +7 495 647 24 20.  
**Fax No.:** +7 495 647 24 22.
- (4) **License:**  
  
**for general audit** No. E006075 issued by Order No. 158 of the Ministry of Finance of the Russian Federation as of June 24, 2004; the License is valid for the period of five years upon the date of its issuance.
- (5) **Certificate of State Registration** No. 015.468 dd. September 8, 1992 issued by the Moscow Registration Chamber; main state registration number (OGRN) 1037700117949.
- (6) **Membership with accredited professional audit associations:**
  - Institute of Professional Auditors, a non-profit partnership;
  - Institute of Professional Accountants of Russia, a non-profit partnership,**as well as:**  
  
Baker Tilly International (an independent member).

## AUDITED COMPANY

- (7) **Name:** JSC Dorogobuzh
- (8) **Domicile:** Verkhnedneprovsky Settlement, Dorogobuzh District, Smolensk Region, 215753, Russia
- (9) **Certificate of State Registration:**
- Entry made to the Unified State Register of Legal Entities regarding the legal entity registered prior to July 1, 2002 (certificate of an entry made to the Unified State Register of Legal Entities dd. September 24, 2002, series 67 No. 000520905);
  - Certificate of State Registration No. 6 dd. July 30, 1997 issued by the Head of the Dorogobuzh District Administration.

## EXECUTIVE SUMMARY

### on Dorogobuzh's Financial Statements

- (10) We have audited the accompanying financial statements of JSC Dorogobuzh for the year 2008 issued on March 18, 2009. These statements have been prepared by Dorogobuzh's executive body on the basis of the accounting and reporting principles and methods established under the laws and regulations of the Russian Federation.
- (11) The financial statements of JSC Dorogobuzh include:
- Balance Sheet;
  - Profit and Loss Statement;
  - Supplements to the Balance Sheet and Profit and Loss Statement;
  - Explanatory Note.
- (12) These financial statements are the responsibility of JSC Dorogobuzh executive body. Our responsibility is to express an opinion, based on our audit, whether these financial statements are true and fair in all material aspects.
- (13) We conducted our audit in accordance with:
- Federal Law of the Russian Federation No. 307-FZ dd. December 30, 2008 *On Audit*;

- the Federal Audit Rules (Standards);
  - Internal Audit Standards of the Institute of Professional Auditors;
  - Audit Standards of LLC Baker Tilly Russaudit.
- (14) The audit was planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement.
- (15) The audit is performed on a random basis and includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles and methods used, the rules for preparation of financial statements, and significant estimates made by management of the audited Company, as well as evaluating the overall representation of the financial statements.
- (16) We believe that our audit provides a reasonable basis for our opinion on these financial statements.
- (17) In our opinion, Dorogobuzh's financial statements present fairly, in all material respects, Dorogobuzh's financial position as of December 31, 2008 as well as financial results of its operations for the period between January 1 and December 31, 2008 inclusive, in compliance with the Russian law applicable to accounting and reporting.

***Moscow March 30, 2009***

***LLC Baker Tilly Russaudit***

***M.B.Pavlova***  
***Deputy General Director***

*(Auditor's Qualification Certificate  
No.011191, dated February 29, 1996 (Minutes No.104 dated March 28, 2002)  
continues in force indefinitely )*

***E.I. Tikhonov***  
***Audit Team Leader***

*(Auditor's Qualification Certificate  
No. K014700, dated April 8, 2004 (Minutes No.54, dated March 27, 1998)  
continues in force indefinitely)*

	CODES		
OKUD Form No.1	0710001		
Date (yyyy, dd, mm)	2008	12	31
OKPO Code	00203815		
INN	6704000505		
OKVED Code	24.15		
OKOPF/OKFS Codes	47/16		
OKEI Code	384		

# BALANCE SHEET

**As of December 31, 2008**

Company JSC Dorogobuzh OGRN 1026700535773

Taxpayer Identification Number (INN) 6704000505

Business Production of fertilizers and nitrogen compounds

Legal status and ownership open joint stock company

Stated in RUB '000

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Domicile Verkhnedneprovsky Settlement, Dorogobuzh District, Smolensk Region, 215753

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Date approved

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Date sent/accepted

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<b>A S S E T S</b>	Code	Opening Balance	Closing Balance
1	2	3	4
<b>I. NON-CURRENT ASSETS</b>			
Intangible assets*	110	<b>1 026</b>	<b>909</b>
Fixed assets*	120	<b>1 106 626</b>	<b>2 202 080</b>
<i>incl.</i> land plots and natural assets.	121	1 297	1 297
plant, property and equipment.	122	1 105 329	2 200 783
Construction in progress.	130	<b>772 609</b>	<b>863 962</b>
Income-bearing investments in tangible assets.	135	-	-
Long-term financial investments*	140	<b>5 533 646</b>	<b>1 938 683</b>
<i>incl.</i> investments in subsidiaries.	141	219 989	316 474
investments in affiliates.	142	-	-
investments in other entities.	143	5 258 657	1 255 909
other long-term financial investments.	144	55 000	366 300
Deferred tax assets.	145	<b>1 158</b>	<b>976</b>
Other non-current assets.	150	-	-
<b>TOTAL under Section I.</b>	<b>190</b>	<b>7 415 065</b>	<b>5 006 610</b>
<b>II. CURRENT ASSETS</b>			
Inventories.	210	<b>931 949</b>	<b>1 320 084</b>
<i>incl.</i> feedstock, raw materials and similar assets.	211	730 463	936 063
rearers and feeders.	212	-	-
cost of work in progress (distribution costs)	213	47 586	67 696
finished goods and goods for resale.	214	96 753	295 939
goods shipped.	215	44 489	1 856
prepaid expenses.	216	12 658	18 530
other inventories and costs.	217	-	-
Input value added tax.	220	<b>59 010</b>	<b>97 013</b>
Accounts receivable (due more than 12 months after the accounting date)*	230	<b>666</b>	<b>647</b>
<i>incl.</i> trade receivables.	231	666	647
Accounts receivable (due within 12 months after the accounting date)*	240	<b>1 271 962</b>	<b>841 214</b>
<i>incl.</i> trade receivables.	241	233 053	344 306
bills receivable.	242	-	-
authorized capital contributions payable by members.	244	-	-
advances paid.	245	630 960	273 522
other receivables.	246	407 949	223 386
Short-term financial investments*	250	187 500	<b>516 498</b>
<i>incl.</i> loans to other entities with maturity less than 12 months.	251	187 500	100 354
other short-term investments.	253	-	416 144
Cash.	260	<b>428 394</b>	<b>289 004</b>
<i>incl.</i> cash on hand.	261	185	49
accounts in Russian roubles.	262	91 110	102 588
accounts in foreign currency.	263	8 379	159 428
other cash.	264	328 720	26 939
Other current assets*	270	<b>8 656</b>	<b>35 953</b>
<b>TOTAL under Section II.</b>	<b>290</b>	<b>2 888 137</b>	<b>3 100 413</b>
<b>BALANCE-SHEET TOTAL (190+290)</b>	<b>300</b>	<b>10 303 202</b>	<b>8 107 023</b>



<b>LIABILITIES</b>	Code	Opening Balance	Closing Balance
1	2	3	4
<b>III. EQUITY</b>			
Authorized capital* . . . . .	410	<b>218 860</b>	<b>218 860</b>
Treasury stock . . . . .	411	-	-
Capital surplus* . . . . .	420	<b>673 412</b>	<b>669 671</b>
Capital reserve* . . . . .	430	<b>32 829</b>	<b>32 829</b>
<i>incl.</i> statutory reserves . . . . .	431	10 943	10 943
reserves formed under constituent documents . . . . .	432	21 886	21 886
Retained profit (loss)* . . . . .	470	<b>6 496 195</b>	<b>4 845 594</b>
<b>TOTAL under Section III. . . . .</b>	<b>490</b>	<b>7 421 296</b>	<b>5 766 954</b>
<b>IV. LONG-TERM LIABILITIES</b>			
Loans and borrowings* . . . . .	510	<b>68 729</b>	<b>440 706</b>
<i>incl.</i> bank loans with maturity over 12 months after the accounting date . . . . .	511	68 729	440 706
borrowings with maturity over 12 months after the accounting date . . . . .	512	-	-
Deferred tax liabilities . . . . .	515	<b>1 289 224</b>	<b>381 498</b>
Other long-term liabilities . . . . .	520	-	-
<b>TOTAL under Section IV. . . . .</b>	<b>590</b>	<b>1 357 953</b>	<b>822 204</b>
<b>V. SHORT-TERM LIABILITIES</b>			
Loans and borrowings* . . . . .	610	<b>887 012</b>	<b>884 577</b>
<i>incl.</i> bank loans with maturity within 12 months after the accounting date . . . . .	611	234	884 577
borrowings with maturity within 12 months after the accounting date . . . . .	612	886 778	-
Accounts payable* . . . . .	620	<b>622 296</b>	<b>619 325</b>
<i>incl.</i> trade accounts payable . . . . .	621	108 774	303 805
payroll payable . . . . .	622	55 374	27 925
accounts payable to state extra-budgetary funds . . . . .	623	15 242	8 352
taxes payable . . . . .	624	124 343	19 899
other accounts payable . . . . .	625	318 563	259 344
Dividends payable to members/founders* . . . . .	630	<b>1 929</b>	<b>11 247</b>
Deferred revenues . . . . .	640	<b>3 370</b>	<b>2 716</b>
Provision for future expenses . . . . .	650	-	-
Other short-term liabilities* . . . . .	660	<b>9 346</b>	-
<b>TOTAL under Section V. . . . .</b>	<b>690</b>	<b>1 523 953</b>	<b>1 517 865</b>
<b>BALANCE-SHEET TOTAL (490+590+690)</b>	<b>700</b>	<b>10 303 202</b>	<b>8 107 023</b>

### *Statement of Off -Balance Sheet Assets*

Item	Code	Opening Balance	Closing Balance
Rented fixed assets*	910	21 633	70 588
<i>incl.</i> under lease arrangements	911	-	-
Tangibles in custody	920	-	-
Goods accepted for commission	930	-	-
Bad debt write-offs	940	19 184	21 858
Securities for obligations and payments received*	950	900 000	20 877
Securities for liabilities and payments paid*	960	-	81 052
Depreciation of housing stock	970	537	538
Depreciation of outdoor infrastructure and similar assets	980	264	343
Intangibles received for use	990	-	-

\* - explanation of the item is given in the supplements

Chief Executive Officer

Ivan Antonov

Chief Accountant

Nina Sluzhenikina

March 18, 2009

# PROFIT AND LOSS STATEMENT

			<b>CODES</b>
for the year	2008	OKUD Form No.2	0710002
Company	JSC Dorogobuzh OGRN 1026700535773	Date (yyyy, mm, dd)	2008   2   31
Taxpayer Identification Number	6704000505	OKPO Code	00203815
Business	Production of fertilizers and nitrogen compounds	INN	6704000505
Legal status and ownership	open joint stock company	OKVED Code	24.15
Stated in:	RUB '000	OKOPF/OKFS Codes	47/16
		OKEI Code	384

Item	Code	Reporting Period	Corresponding Prior Period
1	2	3	4
<b><i>Operating revenue and expenses</i></b>			
(Net) proceeds from the sale of goods, products, work and services (less value added tax, excise duties and similar charges)*	010	9 825 676	7 415 560
Cost of sold goods, products, works and services	020	(3 948 160)	(3 841 600)
Gross profit	029	5 877 516	3 573 960
Sales expenses	030	(1 460 807)	(921 706)
Administrative expenses	040	(714 018)	(661 702)
Sales profit (loss)	050	3 702 691	1 990 552
<b><i>Other revenue and expenses</i></b>			
Interest receivable	060	80 660	25 401
Interest payable	070	(76 221)	(113 887)
Revenue from shareholdings	080	475 262	149 045
Other revenues*	090	12 545 745	7 155 296
Other expenses*	100	(16 847 240)	(5 402 149)
<b><i>Profit (loss) before tax</i></b>			
	140	(119 103)	3 804 258
Deferred tax assets	141	(182)	(100)
Deferred tax liabilities*	142	907 726	(468 241)
Current profit tax	150	(796 957)	(443 069)
Profit tax for the previous year	160	0	(1 084)
<b><i>Net profit (loss) for the accounting period</i></b>			
	190	(8 516)	2 891 764
<b>FOR REFERENCE ONLY</b>			
Permanent tax liabilities (assets)	200	(82 002)	(1 612)
Basic earnings (loss) per share*	201	-	-
Diluted earnings (loss) per share	202	-	-

**BREAKDOWN OF CERTAIN PROFIT AND LOSS ITEMS**

Item	Code	Reporting Period		Corresponding Prior Period	
		Gain	Loss	Gain	Loss
1	2	3	4	5	6
Fines, penalties and damages recognized or awarded by arbitration decision	210	57	28 926	197	42 740
Profit (loss) for the previous year	220	654	3 413	957	1 030
Reimbursement for losses caused by non-performance or improper performance of obligations	230	-----	-----	-----	-----
Exchange rate differences on foreign currency transactions	240	140 659	377 264	74 933	52 913
Allocations to allowance accounts	250	×	-----	×	-----
Write-off of accounts receivable and payable unrecoverable due to expired limitation period	260	945	2 735	664	12 401

\* - explanation of the item is given in the supplements

CEO \_\_\_\_\_  
(signature)

Ivan Antonov \_\_\_\_\_  
(Name)

Chief Accountant \_\_\_\_\_  
(signature)

Nina Sluzhenikina \_\_\_\_\_  
(Name)

March 18, 2009

**STATEMENT OF SHAREHOLDERS' EQUITY**  
for the year 20 08

Company JSC Dorogobuzh OGRN 1026700535773 OKUD Form No.3  
Taxpayer Identification Number 6704000505 Date (yyyy, mm, dd)  
Business Production of fertilizers and nitrogen compounds OKPO Code  
Legal status and ownership open joint stock company OKOPF/OKFS Codes  
Stated in: RUB '000 OKEI Code

CODES		
0710003		
2008	12	31
00203815		
6704000505		
24.15		
47	16	
384		

**I. Changes in Shareholders' Equity**

Description	Code	Charter Capital	Capital Surplus	Capital Reserves	Retained Profit (Loss)	Total
1	2	3	4	5	6	7
Balance as of December 31 of the previous year	010	218 860	689 842	32 829	3 588 001	4 529 532
<u>200 7</u> (previous year)						
Effect of changes in accounting policy	011	x	x	x	-	-
Effect of fixed assets revaluation	012	x	-	x	-	-
		x	-	-	-	-
Balance as of January 1 of the previous year	020	218 860	689 842	32 829	3 588 001	4 529 532
Foreign currency translation difference	023	x	-	x	x	-
Net profit	025	x	x	x	2 891 764	2 891 764
Dividends	026	x	x	x	-	-
Allocations to reserve fund	030	x	x	-	-	-
Increase in shareholders' equity resulting from:						
additional share issue	041	-	x	x	x	-
increase in shares' par value	042	-	x	x	x	-
legal entity reorganization	043	-	x	x	-	-
Issue profit	044	-	-	-	-	-
Revaluation of retired fixed assets	045	-	-	-	16 430	16 430
Decrease in shareholders' equity resulting from:						
decrease in shares' par value	051	(-)	x	x	x	-
decrease in the number of shares	052	(-)	x	x	x	-
legal entity reorganization	053	(-)	x	x	(-)	-
Revaluation of retired fixed assets	054	-	(16 430)	-	-	(16 430)
Balance as of December 31 of the previous year	060	218 860	673 412	32 829	6 496 195	7 421 296
<u>200 8</u> (reporting year)						
Effect of changes in accounting policy	061	x	x	x	-	-
Effect of fixed assets revaluation	062	x	-	x	-	-
		x				
Balance as of January 1 of the reporting year	100	218 860	673 412	32 829	6 496 195	7 421 296
Foreign currency translation difference	103	x	-	x	x	-
Net profit	105	x	x	x	(8 516)	(8 516)
Dividends	106	x	x	x	(1 645 826)	(1 645 826)

Description		Charter Capital	Capital Surplus	Capital Reserves	Retained Profit (Loss)	Total
	Code					
1	2	3	4	5	6	7
Allocations to reserve fund	110	x	x	-	-	-
Increase in shareholders' equity resulting from:						
additional share issue	121	-	x	x	x	-
increase in shares' par value	122	-	x	x	x	-
legal entity reorganization	123	-	x	x	-	-
Revaluation of retired fixed assets	124	-	-	-	3 741	3 741
Decrease in shareholders' equity resulting from:						
decrease in shares' par value	131	(-)	x	x	x	(-)
decrease in the number of shares	132	(-)	x	x	x	(-)
legal entity reorganization	133	(-)	x	x	(-)	(-)
Revaluation of retired fixed assets	134	(-)	(3 741)	-	-	(3 741)
Balance as of December 31 of the reporting year	140	218 860	669 671	32 829	4 845 594	5 766 954

## II. Reserves

Description		Opening Balance	Allocated	Distributed	Closing Balance
	Code				
1	2	3	4	5	6
<b>Statutory reserves:</b>					
<b>Capital Reserve</b>					
<i>(reserve description)</i>					
for the previous year	151	10943	-	(-)	10 943
for the reporting year	152	10943	-	(-)	10 943
<i>(reserve description)</i>					
for the previous year	153	-	-	(-)	-
for the reporting year	154	-	-	(-)	-
<b>Reserves Formed under Constituent Documents:</b>					
<b>Capital Reserve</b>					
<i>(reserve description)</i>					
for the previous year	161	21886	-	(-)	21 886
for the reporting year	162	21886	-	(-)	21 886
<i>(reserve description)</i>					
for the previous year	163	-	-	(-)	-
for the reporting year	164	-	-	(-)	-
<b>Revaluation Reserves:</b>					
<i>(reserve description)</i>					
for the previous year	171	-	-	(-)	-
for the reporting year	172	-	-	(-)	-
<i>(reserve description)</i>					
for the previous year	173	-	-	(-)	-
for the reporting year	174	-	-	(-)	-
<i>(reserve description)</i>					
for the previous year	175	-	-	(-)	-
for the reporting year	176	-	-	(-)	-

1	2	3	4	5	6
<b>Provision for deferred expenses:</b>					
(reserve description)					
for the previous year	181	-	-	-	-
for the reporting year	182	-	-	-	-
(reserve description)					
for the previous year	183	-	-	(-)	-
for the reporting year	184	-	-	(-)	-

### Reference Information

Description		Opening Balance		Closing Balance	
1	2	3		4	
1) Net assets	200	7 424 666		5 769 670	
		From the budget		From extra-budgetary funds	
		reporting year	previous year	reporting year	previous year
		3	4	5	6
2) Received for: operating expenses - total	210	-	-	-	-
including:					
capital investment in non-current assets	220	-	-	-	-
including:					

CEO

\_\_\_\_\_  
(signature)      Ivan Antonov  
(name)

Chief Accountant

\_\_\_\_\_  
(signature)      Nina Sluzhenikina  
(name)

\_\_\_\_ March 18, 20 09

**CASH FLOW STATEMENT**  
For the Year 20 08

Company JSC Dorogobuzh OGRN 1026700535773 OKUD Form No.4  
 Taxpayer's Identification Number 6704000505 Data (yyyy, dd, mm) 2008 12 31  
 Business Production of fertilizers and nitrogen compounds OKPO Code 00203815  
 Legal status and ownership open joint stock company INN 6704000505  
 Stated in: RUB '000 OKVED Code 24.15  
 OKOPF/OKFS Code  
 OKEI Code

Codes		
0710004		
2008	12	31
00203815		
6704000505		
24.15		
47		16
384		

Description	Code	Reporting Period	Corresponding Prior Period
1	2	3	4
<b>Opening cash balance</b>	010	428 170	522 619
<b>Cash flow from operating activities</b>			
Trade receipts	020	11 702 459	8 579 713
Other revenues	050	5 840 810	4 584 050
Cash paid in the form of:			
payments for goods, work, services, raw materials and other current assets	150	(6 246 339)	(6 041 588)
payroll	160	(681 593)	(614 204)
dividends and interest	170	(1 717 529)	(114 999)
taxes and similar charges	180	(1 258 415)	(644 488)
other expenses	190	(7 334 373)	(4 575 664)
Net cash flow from operating activities	200	305 020	1 172 820
<b>Cash flow from investment activities</b>			
Disposal of fixed assets or other non-current assets	210	5 218	45 972
Disposal of securities or other financial instruments	220	121 897	42 060
Dividends received	230	523 168	142 599
Interest received	240	57 796	20 603
Repayment of loans issued to other companies	250	812 000	628 000
Acquisitions	280	(109 910)	(171 231)
Purchased fixed assets, income-bearing investment and intangible assets	290	(1 196 723)	(379 791)
Purchased securities and other financial instruments	300	(65)	0
Loans issued	310	(1 036 669)	(617 500)
Net cash flow from investment activities	340	(823 288)	(289 288)

1	2	3	4
<b>Cash flow from financial activities</b>			
Securities or other equity issued	350	0	0
Loans or borrowings obtained	360	2 391 884	589 109
Repayment of loans or borrowings (less interest)	390	(2 034 855)	(1 549 938)
Repayment of financial lease	400	0	0
		()	
		()	
Net cash flow from financial activities	410	357 029	(960 829)
Net increase (decrease) in cash and cash equivalents	420	(161 239)	(77 297)
<b>Closing cash balance</b>	430	288 967	428 170
Effect of Russian rouble exchange rate movement	440	22 036	(17 152)

CEO

\_\_\_\_\_  
(signature)

Ivan Antonov

\_\_\_\_\_  
(name)

Chief Accountant

\_\_\_\_\_  
(signature)

Nina Sluzhenikina

\_\_\_\_\_  
(name)

\_\_\_\_ March 18, 20 09



**BALANCE SHEET SUPPLEMENT**  
for the year 20 08

Company JSC Dorogobuzh OGRN 1026700535773 OKUD Form No.5  
 Taxpayer Identification Number 6704000505 Date (yyyy, mm, dd)  
 Business Production of fertilizers and nitrogen compounds OKPO Code  
 Legal status and ownership open joint stock company INN  
 Stated in: RUB '000 OKVED Code  
 OKOPF/OKFS Codes  
 OKEI Code

CODES		
0710005		
2008	12	31
00203815		
6704000505		
24.15		
47	16	
384		

**Intangible Assets**

Item	Code	Opening Balance	Recorded	Disposed of	Closing Balance
1	2	3	4	5	6
Intellectual property rights (exclusive rights to intellectual property)	010	1 358	57	(-)	1 415
including:					
patent holder rights to an invention, industrial design, useful model	011	-	-	(-)	-
rights to software or databases	012	-	-	(-)	-
rights to integral circuit topography	013	-	-	(-)	-
rights to a trademark, service mark, geographical indication rights	014	1 358	57	(-)	1 415
plant breeder's rights	015	-	-	(-)	-
Administrative expenses	020	-	-	(-)	-
Goodwill	030	-	-	(-)	-
				(-)	-
Other	040	-	-	(-)	-

Item	Code	Opening Balance	Closing Balance
1	2	3	4
Intangible assets amortization - total	050	332	506
В том числе:			

## Fixed Assets

Item		Opening Balance	Recorded	Disposed of	Closing Balance
	Code				
1	2	3	4	5	6
Buildings	061	710 536	-	(745)	709 791
Installations and transmission units	062	472 628	3 626	(187)	476 067
Plant and machinery	063	1 424 289	546 927	(26287)	1 944 929
Vehicles	064	127 565	692 414	(8578)	811 401
Production and business inventory	065	21 182	1 653	(2 572)	20 263
Working livestock	066	-	-	(-)	-
Producing livestock	067	-	-	(-)	-
Perennial plants	068	-	-	(-)	-
Other fixed assets	069	992	-	(-)	992
Land plots and natural assets	070	1 297	-	(-)	1 297
Capital investments in land improvement	071	-	-	(-)	-
<b>Total</b>	<b>072</b>	<b>2 758 489</b>	<b>1 244 620</b>	<b>(38 369)</b>	<b>3 964 740</b>

Item		Opening Balance	Closing Balance
	Code		
1	2	3	4
Depreciation of fixed assets - total	140	1 651 863	1 762 660
incl.:			
buildings and installations	141	607 506	630 982
machines, equipment, and vehicles	142	1 032 224	1 118 025
other	143	12 133	13 653
Leased out fixed assets - total	150	299 474	379 371
including:			
buildings	151	187 733	140 714
installations	152	25 891	4 623
other	153	85 850	234 034
	154	-	-
		-	-
Suspended fixed assets	160	9 678	10 035
Leased fixed assets - total	161	21 633	70 588
including:			
buildings	162	21 619	21 619
vehicles	163	14	48 969
Real estate pending state registration	164	-	-
	Code	Opening Balance	Closing Balance
<b>For Reference</b>	2	3	4
Effect from revaluation of fixed assets:	171	-	-
historical (replacement) cost	172	-	-
depreciation	173	-	-
	Code	Opening Balance	Closing Balance
	2	3	4
Changes in fixed assets' value resulting from additional construction, modernization, revamping, partial demolition	180	255 913	644 309

**Income-Bearing Investments in Tangible Assets**

Item	Code	Opening Balance	Recorded	Disposed of	Closing Balance
1	2	3	4	5	6
Assets to be transferred under lease arrangements	190	-	-	(-)	-
Assets to be transferred under rent arrangements	200	-	-	(-)	-
Other	210	-	-	(-)	-
<b>Total</b>	<b>220</b>	<b>-</b>	<b>-</b>	<b>(-)</b>	<b>-</b>
	Code	Opening Balance	Closing Balance		
1	2	3	4		
Depreciation of income-bearing investments in tangible assets	230	-	-		

**R&D Expenses**

Description	Code	Opening Balance	Recorded	Disposed of	Closing Balance
1	2	3	4	5	6
<b>Total</b>	<b>310</b>	<b>280</b>	<b>-</b>	<b>(133)</b>	<b>147</b>
including:		-	-	(-)	-
		-	-	(-)	-
		-	-	(-)	-
<b>For Reference</b>			Code	Opening Balance	Closing Balance
			2	3	4
R&D in progress			320	-	-
			Code	Reporting Period	Corresponding Prior Period
			2	3	4
Unproductive R&D expenses recorded as non-operating expenses			330	-	-

**Natural Resources Development**

Description	Code	Opening Balance	Recorded	Disposed of	Closing Balance
1	2	3	4	5	6
Natural resources development - total	410	-	-	()	-
including:		-	-	()	-
		-	-	()	-
		-	-	()	-
<b>For Reference</b>			Code	Opening Balance	Closing Balance
			2	3	4
Expenses for subsoil resources development, pending exploration, reserve evaluation, and/or hydrogeological survey or similar activities				-	-
Unproductive expenses for subsoil resources development recorded as non-operating expenses				-	-

### Financial Investments

Description		Long-Term		Short-Term	
	Code	Opening Balance	Closing Balance	Opening Balance	Closing Balance
1	2	3	4	5	6
Interest in charter (share) capital of other entities - total	510	5 478 646	1 572 383	-	-
including subsidiaries and associates	511	219 989	316 474	-	-
State and municipal securities	515	-	-	-	-
Securities of other entities - total	520	-	-	-	-
including debt securities (bonds and bills of exchange)	521	-	-	-	-
Loans issued	525	55 000	366 300	187 500	100 354
Deposits	530	-	-	-	416 144
Other	535	-	-	-	-
<b>Total</b>	<b>540</b>	<b>5 533 646</b>	<b>1 938 683</b>	<b>187 500</b>	<b>516 498</b>
<b>Of the total amount, quoted financial instruments:</b>					
Interest in charter (share) capital of other entities — total	550	5 257 352	1 255 128	-	-
including subsidiaries and associates	551	-	-	-	-
State and municipal securities	555	-	-	-	-
Securities of other entities - total	560	-	-	-	-
including debt securities (bonds and bills of exchange)	561	-	-	-	-
Other	565	-	-	-	-
<b>Total</b>	<b>570</b>	<b>5 257 352</b>	<b>1 255 128</b>	<b>-</b>	<b>-</b>
<b>For Reference</b>					
Effect of mark-to-market revaluation for quoted financial instruments	580	5 235 771	1 233 818	-	-
For debt securities, difference between historical cost and nominal value posted to financial result of the reporting period	590	-	-	-	-

### Accounts Receivable and Payable

Description		Opening Balance	Closing Balance
1	Code 2		
1	2	3	4
<b>Accounts receivable:</b>			
short-term - total	610	1 271 962	841 214
including:			
trade receivables	611	233 053	344 306
advances paid	612	630 960	273 522
other	613	407 949	223 386
long-term - total	620	666	647
including:			
trade receivables	621	666	647
advances paid	622	-	-
other	623	-	-
<b>Total</b>	<b>630</b>	<b>1 272 628</b>	<b>841 861</b>
<b>Accounts payable:</b>			
short-term - total	640	1 509 308	1 503 902
including:			
trade payables	641	108 774	303 805
advances received	642	316 681	257 933
taxes payable	643	139 585	28 251
loans	644	234	884 577
borrowings	645	886 778	-
other	646	57 256	29 336
long-term - total	650	68 729	440 706
including:			
loans	651	68 729	440 706
borrowings	652	-	-
		-	-
		-	-
<b>Total</b>	<b>660</b>	<b>1 578 037</b>	<b>1 944 608</b>

### Operating Expenses Breakdown

Description		Reporting Year	Previous Year
1	Code 2		
1	2	3	4
Cost of materials	710	5 097 098	4 332 576
Payroll	720	743 015	726 031
Social charges	730	156 507	152 558
Amortization	740	139 540	95 323
Other expenses	750	211 993	184 326
Total for expense items	760	6 348 153	5 490 814
Movements (increase [+], decrease [-]) of:			
production in progress	765	20 110	19 790
deferred expenses	766	5 872	(3 442)
provision for deferred expenses	767	-	-

**Guarantees**

Description		Code	Opening Balance	Closing Balance
1	2			
Received - total	810	900 000	20 877	
including:				
bills of exchange		-	-	
Assets pledged	820	-	-	
of which:				
fixed assets		-	-	
securities and other financial instruments		-	-	
other		-	-	
Issued - total	830	-	81 052	
including:				
bills of exchange		-	-	
Assets pledged	840	-	-	
of which:				
fixed assets	841	-	-	
securities and other financial instruments	842	-	-	
other	843	-	-	

**Government Subsidies**

Description		Code	Reporting Period		Corresponding Prior Period	
1	2		3	4	5	6
Received from the state budget in the reporting year total	910	-	-	-	-	
including:						
Loans from the state budget - total	920	-	-	-	-	
including:						
		-	-	-	-	

CEO

(signature)

Ivan Antonov

(name)

Chief Accountant

(signature)

Nina Sluzhenikina

(name)

March 18, 20 09