

Attachment  
to Order of the Ministry of Finance of the  
Russian Federation dt. July 22, 2003 No.  
67n (version of the Order of the Ministry of  
Finance of the RF dt. September 18, 2006 No.  
116)

**PROFIT AND LOSS STATEMENT**

for 12 months of 200 6

Organization:	<b>Mechel OAO</b>	Form No. 2 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	INN
Measurement unit: RUR thousand/ RUR million (strike out irrelevant)		per OKVED
		per OKOPF/OKFS
		per OKEI

CODES		
0710002		
2 006	3	27
14 582 388		
703370008/99755000		
74.14.65.23.1		
47	34	
384/385		

Item		Reporting year	Same period, previous year
Description	Code		
1	2	3	4
<b>Operating Income and Expenses</b>			
(Net) proceeds from sales of goods, products, work, services (exclusive of VAT, excises and similar mandatory levies)	010	381 256	1 015 452
Cost of goods, products, work, services sold	020	( 154 361 )	( 607 477 )
Gross profit	029	226 895	407 975
Commercial expenses	030	( -- )	( -- )
Management expenses	040	( 633 630 )	( 343 476 )
Sales profit (loss)	050	( 406 735 )	
<b>Other operating income and expenses</b>			
Interest receivable	060	268 370	224 349
Interest payable	070	( 751 718 )	( 417 971 )
Income from participation in other entities	080		
Other operating income	090	38 472 184	7 081 889
Other operating expenses	100	( 3 135 662 )	( 6 388 558 )
<b>Profit (loss) before taxes</b>	140	34 446 439	564 208
Deferred tax assets	141	( 11 092 )	37 321
Deferred tax liabilities	142	1 028	1 590
Current profit tax	150	( 13 367 )	( 1 688 )
Tax sanctions	151	( 3 543 )	( 127 )
<b>Net profit (loss) of the reporting period</b>	190	34 419 465	601 304
REFERENCE:			
Standing tax liabilities	200	571 802	1 505 823
Standing tax assets	201	8 815 220	1 676 343
Basic profit (loss) per share			
Diluted profit (loss) per share			

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**PROFIT AND LOSS BREAKDOWN**

Item		Reported period		Same period, previous year	
Description	code	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	-	42	-	119
Profit (loss) of previous years	220	523 622	196 659	-	3 480
Recovery of losses caused by non-performance or improper performance of obligations	230	-	-	-	-
Exchange rate differences	240	638 072	88 877	23 967	83 499
Deductions to evaluation reserves	250	X	-	X	
Relief of past-limitation payables and receivables	260	-	-	-	-

Chief Executive Officer I. V. Zyuzin  
(signature) (name)

Chief Accountant E. L. Kryazhevskikh  
(signature) (name)

27 March, 200 7