

**NIZHNEKAMSKNEFTEKHIM GROUP**

IFRS consolidated financial statements (unaudited)  
for the nine months ended 30 September 2012  
(in millions of Russian Roubles unless otherwise stated)



<b>Consolidated Statement of Comprehensive Income</b>		<b>Three months ended 30 September</b>		<b>Nine months ended 30 September</b>	
	<b>Note</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Revenue					
	<b>6</b>	31,365	32,493	99,643	93,760
Cost of sales					
	<b>7</b>	(22,801)	(22,753)	(71,782)	(68,024)
<b>Gross profit</b>		<b>8,564</b>	<b>9,740</b>	<b>27,861</b>	<b>25,736</b>
Selling, general and administrative expenses	<b>8</b>	(3,374)	(2,745)	(9,863)	(8,521)
Other operating expenses, net	<b>9</b>	(224)	(115)	(2,280)	(635)
<b>Operating profit</b>		<b>4,966</b>	<b>6,880</b>	<b>15,718</b>	<b>16,580</b>
Financial expenses	<b>10</b>	(11)	(354)	(287)	(781)
Financial income	<b>11</b>	50	178	231	534
Foreign exchange (loss)/gain		151	(693)	175	(171)
Share of post tax net results in associates	<b>14</b>	25	10	28	11
<b>Profit before taxation</b>		<b>5,181</b>	<b>6,021</b>	<b>15,865</b>	<b>16,173</b>
Income tax expense	<b>12</b>	(963)	(1,096)	(3,532)	(3,191)
<b>Profit for the period</b>		<b>4,218</b>	<b>4,925</b>	<b>12,333</b>	<b>12,982</b>
<b>Other comprehensive income/(expense):</b>					
Change in fair value of available for sale investments.		40	(61)	25	(13)
Currency translation reserve		(19)	45	(25)	46
<b>Total comprehensive income for the period</b>		<b>4,239</b>	<b>4,909</b>	<b>12,333</b>	<b>13,015</b>
<b>Profit attributable to:</b>					
Parent company shareholders		4,194	4,920	12,216	12,901
Non-controlling interest		24	5	117	81
<b>Profit for the period</b>		<b>4,218</b>	<b>4,925</b>	<b>12,333</b>	<b>12,982</b>
<b>Total comprehensive income attributable to:</b>					
Parent company shareholders		4,224	4,884	12,226	12,914
Non-controlling interest		15	25	107	101
<b>Total comprehensive income</b>		<b>4,239</b>	<b>4,909</b>	<b>12,333</b>	<b>13,015</b>
<b>Earnings per participating share</b> (Russian Roubles per share)	<b>22</b>	<b>2.29</b>	<b>2.69</b>	<b>6.67</b>	<b>7.04</b>

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**Consolidated statement of financial position**

	Note	30 September 2012	31 December 2011	31 December 2010
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	13	44,758	39,136	34,811
Investment in associates	14	300	373	1,029
Investments in securities and other financial assets	15	2,041	1,999	2,533
Deferred tax assets	12	1,553	1,475	1,436
Other non-current assets	16	587	318	417
<b>Total non-current assets</b>		<b>49,239</b>	<b>43,301</b>	<b>40,226</b>
<b>Current assets</b>				
Inventories	17	10,762	12,928	7,841
Trade and other receivables	18	6,007	3,636	4,328
Income tax prepaid		214	32	223
Taxes paid in advance and VAT recoverable	19	2,862	3,596	1,916
Investments in securities and other financial assets	15	10	-	727
Other current assets	20	1,399	1,459	1,298
Cash and cash equivalents	21	7,227	6,468	2,793
<b>Total current assets</b>		<b>28,481</b>	<b>28,119</b>	<b>19,126</b>
<b>Total assets</b>		<b>77,720</b>	<b>71,420</b>	<b>59,352</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Equity attributable to parent company shareholders</b>				
Share capital	22	6,332	6,332	6,332
Currency translation reserve		13	27	16
Revaluation reserve		59	32	2
Retained earnings		50,205	42,319	28,291
<b>Total equity attributable to parent company shareholders</b>		<b>56,609</b>	<b>48,710</b>	<b>34,641</b>
<b>Non-controlling interest</b>		<b>1,260</b>	<b>1,129</b>	<b>1,577</b>
<b>Total equity</b>		<b>57,869</b>	<b>49,839</b>	<b>36,218</b>
<b>Non-current liabilities</b>				
Non-current loans and borrowings	23	5,557	7,361	8,080
Differed tax liability	12	1,883	1,753	1,820
Other non-current liabilities	25	851	819	369
<b>Total non-current liabilities</b>		<b>8,291</b>	<b>9,933</b>	<b>10,269</b>
<b>Current liabilities</b>				
Current loans and borrowings and current portion of non-current loans and borrowings	24	3,194	3,761	5,986
Accounts payable	28	6,132	4,129	3,669
Advances received and accrued liabilities	29	1,399	2,632	2,337
Income tax payable		11	154	63
Taxes other than income payable	30	732	901	696
Dividends payable		9	5	3
Differed income		83	66	111
<b>Total current liabilities</b>		<b>11,560</b>	<b>11,648</b>	<b>12,865</b>
<b>Total liabilities</b>		<b>19,851</b>	<b>21,581</b>	<b>23,134</b>
<b>Total liabilities and equity</b>		<b>77,720</b>	<b>71,420</b>	<b>59,352</b>

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**Supplemental information:**

Depreciation totaling for 9 months of 2012 are RUB 2 685 million (9 months ended September 30, 2011 – RUB 2 608 million)

**Income tax expense**

Income tax expense comprises the following:

<b>Description</b>	<b>for 9 months year 2012</b>	<b>for 9 months year 2011</b>
Current income tax expense	3 173	3 234
Income tax for prior periods	3	162
Deferred income tax (benefit) expenses	356	(205)
<b>Total income tax expense</b>	<b>3 532</b>	<b>3 191</b>

The income tax rate applicable to the majority of the Group's in 9 months ended September 30, 2012 and 2011 income is 20%.