

UNAUDITED CONDENSED CONSOLIDATED PRO FORMA INCOME STATEMENTS

We have prepared the unaudited condensed consolidated pro forma income statements by applying the pro forma adjustments, which are expected to have a continuing impact on the Group, to our consolidated income statement for the year ended 31 December 2007 and the unaudited consolidated income statement for the nine months ended 30 September 2008.

The unaudited condensed consolidated pro forma income statements give effect to the acquisitions of Azot and VMF and disposal of polymers and fluoroplastics segment, which were completed in August 2007, June 2008 and October 2007, respectively, and the additional interest expense related to debt incurred by the Group to effect the acquisitions. The unaudited condensed consolidated pro forma income statements give effect to these transactions, to the extent they are not already reflected in our consolidated financial statements, as if they had occurred on 1 January 2007.

The unaudited condensed consolidated pro forma income statements do not reflect any non-recurring items associated with the purchase accounting for Azot and VMF and disposal of polymers and fluoroplastics segment. The unaudited pro forma condensed consolidated income statements are for informational purposes only and should not be considered indicative of actual results that would have been achieved if Azot and VMF had been acquired, polymers and fluoroplastics segment had been disposed and the other transactions had been completed on the date or for the periods presented, and does not purport to indicate consolidated income statement data as of any future date or for any future period.

OPEN JOINT STOCK COMPANY URALCHEM

UNAUDITED CONDENSED CONSOLIDATED PRO FORMA INCOME STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008 AND FOR THE YEAR ENDED 31 DECEMBER 2007

All amounts are in thousands of US Dollars unless otherwise stated

	Nine months ended 30 September 2008	Year ended 31 December 2007
Revenue		
Sales of goods	1,540,818	901,881
Other sales	79,981	61,599
Total revenue	1,620,799	963,480
Cost of sales	(719,028)	(657,174)
Gross profit	901,771	306,306
Selling and distribution expenses	(213,350)	(122,591)
General and administrative expenses	(98,154)	(69,989)
Loss on revaluation of forward exchange contracts	(10,892)	-
Other operating income	11,483	16,426
Other operating expenses	(2,943)	(42,449)
Operating profit	587,915	87,703
Interest income	9,987	7,380
Interest expense	(73,930)	(90,275)
Foreign exchange (loss)/gain from financing activities	(43,108)	5,270
Profit before tax	480,864	10,078
Income tax expense	(117,540)	(7,318)
Profit for the period	363,324	2,760
Attributable to:		
Shareholders of the parent	288,478	(7,018)
Minority interest	74,846	9,778
	363,324	2,760
EBITDA reconciliation:		
Profit for the period	363,324	2,760
Add:		
Depreciation and amortisation	88,466	108,465
Interest expense	73,930	90,275
Income tax	117,540	7,318
EBITDA	643,260	208,818
Amortisation of fair value adjustments on inventory arising from purchase price allocation	1,197	25,683
Pro forma adjusted EBITDA	644,457	234,501