

NIZHNEKAMSKNEFTEKHIM INC.

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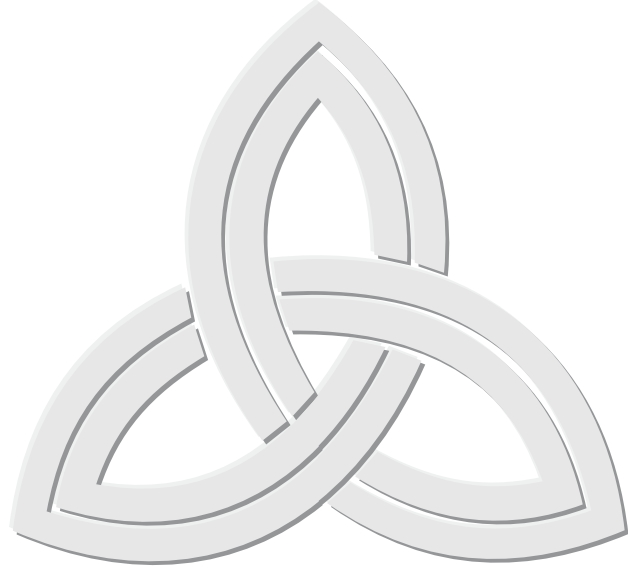


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Dear shareholders!

Submitting the results of NIZHNEKAMSKNEFTEKHIM Inc. operations for year 2004 to your attention I am happy to note that this was one of the best years in the history of our Company.

Last year NIZHNEKAMSKNEFTEKHIM Inc. succeeded in meeting the challenges that faced our management and the entire team. We produced finished products to a tune of 31.6 billion Rubles, over 4.8 % growth against the level of year 2003. Enhancement of the Company's financial position and over 6 billion Rubles of book profit allows raising the amount of dividends. High results were achieved through both greater volumes of sales as well as more effective production, lower expenditures and introduction of a comprehensive enterprise management system.

We commercialized 7 new product types, put in operation the Russia's first commercial Halogenated Rubber Plant and a Plant producing a new species of neodymium catalyzed Butadiene Rubber (PBR-Nd). We continued activities in mastering the process of One-Stage Isoprene Synthesis, in bringing Polystyrene and Butyl Rubber capacities up and in upgrading the Ethylene Complex. Our near future is the Styrene Butadiene Rubber Plant (SSBR), Polypropylene Plant, Polyethylene Plant and ABS Plastics Plant.

Nizhnekamsk Industrial District based on our Company creates favorable conditions for deeper processing of products and implementation of promising projects in the area of small and medium businesses.

Being aware of our responsibility for ecological safety of the region the Company allocates considerable resources for environmental protection. At this instance, the environmental management system is in full compliance with international standard ISO-14001:96.

But the challenges we face in 2005 are no less ambitious. The Nizhnekamskneftekhim Inc. team will have to commercialize 11 new product types and do its best to enhance their competitiveness both in foreign and in home markets. We shall keep on our cooperation with LG Company in the framework of the project called "Tatarstan-Korean Petrochemical Company".

I am sure that successful implementation of our strategic plans will allow Nizhnekamskneftekhim Inc. to strengthen its stand as one of the Russia's major producer of petrochemical products and ensure steady growth of shareholders' profits.

On behalf of Nizhnekamskneftekhim Inc. people I express our gratitude to shareholders and business partners for understanding and support.

General Director
NIZHNEKAMSKNEFTEKHIM Inc.



V.M. Busyguin

1

Nizhnekamskneftekhim Inc.: Position on the World Market and Risk Factors



Position on the world market

Nizhnekamskneftekhim Inc. is the major producer and exporter of petrochemical products in the Russian Federation. Isoprene and butyl rubber, styrene, monoethylene glycol and neonols are the largest scale products supplied for export.

SKI-3 isoprene rubber

For many years our company has been supplying SKI-3 isoprene rubber to foreign markets. This rubber is remarkable for its stable high quality and is of permanent demand with foreign consumers. Industrial facilities for production of isoprene rubber (synthetic analogues of natural rubber) were well developed in the Soviet Union. This necessity at the time was dictated by the remote location of the USSR from the markets of natural rubber required for defense industry of the country. As a result of this, 5 SKI production plants were constructed in the country. Only three of them have survived until now. Among them NKNK is the indisputable leader in production and supplies to foreign market. It has the highest share on the international market and it equals to 26.5%. Share of NKNK in the domestic production volumes and supplies to the home market amounts to 44.6% and 41% respectively.

Production of isoprene rubber has been certified to conform to the international standard of quality management system ISO-9001.

BK-1675N Butyl rubber

Butyl rubber plant as part of Nizhnekamskneftekhim Inc. is widely known all over the world. Only Nizhnekamsk and Togliatti are producers of this grade of rubber in the Russian Federation. It should be noted that for many years Nizhnekamskneftekhim Inc. maintains the leading positions in Russia both in production and sales of the product. Share of our company in domestic production is 62.8% and supplies to Russian market is 73.4%.

The main demand for butyl rubber is concentrated on the international market. This market was formed as monopolistic one where companies Exxon and Bayer (now Lanxess) dominate and have the largest production capacities for this rubber. Owing to high and stable quality and competitive price the butyl rubber of Nizhnekamskneftekhim Inc. is of high demand on the external market and its share there is 8.6%.

NKNK started-up halobutyl rubber plant in 2004. It proved to be an important event as the third independent producer and supplier of halobutyl rubber appeared in the world. Share of NKNK in supply of this rubber to the international market was low in the year of commissioning – about 1.2%. However, after reaching the nameplate capacity NKNK share could increase: in world production volumes – up to 5.3% and in supply volumes to foreign market – up to 3.6%.

Styrene

Nizhnekamskneftekhim Inc. is the leading producer and exporter of styrene in the Russian Federation. Production of styrene has been certified to conform to the international standard of quality management system ISO-9001.

The main foreign competitors of Nizhnekamskneftekhim Inc on the European market of styrene are Dow, BASF, AtoFina, EniChem, Ellba, Repsol, Shell. Share of NKNK in world production volumes of styrene is 1% (based on the total world production volume at the level of 24 million tons per annum). NKNK share in the All-Russian styrene production volume is 48.6%.

Fundamental advantage of Nizhnekamskneftekhim Inc compared to other Russian producers of styrene is the opportunity of exporting large volumes of styrene via the rented shore tank terminals of Finland to Western Europe, Asia and the USA as well as to the markets of Scandinavian countries having larger market capacity compared to the Russian Federation and the more dynamic demand.

Monoethylene glycol (MEG)

Nizhnekamskneftekhim Inc. is one of the major producers and exporters of monoethylene glycol in the Russian Federation. NKNK produces 35% of total monoethylene glycol in the RF. Main West European competitors of NKNK in MEG are Dow, Ineos, BASF, Shell. Share of Nizhnekamskneftekhim Inc in total world production and supply volumes is about 1% (with estimated world production volume of 15 million tons).

Production of MEG has been certified to conform to the international standard of quality management system ISO-9001.

Neonols (ethoxylated nonylphenols)

NKNK is the only producer of neonols in the Russian Federation and CIS and it is one of the leading players on the international market of this product. NKNK share on the world market of ethoxylated nonylphenols is over 10%.

Production of neonols has been certified to conform to the international standard of quality management system ISO-9001.

Major risk factors related to business of the Company

Industrial risks

Nizhnekamskneftekhim Inc. belongs to the enterprises of chemical and petrochemical industry of the Russian Federation. Chemical and petrochemical industry in Russia is one of the basic fields of domestic economy and the prospects of its development are connected with the general macroeconomic situation in the country. The growth rate of production output in chemical and petrochemical industry in 2004 amounted to 5.7% compared to 2003. If the existing progress trends are maintained and the disbalancing factors are absent, the level of production in the industry in 2005 will exceed the figures of 2004. However, there is a grave dangerous factor that now is capable of having a powerful influence upon development of the world economy – unpredictable fluctuation of oil prices.

In spite of steady growth of oil price Nizhnekamskneftekhim Inc could find itself in a situation when the price growth for its products will be inadequate especially on the foreign market. In many respects it applies to the products of deep processing – rubber and plastics, influenced by the markets of consumer goods.

Moreover, the essential competitive advantage of Nizhnekamskneftekhim Inc is a wide differentiation of manufactured products by their application and by sales markets (Russian and export markets). Such situation allows to survive the recessions in case of deterioration of business climate in different fields or on certain markets.

This is a considerable advantage of Nizhnekamskneftekhim Inc. in comparison with other enterprises of petrochemical profile, which have the narrower range of products and lower export potential.

Share of export in total commercial output amounted to 55.6% in 2004.

Structure of costs in chemical and petrochemical industry is characterized by high power consumption. Share of direct expenses for energy only in the cost composition at price parity for energy resources and other resources runs up to a considerable level. For the period from January 2005 the growth of rates for energy resources is 20 - 22% compared to 2004.

When making up the production program for 2005 at Nizhnekamskneftekhim Inc. the consideration has been given to the tendencies of rate increase for thermal and power energy and the capabilities of the Company to reduce the production cost and decrease the total costs. In addition to that, the program of energy saving is being successfully implemented at Nizhnekamskneftekhim Inc., as well as establishing own energy sources.

In view of the above Nizhnekamskneftekhim Inc. pays special attention to revamping and increasing of capacity of the Power Station working in cooperation with "Tatenergo" and "TAIF" companies.

Steady development of chemical and petrochemical industry would be impossible without resolving the problem of hydrocarbon supply to the industrial enterprises, the feedstock based on which more than 70% output of chemical and petrochemical production is obtained.

In spite of the measures taken during the last years the hydrocarbon requirements of the industry have not been satisfied in full.

Financial risks

Nizhnekamskneftekhim Inc. has long-term non-repaid hard currency loans with non-fixed interest rate using LIBOR, EURIBOR. The cost of credits increases due to the increase of interest rates. At present the Company is expecting the insignificant change of rates at the medium-term outlook.

In order to decrease the risks of this kind, Nizhnekamskneftekhim Inc. began practicing the use of fixed rates in establishment of credits as well as the use of instruments reducing the dependence on the rate amount on the international markets. As an example, the loans under guarantees of SACE and Eximbank (USA) permit the interest payment based on the rates that at present are lower than LIBOR rate.

Thorough work is conducted so as to increase the periods of loans to allow the reduction of annual burden for servicing of loan indebtedness. Representative examples are several loans for 7-10 years attracted with participation of western state financial institutions.

The risks of changes of hard currency exchange rates for Nizhnekamskneftekhim Inc. at present lie in the fact, that the proceeds for export product sales are mainly received in US dollars and purchase of equipment, raw materials, chemical agents etc. and 90% payment for the services to non-residents is made in Euro. When the exchange rate of Euro to US dollar increases the cost of import increases.

Change of exchange rate has an impact on the proceeds amount from export product sales in ruble equivalent and on the balance sheet profit of the enterprise accordingly.

It should be noted that parity distribution of proceeds between the currencies (US dollar – Ruble) based on the sales structure shall substantially decrease the currency risk.

Similar situation occurs for loan portfolio of Nizhnekamskneftekhim Inc. when part of long-term liabilities are nominated in Rubles – the matter concerns the corporate bonds of Nizhnekamskneftekhim Inc.

On the other hand with changing of exchange rate with respect to Ruble causes a change (increase or decrease) of enterprise credit indebtedness in hard currency.

In case of inflation the issue of bonds nominated in Rubles is beneficial for the Company since the burden of payment of the main debt amount in actual terms shall be decreased. Actually the Company will get the money profit. To ensure the reliability the bonds of the Company are issued with the fixed coupon rate.

Legal risks

The Russian legislative system is characterized by a number of risks such as existence of contradictions between the reference certificates of one and/or various levels, uncertainty as to the independence of judicial system from the external influence, lack of mono-semantic interpretation of laws, high degree of actual authorities of executive power, as well as possible lack of experience of courts and judges in interpretation of new legal rules.

Operating performance of Nizhnekamskneftekhim Inc. is connected with continuous conclusion of civil law contracts with the third parties. In certain cases the execution of such contracts may require that Nizhnekamskneftekhim Inc. should address to various law-enforcement bodies. In the opinion of the lawyers of the Company there is no legal risk of unfavorable consequences for Nizhnekamskneftekhim Inc.

Impact of region development on the activities of Nizhnekamskneftekhim Inc.

Development and strengthening of inter-regional contacts of the Republic of Tatarstan with the subjects of the Russian Federation in Volga Region and Siberia are the positive factors in the provision of feedstock for production plants of Nizhnekamskneftekhim Inc.

Taking the decisions regarding deliveries of raw material for Nizhnekamskneftekhim Inc. is supported in many respects by the policy of the government of the Republic of Tatarstan, which is oriented on active state support of the whole of oil-gas-chemical complex of the Republic.

Within the framework of "The Program for development of oil-gas-chemical complex of the Republic of Tatarstan for 2004 - 2008" the project for construction of new refinery and petrochemical complex is in progress being part of "Tatarstan-Korean Petrochemical Company". Successful implementation of this project will allow Nizhnekamskneftekhim Inc. to resolve many problems of feedstock supply.

The management of Nizhnekamskneftekhim Inc. and the procurement department have worked out the actual functional programs of feedstock supplies at full scope for production purposes within the contractual commitments.

Regional risks of Nizhnekamskneftekhim Inc. are also minimized by coordinating the work of oil-gas-chemical complex and energy complex in the territory of the Republic of Tatarstan by the Ministry of the Republic of Tatarstan and due to availability of own oil and energy resources in the Republic.

Owing to the above, Nizhnekamskneftekhim Inc. remains as the enterprise of the petrochemical complex of Russia that retains its independence and stable financial and economic position.

Development of polymer production at Nizhnekamskneftekhim Inc. stimulates the expansion of private entrepreneurship in the field of polymer processing into the finished articles.

2

Profile of the Company



1956 The resolution "Reservation of the site for industrial and civil construction of Petrochemical Complex on the Kama river" was taken. Designing activities started.

1960 The Project for construction of Petrochemical Complex was completed and approved. The construction activities started.

1963 The beginning of the construction of the central gas fractionating plant.

1965 The beginning of the construction of the first unit for isoprene-monomer production.

1967 The first unit of the central gas fractionating plant with the capacity of 750, 000 tons per year was put into operation. The July 31 is considered to be a birthday for the Complex. It produced the first product.

1970 The following plants were put into operation:

- Isoprene-monomer plant with the capacity of 60, 000 t/year; capacity build-up to 100, 000 t/year in 1975 and up to 115, 000 t/year in 1985;
- Isoprene rubber plant with the capacity of 60, 000 t/year; capacity build-up to 120, 000 t/year in 1973 and up to 150, 000 t/year in 1975, and up to 200, 000 t/year in 1983;
- Trimethylcarbitol production unit with capacity of 1, 000 t/year;
- Rubber linoleum, paste, tiles production unit;
- Pentane isomerization 112, 000 t/year, capacity build-up to 170, 000 t/year in 1980.

1971 The Second unit of the central gas fractionating plant with the capacity of 750, 000 tons per year was put into operation. Capacity build-up to 1, 350, 000 t/year in 1981.

1973 The following plants were put into operation:

- Butyl rubber plant with the capacity of 35, 000 t/year; capacity build-up to 45, 000 t/year in 1990 and up to 60, 000 t/year in 1996;
- Butadiene two-stage process plant with the capacity of 90, 000 t/year; capacity build-up to 120, 000 t/year in 1980 and up to 130, 000 t/year in 1982;
- Isobutylene plant with the capacity of 44, 000 t/year; capacity build-up to 84, 000 t/year in 1990.

1974 One-stage butadiene unit was put into operation with the capacity of 90, 000 t/year.

1975 Isoprene-monomer plant with the capacity of 60, 000 t/year; capacity build-up to 120, 000 t/year in 1976 and up to 150, 000 t/year in 1980, and up to 185, 000 t/year in 1985.

1976 The following plants were put into operation:

- Ethylene, propylene, benzene and butadiene plant with the capacity of 450, 000 t/year, 197, 000 t/year, 187, 000 t/year and 54, 000 t/year respectively;
- Niznekamsk-Kazan ethylene pipeline 280 km long.

- 1977** The following plants were put into operation:
 - Ethyl-benzene and styrene production units, 172, 000 t/year and 125, 000 t/year, respectively;
 - Nizhnekamsk-Ufa-Sterlitamak-Salavat ethylene pipeline 520 km long. Petrochemical Complex in Nizhnekamsk is renamed in "Nizhnekamskneftekhim" Industrial Corporation.
- 1978** Commissioned:
 - Isoprene rubber plant (production unit #1) with the capacity of 120,000 t/y;
 - Ethylbenzene production unit #2 with the capacity of 172,000 t/y.
- 1979** AVU Desalter Unit with the capacity of 7 million t/y of oil (for preliminary refining) was commissioned.
- 1980** Commissioned according to State Committee Certificate:
 - Isoprene rubber production unit (the second unit) with the capacity of 120,000 t/y, expansion up to 250,000 t/y in 1984;
 - Ethylene oxide plant and processing, capacity: 120,000 t/y;
 - Isoprene-monomer production unit with the capacity of 123,000 t/y.
- 1982** Commissioned:
 - Propylene oxide and styrene plant, capacities: 50,000 t/y and 138,000 t/y respectively.
- 1983** Polyether production unit with the capacity of 45,000 t/y was commissioned.
- 1984** Commissioned:
 - N-pentane isomerization production unit with the capacity of 300,000 t/y;
 - Butadiene production unit (based on C4 cut by oxidative dehydrogenation) with the capacity of 35,000 t/y.
- 1985** Commissioned according to State Committee Certificate:
 - Propylene trimers unit with the capacity of 75,000 t/y;
 - Consumer goods production at "Elastic" plant.
- 1986** Commissioned:
 - Ethylene Oxide Production Unit (the 2-nd Plant), nameplate capacity: 200,000 t/y;
 - Alkylphenols Production Unit, nameplate capacity: 100,000 t/y.
- 1987** Commissioned:
 - Surfactants Production Unit, nameplate capacity: 250,000 t/y.
- 1990** Commissioned:
 - Alpha-olefins and TEA (Triethylaluminium) Production Units, nameplate capacity: 185,500 t/y and 2,000 t/y respectively;
 - Gas-distributing Station, nameplate capacity: 4 million m³/day.
- 1992** Revamping of Ethylene Plant EP-450 was completed and modernization was started.
- 1993** August 18, NIZHNEKAMSKNEFTEKHIM Inc. was registered and included in joint stock companies registry by Financial Ministry of the Republic of Tatarstan.

1995 Commissioned:
- Concentrated DCPD (Dicyclopentadiene) Production Unit, nameplate capacity: 5,500 t/y;
- Ethylene-Propylene Rubber Plant, nameplate capacity: 30,000 t/y.

1998 Commissioned:
- Brick factory, nameplate capacity: 25 million bricks per annum;
- Car Gas Filling Station, nameplate capacity: 600 fillings per day.

1999 Commissioned:
- Unit for production of Unleaded Automobile Gasoline and Hydrocarbon Components.

2000 Commissioned:
- Petroleum Polymer Tar Production Unit, capacity: 2,000 t/y and Hot Polymer Paint Oil, capacity: 7,000 t/y;
- Floating pontoons for naphtha storage tanks in P-8, P-9.
Convection section of E-BA-111 heater was replaced at EP-450.

2001 Commissioned:
- Condensate re-vaporization unit - IP-4V/2;
- Line #5 for production of polyethers;
- Isoprene production by one-stage synthesis with the capacity of 30,000 t/y.
Revamping of ethane heaters E-BA-121, 122 at EP-450.

2002 Commissioned:
- MTBE (methyl-tert-butyl-ether) production unit with capacity 90,000 t/y at the Isoprene Rubber Plant;
- New cracking heater E-BA-114 of SRT-IV type at EP-450.
Production of high-grade solvent was implemented – NEFRAS produced from 1-hexene at the Synthetic Rubber Plant.

2003 Polystyrene production unit with the capacity of 50,000 t/y was commissioned.
DBO-10 Unit was put into operation after preservation.
Industrial installations plot of the Company was privatized by Nizhnekamskneftekhim Inc.
Based on Sevilen Inc. (City of Kazan) producing various polyethylene grades, Neftekhim- Sevilen Inc. was established with participation of Nizhnekamskneftekhim Inc. (controlling block of stock) and Ministry of Agrarian Property of the Republic of Tatarstan.
32.5% of authorized capital stock of the Chemical Plant named after L.Y.Karpov was acquired.

2004 Industrial production of Halobutyl rubber (HBR) was started.
Production of Polybutadiene rubber based on neodymium catalyst (PBR-Nd) was implemented, capacity of 50,000 t/y.
Polyether production at the Plant of Styrene and Polyester Resins was increased up to 70,000 t/y.

3

For Shareholders and Investors



Corporation stock.

Nizhnekamskneftekhim Inc. in its corporate activities is guided by the Code of Corporate Behavior and follows its basic provisions.

The capital stock of Nizhnekamskneftekhim Inc. as of March 5, 2005 is Rbl.1,830,239,750 and split into 1,830,239,750 shares, Rbl.1 par value each, including 1,611,256,000 ordinary (voting) registered shares and 218,983,750 preference registered shares. All the shares were placed; there are no incompletely paid placed shares. The capital stock was paid up fully.

The Articles of Nizhnekamskneftekhim Inc. provide for availability of 1,611,256,000 declared ordinary registered shares and 218,983,750 declared preference shares, Rbl.1 par value each, and within this number shares may be issued additionally.

Distribution of NIZHNEKAMSKNEFTEKHIM Inc. shares as of March 5, 2005

Nº	Shareholders	Number of shares, pcs.	% of stock capital	% of voting shares
1	"Svyazinvestneftekhim" Inc. (in nominal holding of Central Depository of RT)	461,307,200	25.2	28.6
2	"Telecom-Management" Ltd.	131,316,463	7.2	8.1
3	"Depository Company "UralSib" Inc. (nominal holder)	153,250,395	8.4	9.5
4	AKB "Spurt" Inc. (nominal holder)	301,711,582	16.5	18.7
5	"Nizhnekamskneftekhim-Service" Ltd.	78,951,544	4.3	4.9
6	Other legal entities and nominal holders	545,136,810	29.7	24.7
7	Individuals (over 14,000 shareholders)	158,565,756	8.7	5.5
	Shares total	1,830,239,750	100.0	
	Inclusive of voting shares	1,611,256,000		100.0

Dividends.

Changes in NIZHNEKAMSKNEFTEKHIM Inc. share dividends paid

Nº	Type of security	1994		1995		1996	
		Rbl.	% of par value	Rbl.	% of par value	Rbl.	% of par value
1	Ordinary registered shares	5.5	55.0	6.0	60.0	—	—
2	Preference registered shares	5.5	55.0	6.0	60.0	15.0	150.0

Nº	1997		1998		1999		2000	
	Rbl.	% of par value	Rbl.	% of par value	Rbl.	% of par value	Rbl.	% of par value
1	4.0	40.0	0.4	40.0	0.5	50.0	1.5	150.0
2	15.0	150.0	1.5	150.0	1.5	150.0	1.5	150.0

№	2001		2002		2003		2004 (projected)	
	Rbl.	% of par value	Rbl.	% of par value	Rbl.	% of par value	Rbl.	% of par value
1	0.054	5.4	0.054	5.4	0.062	6.2	0.1855	18.55
2	0.06	6.0	0.06	6.0	0.062	6.2	0.1855	18.55

The total of accrued dividends for year 2003 is Rbl.113,474.86.

Corporate actions.

Securities issue data

№	Resolution on placement (taken by and date)	Share type	Number of shares in issue	Number of paid off shares in issue	Method of placement	Method of placement	Governmental body in charge of issue registration, registration №	Status of issue
1	Privatization plan by Decree №41 of RT State Committee for Property dated 11.08.93	Rbl.10 ordinary	6, 445, 024	6, 445, 024	closed subscription	Rbl.10 at nominal value, Rbl.6.40 at a discount	RT Ministry of Finance № 11-1п-423 dated 18.08.93	Annulled
2	- do -	Rbl.10 preference	875, 935	875, 935	- do -	free	- do -	- do -
3	Shareholders' meeting on 23.04.98	Rbl.1 ordinary	64, 450, 240	—	conversion	—	FCCB of Russia №1-02-00096-A dated 28.12.98	Placed
4	- do -	Rbl.1 preference	8, 759, 350	—	- do -	—	FCCB of Russia №2-02-00096-A dated 28.12.98	- do -
5	Shareholders' meeting on 24.04.01	Rbl.1 ordinary	1, 546, 805, 760	—	distributed among shareholders	—	FCCB of Russia №1-02-00096-A dated 15.08.03	Placed
6	- do -	Rbl.1 preference	210, 224, 400	—		—	FCCB of Russia №2-02-00096-A dated 15.08.03	- do -

NIZHNEKAMSKNEFTEKHIM Inc. bond issues

In 2001 Nizhnekamskneftekhim Inc. resorted to the first Rbl.300,000,000 bond issue repaid in November 2002.

On the 24th of May, 2002 Nizhnekamskneftekhim Inc. placed the second Rbl.1,500,000,000 with a 3 year maturity and half-year warrant payments. On the 22nd of November, 2002, 26th of May, 2003, 24th of November, 2003, 24th of May, 2004 and on the 22nd of November, 2004 warrant payments of the second bond issue were paid. The second bond issue will be redeemed on the 24th of 2005.

On the 2nd of September, 2003 Nizhnekamskneftekhim Inc. placed the third Rbl. 2,000,000,000 with a 4 year maturity and quarterly warrant payments. On the 2nd of December, 2003, 2nd of March, 2004, 1st of June, 2004, 1st of September, 2004, 1st of December, 2004 and on the 2nd of March, 2005 warrant payments of the third bond issue were paid.

On the 18th of November, 2004 the Federal Service for Financial Markets of Russia registered the fourth Nizhnekamskneftekhim Rbl.1,500,000,000 bond issue with a 7 year maturity and half-year warrant payments.

4

Management Board of Directors Administration Audit Commission

Organization structure of Nizhnekamskneftekhim Inc. is based on principles of centralization of the main management functions in the field of production, technical development, economics, commercial activity, social development, staffing, and decentralization of executive functions at plants' and departments' level.

Regulatory and control bodies of the Company are the following:

- General assembly of shareholders
- Board of Directors
- Administration
- Audit Commission

There were no special sessions of Nizhnekamskneftekhim Inc. shareholders in 2004.

Board of directors

Board of Directors of Nizhnekamskneftekhim Inc. is composed of 17 persons



Musin Robert R.

Year of birth: 1964
Chairman of the Board of Directors of Nizhnekamskneftekhim Inc.
Chairman of the Supervision Committee of Ak Bars Bank (Representative of the State)
owns no shares of the Company



Busygin Vladimir M.

Year of birth: 1949
General Director of Nizhnekamskneftekhim Inc.
owns 0.074% of authorized capital stock of the Company



Akhmetov Rustam M.

Year of birth: 1959
Deputy General Director for Economics
of Nizhnekamskneftekhim Inc.
owns 0.001% of authorized capital stock
of the Company



Gilmanov Khamit Kh.

Year of birth: 1949
First Deputy General Director-
Chief Engineer
of Nizhnekamskneftekhim Inc.
owns 0.004% of authorized capital stock
of the Company



Dyakonov Sergei G.

Year of birth: 1937
Rector of Kazan State
Technological University
Adviser to the President
of the Republic of Tatarstan
(Representative of the State)
owns 0.00005% of authorized capital stock
of the Company



Maganov Nail U.

Year of birth: 1958
First Deputy General Director
of "Tatneft" Inc.
for Oil and Petroleum Product Sales and
Processing -
Head of Department for Oil and
Petroleum Product Sales
owns no shares of the Company



Maltsev Leonid V.

Year of birth: 1949
Deputy General Director of
Nizhnekamskneftekhim Inc. for Production
owns 0.005% of authorized capital stock
of the Company



Metshin Ilsur R.

Year of birth: 1969
Mayor of Nizhnekamsk City and
Nizhnekamsk Region
(Representative of the State)
owns no shares of the Company



Presnyakov Vladimir V.

Year of birth: 1951
Deputy General Director for Refining &
Petrochemistry of
Tatar-American Investment & Finance Inc.
owns 0.0005% of authorized capital stock
of the Company



Sabirov Rinat K.

Year of birth: 1967
Adviser to the Prime Minister of the
Republic of Tatarstan
for Oil-and-Gas Chemical Complex
owns no shares of the Company



Sulteyev Rustem N.

Year of birth: 1954
First Deputy General Director of Tatar-
American Investment & Finance Inc.
owns no shares of the Company



Syubayev Nurislam Z.

Year of birth: 1960
Head of Department for Strategic Planning –
Adviser to General Director
of "Tatneft" Inc. for International Business
& Finance and Banking
owns no shares of the Company



Tuktarov Farid Kh.

Year of birth: 1958
Deputy Minister for Economics & Industry
of the Republic of Tatarstan
(Representative of the State)
owns no shares of the Company



Tulchinsky Eduard A.

Year of birth: 1941
Director of Isoprene Rubber Plant,
Nizhnekamskneftekhim Inc.
owns 0.007% of authorized capital stock
of the Company



Shiyapov Ravil T.

Year of birth: 1946
Director of Butyl Rubber Plant,
Nizhnekamskneftekhim Inc.
owns 0.016% of authorized capital stock
of the Company



Shouysky Vasiliy N.

Year of birth: 1957
Chairman of the Labor Union Committee
of Nizhnekamskneftekhim Inc.
owns 0.005% of authorized capital stock
of the Company



Yarullin Rafinat S.

Year of birth: 1943
General Director of
"Tatneftekhiminvest-holding" Inc.
owns 0.04% of authorized capital stock
of the Company

Administration of Nizhnekamskneftekhim Inc.

Administration of Nizhnekamskneftekhim Inc.
is composed of 25 persons

Busygin Vladimir M.

Year of birth: 1949
General Director of Nizhnekamskneftekhim Inc.
(Chairman of the Management)
owns 0.074% of authorized capital stock of the Company

Akhmetov Rustam M.

Year of birth: 1959
Deputy General Director for Economics of Nizhnekamskneftekhim Inc.
owns 0.001% of authorized capital stock of the Company

Ashikhmin Gennady P.

Year of birth: 1950
Director of Ethylene Oxide Plant of Nizhnekamskneftekhim Inc.
owns 0.024% of authorized capital stock of the Company

Belokurov Vladimir A.

Year of birth: 1945
Director of Styrene & Polyester Resins Plant of Nizhnekamskneftekhim Inc.
owns 0.065% of authorized capital stock of the Company

Bikmurzin Azat Sh.

Year of birth: 1969
Director of Ethylene Plant of Nizhnekamskneftekhim Inc.
owns 0.0004% of authorized capital stock of the Company

Bobonin Vladimir P.

Year of birth: 1938
Deputy General Director of Nizhnekamskneftekhim Inc.
for Capital Construction & Procurement
owns 0.003% of authorized capital stock of the Company

Burganov Tabriz G.

Year of birth: 1951
Director of Synthetic Rubber Plant of Nizhnekamskneftekhim Inc.
owns 0.005% of authorized capital stock of the Company

Vdovin Alexander M.

Year of birth: 1954
Chief Power Engineer of Nizhnekamskneftekhim Inc.
owns 0.003% of authorized capital stock of the Company

Vlasov Oleg G.

Year of birth: 1962
Deputy General Director for social welfare and public relations of
of Nizhnekamskneftekhim Inc.
owns no shares of the Company

Gainutdinov Ildar A.

Year of birth: 1948
Head of Finance Department of Nizhnekamskneftekhim Inc.
owns 0.01% of authorized capital stock of the Company

Gaisin Ildar Kh.

Year of birth: 1955

Director of Maintenance Works of Nizhnekamskneftekhim Inc.

owns 0.0006% of authorized capital stock of the Company

Galiullin Rashat R.

Year of birth: 1957

Deputy General Director for Commerce of Nizhnekamskneftekhim Inc.

owns no shares of the Company

Galyaviyev Shamil Sh.

Year of birth: 1954

Chief Mechanical Engineer of Nizhnekamskneftekhim Inc.

owns 0.008% of authorized capital stock of the Company

Gilmanov Khamit Kh.

Year of birth: 1949

First Deputy General Director-

Chief Engineer of Nizhnekamskneftekhim Inc.

owns 0.004% of authorized capital stock of the Company

Gilmutdinov Nail R.

Year of birth: 1949

Deputy Chief Engineer – Chief Process Manager

of Nizhnekamskneftekhim Inc.

owns no shares of the Company

Glyants Rafail G.

Year of birth: 1934

Deputy General Director for Civil Construction of Nizhnekamskneftekhim Inc.

owns 0.05% of authorized capital stock of the Company

Maximova Irina N.

Year of birth: 1962

Head of Export Department of Nizhnekamskneftekhim Inc.

owns 0.001% of authorized capital stock of the Company

Maltsev Leonid V.

Year of birth: 1949

Deputy General Director for Production of Nizhnekamskneftekhim Inc.

owns 0.005% of authorized capital stock of the Company

Obolochkov Nikolai T.

Year of birth: 1948

Head of the General Director's Office - Assistant to the General Director
of Nizhnekamskneftekhim Inc.

owns 0.003% of authorized capital stock of the Company

Sultanov Aidar R.

Year of birth: 1965

Head of Law Department of Nizhnekamskneftekhim Inc.

owns 0.001% of authorized capital stock of the Company

Tokinov Alexey I.

Year of birth: 1951

Director of Butadiene & Hydrocarbon Feedstock Plant of Nizhnekamskneftekhim Inc.

owns 0.002% of authorized capital stock of the Company

Fatykhov Nurislam F.

Year of birth: 1948

Deputy General Director of Nizhnekamskneftekhim Inc.

for Personnel, Living Conditions & General Issues

owns 0.004% of authorized capital stock of the Company

Khisayev Rev Sh.

Year of birth: 1939

Director of Oligomer Plant of Nizhnekamskneftekhim Inc.

owns 0.01% of authorized capital stock of the Company

Tsyganov Eugeny A.

Year of birth: 1951

Head of Sales Department

owns 0.0015% of authorized capital stock of the Company

Yakhin Ilfar R.

Year of birth: 1963

Chief Accountant of Nizhnekamskneftekhim Inc.

owns 0.00002% of authorized capital stock of the Company

Total amount of bonus paid to all members of the Board of Directors and the Administration of Nizhnekamskneftekhim Inc. for 2004 is 75, 687.5 thou. Roubles.

Audit commission of Nizhnekamskneftekhim Inc.

Larionov Igor V.

Year of birth: 1970

Manager of Property, Share Market & Investment Department
of Nizhnekamskneftekhim Inc.

(Chairman of Audit Commission)

owns 0.005% of authorized capital stock of the Company

Buzdayeva Elena I.

Year of birth: 1960

Deputy Director of Department for Economic Analysis in Ministry of Finance
of Tatarstan Republic (Representative of the State)

owns no shares of the Company

Ignatovskaya Olga V.

Year of birth: 1963

Head of Department for Economics & Finance
of "Tatar-American Investment & Finance" Inc.

owns no shares of the Company

Gilmutdinova Alfiya G.

Year of birth: 1952

Deputy Chief Accountant of Nizhnekamskneftekhim Inc.

owns 0.0037% of authorized capital stock of the Company

Ryazanova Ludmila A.

Year of birth: 1959

Deputy Director of Law Department (for Contracts)
of Nizhnekamskneftekhim Inc.

owns 0.0017% of authorized capital stock of the Company

5

Production

Key Financial – Economic Indices

Balance Sheet

Auditors' Report



Key financial-economic indices

Nº	Description	Measuring unit	2002	2003	2004
1	Commercial output	mln. rubles	19,290.1	23,261.6	31,352.3
2	Sales of products, total	mln. rubles	20,663.9	24,960.3	33,882.2
	- including sales of marketable products	mln. rubles	19,433.5	23,207.7	31,408.2
	- export share of sales	mln. rubles	11,086.2	13,130.9	17,461.0
3	Expenses per 1 ruble of marketable products	copecks	83.07	78.38	80.24
4	Before tax profit	mln. rubles	2,571.5	3,173.2	4,850.3
5	Maintenance costs of social welfare institutions	mln. rubles	461.6	422.7	462.3
6	Number of production personnel	Man	18,418	18,708	18,976
7	Average monthly rate of wages of production personnel	Rubles	6,488.3	8,302.9	11,396.8

The commodity output in 2004 amounted to 31,352.3 million rubles. The rate of physical volumes of products manufactured in 2004 made 104.75% compared to that of 2003. Commercial products shipped within the period of account, including balances at the storage facilities, are estimated as 31,408.2 million rubles or 100.2%. Export ratio in shipped product volume was 55.6%.

The growth of production volumes in 2004 was observed practically on all product line. Particularly high production volumes have been achieved on ethylene, propylene, polyethers, ethylene oxide, trimers of propylene, neonols, monoalkylphenols.

Production of key products

(tons)

Nº Nº	Description	2001	2002	2003	2004
1	Synthetic rubber SKI	153,068	142,170	175,883	181,129
2	EPDM	6,406	7,292	9,466	9,638
3	PBR – Nd	0	0	0	29,318
4	Butyl rubber	57,803	68,001	72,037	73,993
5	Chlorobutyl rubber	0	0	0	3,922
6	Bromobutyl rubber	0	0	0	3,500
7	Butadiene	64,516	65,564	80,284	82,994
8	Ethylene	435,326	448,222	445,397	450,133
9	Propylene	201,284	198,064	197,537	199,100
10	Styrene	236,567	245,145	253,727	250,980
11	Polystyrene	0	0	17,435	48,589
12	Liquified gases	202,158	409,292	446,654	389,514
13	MEG	117,590	122,388	127,369	138,262
14	Ethylene oxide	204,089	236,434	253,708	270,008

15	Polyethers	57,611	60,393	63,770	68,458
16	Propylene trimers	52,729	57,457	56,356	59,539
17	Propylene tetramers	21,540	24,482	22,138	22,496
18	Neonols	67,778	71,938	88,372	122,708
19	Monoalkyphenols	27,569	28,385	33,227	44,265
20	MTBE	74,398	71,039	38,271	23,080

Operation intensity of production facilities

№№	Production	Capacity, %				% 2004 to 2003
		2001	2002	2003	2004	
1	Synthetic rubber SKI-3	63.8	59.3	73.3	75.5	103.0
2	Butyl rubber	96.3	113.3	115.8	121.5	104.9
3	Ethylene	105.1	108.3	104.5	100.5	96.2
4	Propylene	111	109.2	106.5	103.7	97.4
5	Styrene EBS	79	82.7	82.7	67.3	81.4
6	Styrene SPO	99.9	102.7	108.9	120.9	111.0
7	Propylene oxide	114.7	118.8	118.9	115	96.7
8	Ethylene oxide, first production line	74.6	70.2	85.3	75.1	88.0
9	Ethylene oxide, second production line	57.3	76.1	75.6	90	119.0
10	Polyethers, POSM plant	178.6	185.2	159.2	124.8	78.4
11	Propylene trimers	70.3	76.6	75.1	79.4	105.7
12	Monoethyleneglycol-1	144.8	154.9	136.2	121.2	89.0
13	Polystyrene	0	0	91.5	97.2	106.2

The values characterizing financial stability of the enterprise are within normal range.

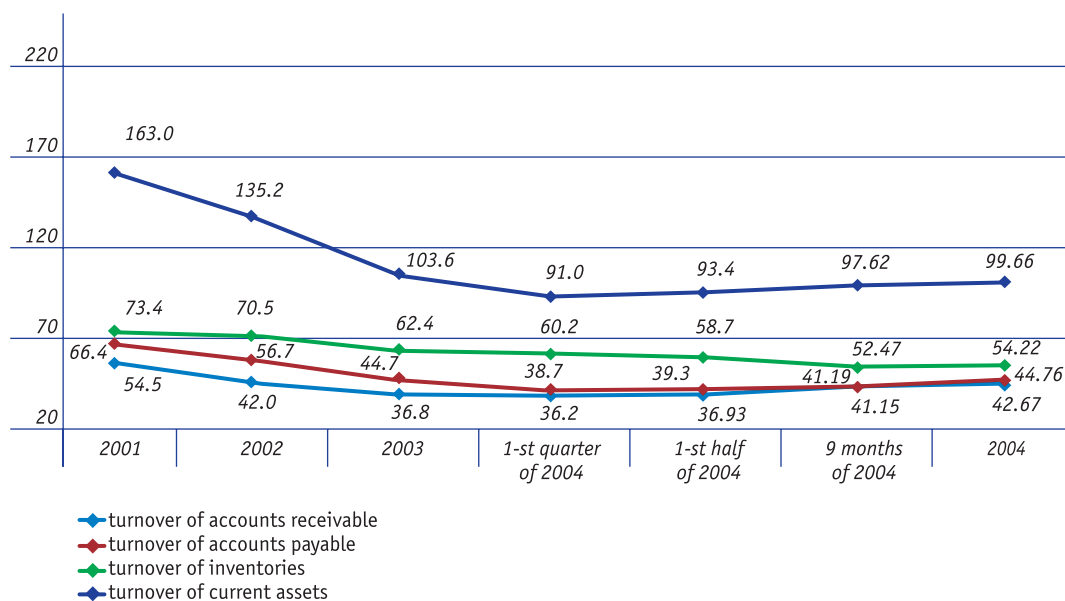
Dynamics of liquidity indices

Description	2002	2003	2004	Normative
Overall liquidity ratio	2.7	1.8	1.9	Up to 2
Quick liquidity ratio	1.6	0.9	1.3	0.7 to 1
Absolute liquidity ratio	0.4	0.2	0.4	0.2 and higher

Liquidity indices of the enterprise were observed as increasing within the period of account.

Dinamics of tumover indices

(days)



Acceleration of current asset turnover is indicative of the growth of company business activities.

Changes in all turnover indices are characterized by optimization of their level.

Information on taxes accrued to budget

(thousand Rubles)

Description	Balance as of 01.01.2004	Charged	Transferred	Balance as of 01.01. 2005
Budget of the Russian Federation	239,081.2	2,460,765.6	2,298,313.5	401,533.3
Budget of Tatarstan Republic, including special purpose budget funds	162,999.4	1,724,946.3	1,498,653.4	389,292.3
Local budget	9,566.7	566,708.7	538,283.4	37,991.9
Single social security tax	34,115.6	674,771.0	660,592.3	48,294.3
Other taxes	4,872.4	35,675.8	37,029.9	3,518.2
TOTAL	450,635.3	5,462,867.4	5,032,872.6	880,630.1

Current payments to budgets of all levels are effected by the company within the terms established by the law. The payment date for indebtedness on taxes at the end of the year of account will be due in 2005.

Balance sheet

(thousand Rubles)

DESIGNATION	01.01.2004	31.12.2004
ASSETS		
Fixed Assets & Incompleted Construction	17,937,426	18,081,684
Long-Term Financial Investment & Others	3,561,154	5,285,943
Inventories	3,945,762	4,464,275
Receivables	2,518,685	5,331,915
Cash & Short-Term Financial Investment	670,553	2,398,093
TOTAL ASSETS	28,633,580	35,561,910
LIABILITIES		
Capital & Reserves	18,376,308	20,778,578
Long-Term Loan Proceeds	6,533,495	7,610,125
Settlements with Suppliers & Contractors	1,725,179	2,651,559
Taxes to Pay	280,503	656,524
Other Settlements with Creditors & Accrued Liability	1,718,095	3,865,124
TOTAL LIABILITIES	28,633,580	35,561,910

Statement of receipts and expenditures

(thousand Rubles)

Description	2003		2004		Gain, reduction (-) absolute
	Absolute	%	Absolute	%	
Proceeds (net) from selling goods, products, labor, services (less VAT, excises & similar compulsory payments)	24,960,316	100	33,882,196	100	8,921,880
Cost of sold goods, products, labor, services	20,026,397	80.2	27,290,560	80.5	7,264,163
Profit (loss) from sales	4,933,919	19.7	6,591,636	19.5	1,657,717
Other operation receipts	182,806	0.7	155,512	0.5	-27,294
Other operation expenditures	833,311	3.3	859,532	2.5	26,221
Non-operation receipts	413,796	1.7	1,054,779	3.1	640,983
Non-operation expenditures	1,101,351	4.4	2,092,056	6.2	990,705
Pretax profit (loss)	3,595,859	14.4	4,850,339	14.3	1,254,480
Current profit tax	939,304	3.8	1,401,581	4.1	462,277
Delayed liability & other compulsory payments	95,340	0.4	122,230	0.4	26,890
Net profit (loss) of the period under Report	2,561,215	8.6	3,326,528	9.8	765,313

Singed on behalf of Board of Directors "21" April 2005

V.M. Busygin
General Director
Chairman of the Board



I.R. Yakhin
Chief Accountant



Auditor's report



AUDITING ORGANIZATION
"AUDIT AND CONSULTING"

**to the executive body of
Nizhnekamskneftekhim, Inc.
on the Accounting Statements of
Nizhnekamskneftekhim, Inc.
for the period from 01.01.2004
to 31.12.2004.**

City of Kazan

March 31, 2005

Auditor: Audit and Advisory (Consulting) Organization "Audit & Consulting Ltd." (AICO Ltd.).

Location: Kalinina St., 48, Kazan, 420043, settlement account 40702810300000001484 in ZAO AKB "Tatinvestbank", City of Kazan.

Postal Address: P.O. Box 24, City of Kazan № 43, 420043.

Tel./Fax.: (8432) 67-61-99, 64-25-69, 64-29-47.

License for Carrying out Auditing Activity: № E 002592, issued in compliance with the Order of the RF Ministry of Finance № 255 as of 06.11.2002, valid until 06.11.2007.

Main State Registration Number of AICO, Ltd.: № 1021603626780, Certificate of Entry in Common State Register of Legal Bodies, series 16 № 001628642, issued on 25.11.2002 by the Inspectorate of the Ministry of Taxes and Charges of the Russian Federation of Sovetsky District, City of Kazan. Changes in AICO Constitutive Documents were registered on 21.12.2002 under State Registration № 2021603638010.

AICO Ltd. is a member of the Professional Auditors' Union "IPAR".

Body being audited:

Name: Nizhnekamskneftekhim, Inc.

Location: Nizhnekamsk, Republic of Tatarstan, 423570.

State Registration Certificate of 05.11.2002, Registration № 1021602502316.

We audited the attached Financial Accounting of Nizhnekamskneftekhim, Inc. for the period from January 1 to December 31, 2004, inclusive. The Financial Accounting of Nizhnekamskneftekhim, Inc. comprises:

- Accounting Balance Sheet (form № 1) as of 31.12.2004;
- Income Statement (form № 2) from January 1, 2004 up to December 31, 2004;
- Statement on the Capital Changes (form № 3) from January 1, 2004 up to December 31, 2004;
- Report on Monetary Movement (form № 4) from January 1, 2004 up to December 31, 2004;
- Supplement to Accounting Balance Sheet (form № 5) for the period from January 1, 2004 up to December 31, 2004.

This Financial Accounting is the responsibility of Nizhnekamskneftekhim Executive Body. Out duty is to express an opinion on reliability of this Financial Accounting, in all existing respects, and on compliance of the accounting order with Russian Federation Legislation based on the audit.

6

Investment Activity



Priority trends of the Company activity

1. Stage-by-stage revamping of Ethylene-450 plant and increasing its ethylene production up to 600,000 t/y.
2. Construction of the second plant for production of polystyrene with the capacity of 50,000 t/y. Total capacity will be 100,000 t/y.
3. Continue the work on comprehensive project for revamping of synthetic rubber production units with stage-by-stage increase of production capacities at Nizhnekamskneftekhim Inc. up to 500,000 - 550,000 t/y by means of extending the range of synthetic rubber grades.
4. Project for construction of a large-scale plant for production of polypropylene with the capacity of 180,000 t/y.
5. Construction of polyethylene plant, capacity is 230,000 t/y.
6. Project for implementation of comprehensive management system based on R/3 software package (SAP AG company).
7. Elaboration of energy saving program up to 2010.

Financing and loans

- 1 Construction of polypropylene production plant.
The following credit facilities were established aimed at implementation of the project:
 - 67 million US dollars (commercial loan) for the period of 5 years ("Citibank" as the arranger)
 - 65 million US dollars (loan under SACE guarantee) for the period of 11 years ("Citibank" as the arranger)
- 2 Construction of KGU-75
Credit facility of Sberbank of Russia was opened in the amount of 40 million US dollars for the period of 7 years to cover the expenses related to the implementation of the project.
- 3 Construction of the second phase of polystyrene plant:
Credit line under the guarantee of Eximbank USA in the amount of 14, 360 million US dollars for the period of 9 years ("Citibank" as the arranger)

7

Social Responsibility and Environmental Protection



Personnel

The Company's Management forms up its manpower policy taking into consideration growth of production cost-effectiveness and improvement of workmanship, business and personal characteristics of all those engaged with the Company.

Description	2001		2002		2003		2004	
	Number	%	Number	%	Number	%	Number	%
Total number of employees	20,151	100	20,007	100	20,322	100	20,641	100
Including:								
Managers	2,238	11.1	2,296	11.5	2,335	11.5	2,319	11.2
Engineers	2,493	12.4	2,500	12.5	2,555	12.6	2,621	12.7
Office staff	319	1.6	319	1.6	323	1.6	362	1.8
Workers	15,101	74.9	14,892	74.4	15,109	74.3	15,339	74.3

Personnel age chart

Age	2001		2002		2003		2004	
	Number	%	Number	%	Number	%	Number	%
Up to 30	4,470	22.2	4,489	22.4	4,815	23.7	5,095	24.7
30-40	4,635	23.0	4,252	21.3	4,120	20.3	4,071	19.7
40-50	7,426	36.9	7,347	36.7	7,248	35.7	7,105	34.4
Over 50	3,620	18.0	3,919	19.6	4,139	20.4	4,370	21.2

In 2004 the average wages increased by 37% and amounted to 11,019 Rubles.

Social partnership

In 2004 social and labour relations between employees and management of Nizhnekamskneftekhim, Inc. were regulated by existing labour legislation, regional tariff agreement as well as by collective agreement.

Collective agreement defines interaction between employees and administration with the aim of stable operation and higher efficiency production, satisfaction of social and material needs of collective members from profit, remaining at the disposal of Nizhnekamskneftekhim, Inc. and approved by Board of Directors.

191 million Rubles were allocated for housing construction in 2004, this ensured introduction of 20 thousand square meters of accommodations and allowed to provide margin for 2005.

13.4 million Rubles were assigned in 2004 for maintenance and operation of youth camps.

10.2 million Rubles were allotted for purchasing vouchers to Tatarstan and Russia health resorts for Nizhnekamskneftekhim personnel.

Overall funds for providing recreation and sanatorium treatment of employees in 2004 made up 55.6 million Rubles.

Environment protection

The enterprise has necessary environmental facilities for protection of all environmental spheres, the value of which according to balance sheet amounts to 2.9 billion Rubles. Their maintenance costs 900 million Rubles per year.

Only in 2004 about 80 million Rubles were additionally invested into construction and reconstruction of treatment facilities and other units. In 2004 – 2008, it is assumed to invest not less than 400 million Rubles within the framework of program for realization of environmental protection activities.

Tasks on reduction of harmful effect on environment are solved through application of advanced technologies, upgrading of treatment facilities and etc.

Developed water recycling system allows to achieve 5 times reduction of demand in fresh water, which is used as a cooling agent.

Specific yield of production wastes within the last 5 years reduced by almost 15 %. At present, more than 90% of generated wastes find application.

All Nizhnekamskneftekhim production units under construction are located within the battery limits of industrial site, avoiding use of new plots.

Environment management system at Nizhnekamskneftekhim complies with international standard ISO- 14001:96.

Positive results of environmental protection activities carried out by Nizhnekamskneftekhim within the period 2002 – 2004 were highly estimated by the Government of the Republic of Tatarstan: as per results of 2003 republican "Ecoleader" contest, Nizhnekamskneftekhim became the winner in nomination "Activities on emissions' reduction" and in 2004 was awarded the Diploma of Laureate in the same nomination.

Addresses and Contact Information

Full proprietary designation:

NIZHNEKAMSKNEFTEKHIM INCORPORATED

Location and postal address:

423574 Republic of Tatarstan, Nizhnekamsk

NIZHNEKAMSKNEFTEKHIM, Inc.

Teletype " MAYAK" 724614, 724620

Tel.: (8555) 37-71-81, 37-78-38

Fax: (8555) 37-93-09, (095) 255-38-21

e-mail: nknh@nknh.ru

<http://www.nknh.ru>

Date of NIZHNEKAMSKNEFTEKHIM, Inc. state registration:

Registered on August 18, 1993 by the Ministry of Finance of the Republic of Tatarstan and entered in the Registry of joint-stock companies established on the territory of the Republic of Tatarstan under № 388.

Re-registered by inter-regional inspectorate № 20 of the Ministry of Taxes and Charges of the Russian Federation for the Republic of Tatarstan on November 5, 2002 and entered in the Unified State Registry of legal entities under the main state registration №. 1021602502316.

Tax-payer identification number: 1651000010.

Mass media:

List of mass media, publishing, in accordance with Clause 9.18 of Nizhnekamskneftekhim Statute, notifications about shareholders' meetings:

- newspapers "Neftekhimik", Hezmattash Avazy", "Leninskaya Pravda", "Tugan Yak", "Respublika Tatarstan", "Vatanym Tatarstan".

Auditors of Nizhnekamskneftekhim, Inc.

Full proprietary designation:

Auditing and Advisory (Consulting) Organization "Audit & Consulting" Ltd., City of Kazan – under Russian Bookkeeping Code.

Full proprietary designation: JSC "PricewaterhouseCoopers Audit" – under International Financial Accounting Code.

Independent estimator:

Full proprietary designation: Auditing organization " Center of Audit and Consulting", Inc., city of Kazan.

Registry holder:

Full proprietary designation and place of location: Branch No. 4 of JSC "Interregional Registration Company", city of Nizhnekamsk, ul. 30 Let Pobedy, 11. License for registry keeping activities № 10-000-1-00297 is granted by the Federal Committee for Equity Market on 20.02.2004 without limitation of validity.

