

**JOINT STOCK COMPANY
“ACRON”**

**Consolidated Condensed Interim
Financial Information**

**For the three months ended
31 March 2013**



Contents

Unaudited Consolidated Condensed Interim Statement of Financial Position	1
Unaudited Consolidated Condensed Interim Statement of Comprehensive Income.....	2
Unaudited Consolidated Condensed Interim Statement of Cash Flows.....	3
Unaudited Consolidated Condensed Interim Statement of Changes in Equity	4

Notes to the Unaudited Consolidated Condensed Interim Financial Information

1	Acron Group and its Operations	5
2	Basis of Preparation	5
3	Significant Accounting Policies	5
4	Segment Information	5
5	Balances and Transactions with Related Parties.....	7
6	Cash and Cash Equivalents	7
7	Accounts Receivable	8
8	Inventories	8
9	Property, Plant and Equipment.....	8
10	Exploration and Evaluation Licences and Expenditure.....	8
11	Available-for-Sale Investments	8
12	Accounts Payable	9
13	Short-Term and Long-Term Borrowings	9
14	Finance Income / (Expenses), net	11
15	Other Operating Income / (Expenses), net	11
16	Earnings per Share.....	11
17	Income Taxes	11
18	Subsequent events	11

Joint Stock Company "Acron"
Consolidated Condensed Interim Statement of Financial Position
at 31 March 2013 (unaudited) and 31 December 2012
(in millions of Russian Roubles)



	Note	31 March 2013	31 December 2012
ASSETS			
Non-current assets			
Property, plant and equipment	9	50,402	47,866
Exploration and Evaluation Licences and Expenditure	10	26,771	26,371
Leasehold land		464	460
Goodwill		1,267	1,267
Available-for-sale investments	11	5,856	4,824
Long-term loans receivable		70	23
Deferred tax assets		1,754	827
Other non-current assets		1,078	961
Total non-current assets		87,662	82,599
Current assets			
Inventories	8	12,586	12,968
Short-term loans receivable		2,591	1,363
Accounts receivable	7	7,343	9,622
Available-for-sale investments	11	17,848	19,857
Trading Investments		887	860
Irrevocable bank deposits	6	1,451	1,435
Cash and cash equivalents	6	27,514	27,453
Other current assets		278	462
Total current assets		70,498	74,020
TOTAL ASSETS		158,160	156,619
EQUITY			
Share capital		3,046	3,046
Treasury shares		-	(4)
Retained earnings		45,831	43,742
Revaluation reserve		14,533	16,047
Other reserves		(110)	(171)
Cumulative currency translation difference		739	762
Share capital and reserves attributable to the Company's owners		64,039	63,422
Non-controlling interest		15,996	15,698
TOTAL EQUITY		80,035	79,120
LIABILITIES			
Non-current liabilities			
Long-term borrowings	13	39,636	38,176
Finance lease liability		7	10
Derivative financial liability		288	256
Deferred tax liability		6,218	5,635
Other long-term liabilities		614	500
Total non-current liabilities		46,763	44,577
Current liabilities			
Accounts payable	12	5,264	5,349
Notes payable		888	629
Current income tax payable		125	175
Other taxes payable		438	493
Short-term borrowings	13	22,331	23,383
Advances received		1,743	2,554
Finance lease liability		16	16
Derivative financial liability		2	7
Other current liabilities		555	316
Total current liabilities		31,362	32,922
TOTAL LIABILITIES		78,125	77,499
TOTAL LIABILITIES AND EQUITY		158,160	156,619

Approved for issue and signed on behalf of the Board of Directors on 28 May 2013.

V.Y. Kunitskiy
President

A.V. Milenkov
Finance Director

Joint Stock Company "Acron"
Consolidated Condensed Interim Statement of Comprehensive Income
for the three months ended 31 March 2013 and 31 March 2012 (unaudited)
(in millions of Russian Roubles, except for per share amounts)



	Note	Three months ended	
		31 March 2013	31 March 2012
Revenue		16,561	18,422
Cost of sales		(9,437)	(10,803)
Gross profit		7,124	7,619
Transportation expenses		(1,776)	(1,684)
Selling, general and administrative expenses		(1,492)	(1,331)
Gain / (loss) on disposal of property, plant and equipment, net		(74)	(10)
Gain / (loss) on disposal of investment		17	262
Other operating profit / (expenses), net	15	523	(1,186)
Operating profit		4,322	3,670
Finance income/(loss), net	14	(984)	2,774
Interest expense		(199)	(473)
Loss on changes in fair value of derivatives, net		(32)	140
Profit before taxation		3,107	6,111
Income tax expense	17	(749)	(988)
Profit for the period		2,358	5,123
Other comprehensive income / (loss):			
Available-for-sale investments:			
- Gains less losses arising during the year		(1,892)	(745)
- Disposal of available-for-sale investment – reclassification of revaluation profit and loss		-	(246)
- Income tax recorded directly in other comprehensive income		378	198
Currency translation differences		6	(242)
Other comprehensive loss for the period		(1,508)	(1,035)
Total comprehensive income for the period		850	4,088
Profit is attributable to:			
Owners of the Company		2,089	4,840
Non-controlling interest		269	283
Profit for the period		2,358	5,123
Total comprehensive income is attributable to:			
Owners of the Company		552	3,861
Non-controlling interest		298	227
Total comprehensive income for the period		850	4,088
Earnings per share, basic and diluted (expressed in Russian Roubles)	16	58.17	126.4

Joint Stock Company "Acron"
Consolidated Condensed Interim Statement of Cash Flows for the three months
ended 31 March 2013 and 31 March 2012 (unaudited)
(in millions of Russian Roubles)



	Note	Three months ended	
		31 March 2013	31 March 2012
Cash flows from operating activities			
Profit before taxation		3,107	6,111
<i>Adjustments for:</i>			
Depreciation and amortization	9	599	380
Provision for impairment of accounts receivable	7	(6)	(24)
Loss/ (gain) on disposal of property, plant and equipment		74	10
Interest expense		199	473
Interest income		(239)	(81)
Dividend income		32	-
Gain on disposal of investments		(17)	(262)
Foreign exchange effect on non-operating balances		(312)	(2,230)
Operating cash flows before working capital changes		3,437	4,377
(Increase)/ decrease in gross trade receivables		(519)	(539)
(Increase)/ decrease in advances to suppliers		1,063	24
(Increase)/ decrease in other receivables		1,980	124
(Increase)/ decrease in inventories		382	880
Increase/ (decrease) in trade payables		(44)	634
Increase/ (decrease) in other payables		(402)	947
Increase/ (decrease) in advances from customers		(811)	(484)
(Increase)/ decrease in other current assets		184	(238)
Increase/ (decrease) in other current liabilities		239	268
Cash generated from operations		5,509	5,993
Income taxes paid		(411)	(2,444)
Interest paid		(653)	(516)
Net cash generated from operating activities		4,445	3,033
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(2,847)	(2,721)
Proceeds from sale of property, plant and equipment		-	2
Loans provided		(1,275)	(273)
Proceeds from loans repaid		-	269
Interest received		-	13
Purchase of available-for-sale investments		(959)	-
Proceeds from sale of available-for-sale investments		-	248
Purchase of trading investments		(408)	-
Proceeds from sale of trading investments		420	14
Net change in other non-current assets and liabilities		(6)	(45)
Net cash used in investing activities		(5,075)	(2,493)
Cash flows from financing activities			
Proceeds from borrowings	13	4,854	9,139
Repayment of borrowings	13	(4,556)	(3,101)
Net cash provided from financing activities		298	6,038
Effect of exchange rate changes on cash and cash equivalents		393	(1,112)
Net increase in cash and cash equivalents		61	5,466
Cash and cash equivalents at the beginning of the period	6	27,453	14,630
Cash and cash equivalents at the end of the period	6	27,514	20,096

The accompanying notes on pages 5 to 11 are an integral part of this consolidated condensed interim financial information.



Capital and reserves attributable to the Company's owners

	Share capital	Treasury shares	Retained earnings	Revaluation reserve	Other reserves	Cumulative currency translation difference	Non-controlling interest	Total equity
Balance at 1 January 2012	3,125	(79)	36,726	15,392	(5,588)	691	2,781	53,048
Comprehensive income								
Profit for the period	-	-	4,840	-	-	-	283	5,123
<i>Other comprehensive income</i>								
Fair value gains/ (loss) on investments in JSC Sberbank	-	-	-	45	-	-	7	52
Disposal of investments in JSC Sbebank	-	-	-	(241)	-	-	(7)	(248)
Fair value gains/ (loss) on available-for-sale investments	-	-	-	(795)	-	-	-	(795)
Currency translation differences	-	-	-	-	-	(186)	(56)	(242)
Income tax recorded in other comprehensive income	-	-	-	198	-	-	-	198
Total other comprehensive income	-	-	-	(793)	-	(186)	(56)	(1,035)
Total comprehensive income	-	-	4,840	(793)	-	(186)	227	4,088
Balance at 31 March 2012	3,125	(79)	41,566	14,599	(5,588)	505	3,008	57,136
Balance at 1 January 2013	3,046	(4)	43,742	16,047	(171)	762	15,698	79,120
Comprehensive income								
Profit for the period	-	-	2,089	-	-	-	269	2,358
<i>Other comprehensive income</i>								
Fair value gains/ (loss) on available-for-sale investments	-	-	-	(1,892)	-	-	-	(1,892)
Currency translation differences	-	-	-	-	-	(23)	29	6
Income tax recorded in other comprehensive income	-	-	-	378	-	-	-	378
Total other comprehensive income	-	-	-	(1,514)	-	(23)	29	(1,508)
Total comprehensive income	-	-	2,089	(1,514)	-	(23)	298	850
Acquisition of treasury shares	-	4	-	-	61	-	-	65
Balance at 31 March 2013	3,046	-	45,831	14,533	(110)	739	15,996	80,035

The accompanying notes on pages 5 to 11 are an integral part of this consolidated condensed interim financial information.



1 Acron Group and its Operations

This unaudited consolidated condensed interim financial information has been prepared in accordance with International Financial Reporting Standards for the three months ended 31 March 2013 for Joint Stock Company "Acron" (the "Company" or "Acron") and its subsidiaries (together referred to as the "Group" or "Acron Group").

The Group's principal activities include the manufacture, distribution and sales of chemical fertilizers and related by-products. The Group's manufacturing facilities are primarily based in the Novgorodskaya and Smolenskaya regions of Russia and also in China.

The Company's registered office is at Veliky Novgorod, 173012, Russian Federation.

The Group's ultimate parent is Subero Associates Inc (British Virgin Islands). As at 31 March 2013 and 31 December 2012 the Group was ultimately controlled by Mr. Viatcheslav Kantor.

2 Basis of Preparation

2.1 Statement of compliance

This consolidated condensed interim financial information has been prepared in accordance with IAS 34, Interim Financial Reporting. It does not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2012.

2.2 Judgements and estimates

Preparing the consolidated condensed interim financial information requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated condensed interim financial information, significant judgments made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2012.

3 Significant Accounting Policies

The accounting policies and judgments applied by the Group in this consolidated condensed interim financial information are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012.

4 Segment Information

The Group prepares its segment analysis in accordance with IFRS 8, Operating Segments. Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker(s) ("CODM") and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the entity. The functions of CODM are performed by the Management Board of the Group.

The development and approval of strategies, market situation analysis, the risk assessment, investment focus, technological process changes, goals and priorities are set and assessed in line with the current segment structure of the Group:

- Acron – representing manufacturing and distribution of chemical fertilisers by JSC Acron;
- Dorogobuzh – representing manufacturing and distribution of chemical fertilisers by JSC Dorogobuzh;
- Hongri Acron – representing manufacturing and distribution of chemical fertilisers by Shandong Hongri Acron Chemical Joint Stock Company Ltd.;
- Logistics – representing transportation and logistic services rendered by Estonian ports of the Group and some minor transportation companies in Russia. Constitutes an aggregation of a number of operating segments;
- Trading – representing overseas & domestic distribution companies of the Group;
- Mining – representing firstly exploration licences. Combines several operating segments;
- Other – representing certain logistic (other than included in logistic segment), service, agriculture and management operations.



The Group's segments are strategic business units that focus on different customers. They are managed separately because each business unit has distinctive business and risk profile.

Segment financial information is presented and reviewed by the CODM based on the IFRS and includes revenues from sales and EBITDA.

The CODM evaluates performance of each segment based on measure of operating profit adjusted by depreciation and amortisation, foreign exchange gain or loss, other non-cash and extraordinary items (EBITDA). Since this term is not a standard IFRS measure Acron Group's definition of EBITDA may differ from that of other companies.

Information for the reportable segments for the three months ended 31 March 2013 is set out below:

	Segment sales	Intersegment sales	External sales	EBITDA
Acron	9,101	(7,607)	1,494	2,498
Dorogobuzh	4,633	(2,979)	1,654	1,512
Hongri Acron	1,943	(13)	1,930	200
Logistics	590	(419)	171	80
Trading	11,733	(640)	11,093	52
Mining	740	(598)	142	128
Other	745	(668)	77	(9)
Total	29,485	(12,924)	16,561	4,461

Information for the reportable segments for the three months ended 31 March 2012 is set out below:

	Segment sales	Intersegment sales	External sales	EBITDA
Acron	8,832	(7,139)	1,693	3,237
Dorogobuzh	4,477	(2,614)	1,863	1,426
Hongri Acron	3,151	(122)	3,029	160
Logistics	683	(427)	256	161
Trading	12,588	(1,014)	11,574	184
Mining	-	-	-	(197)
Other	523	(516)	7	(62)
Total	30,254	(11,832)	18,422	4,909

Reconciliation of EBITDA to Profit Before Tax:

	Three months ended	
	31 March 2013	31 March 2012
Profit Before Tax	3,107	6,111
Loss on derivatives; net	32	(140)
Interest expense	199	473
Finance (income)/costs, net	984	(2,774)
Operating Profit	4,322	3,670
Depreciation and amortisation	599	378
Foreign currency losses on operating activities	(517)	1,113
Gain on disposal of investments	(17)	(262)
Loss on disposal of property, plant and equipment	74	10
Total consolidated EBITDA	4,461	4,909

	Three months ended	
	31 March 2013	31 March 2012
Revenue		
Russia	4,151	4,349
European Union	2,271	2,119
Commonwealth of Independent States	1,315	1,816
USA and Canada	1,649	1,233
Latin America	1,323	1,458
China	3,460	4,313
Asia (excluding China)	1,458	2,811
Other regions	934	323
Total	16,561	18,422



The analysis of revenue is based on domicile of the customer. The analysis of assets is based on location of the assets.

Revenue from sales of chemical fertilisers accounts for 87% of total revenues (for 3 month 2012: 87%).

Non-current assets represent non-current assets other than financial instruments and deferred tax assets.

There are no individual customers contributing 10% of more to the total revenues.

5 Balances and Transactions with Related Parties

Related parties are defined in IAS 24, Related Party Disclosures. Parties are generally considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

The nature of the related party relationships for those related parties with whom the Group entered into significant transactions or had significant balances outstanding at 31 March 2013 and 31 December 2012 are detailed below.

The following turnovers and balances arise from transactions with related parties:

i Balances with related parties

Statement of financial position caption	Note	Relationship	31 March 2013	31 December 2012
Trade receivables, gross	7	Companies under common control	6	8
Trade payables	12	Companies under common control	(13)	(12)

ii Transactions with related parties

Statement of comprehensive income caption	Relationship	Three months ended	
		31 March 2013	31 March 2012
Sales of chemical fertilizers	Companies under common control	9	12
Purchases of raw materials	Companies under common control	227	(57)

6 Cash and Cash Equivalents

	31 March 2013	31 December 2012
Cash on hand and bank balances denominated in RUB	10,124	10,179
Bank balances denominated in USD	15,684	14,811
Bank balances denominated in EUR	804	1,406
Bank balances denominated in CAD	9	24
Bank balances denominated in CHF	4	4
Bank balances denominated in CNY	889	1,029
Total cash and cash equivalents	27,514	27,453
Irrevocable bank deposits in USD	1,451	1,435
Total	28,965	28,888

Cash and cash equivalents include term deposits of RUB 15,032 (31 December 2012: RUB 2,047)

At 31 March 2013 included in the current irrevocable bank deposits certain bank deposits of the Group which are restricted as guarantees to the banks related to credit agreement between HSBC Bank (China), Raiffeisen Bank International AG and one of the subsidiaries of JSC Acron in China in the amount of RUB 1,451 (31 December 2012: RUB 1,435). These deposits are classified as current in the consolidated Group financial statements based on maturities of respective loans.



7 Accounts Receivable

	31 March 2013	31 December 2012
Trade accounts receivable	2,143	1,624
Notes receivable	314	314
Other accounts receivable	253	796
Less: impairment provision	(193)	(199)
Total financial assets	2,517	2,535
Advances to suppliers	1,166	2,229
Value-added tax recoverable	3,572	4,467
Income tax prepayments	42	327
Other taxes receivable	62	80
Less: impairment provision	(16)	(16)
Total accounts receivable	7,343	9,622

The fair value of accounts receivable does not differ significantly from their carrying amount.

8 Inventories

	31 March 2013	31 December 2012
Raw materials and spare parts	5,846	6,742
Work in progress	1,116	1,051
Finished products	5,624	5,175
	12,586	12,986

9 Property, Plant and Equipment

Property, plant and equipment and related accumulated depreciation consist of the following:

	2013	2012
Carrying amount at 1 January	47,866	33,472
Acquisitions	3,177	2,571
Disposals	(74)	(10)
Charge for the period	(599)	(378)
Currency translation difference	32	(384)
Carrying amount at 31 March	50,402	35,271

At 31 March 2013, buildings, machinery and equipment and construction in progress with a net book value of RUB 1,535 (31 December 2012: RUB 1,534) had been pledged as security for long-term loans (Note 13).

10 Exploration and Evaluation Licences and Expenditure

Exploration and evaluation expenditure comprise of:

	31 March 2013	31 December 2012
Apatite-nepheline deposits (production / development stage)	681	681
Potash deposits (development stage)	24,620	24,225
Permits for exploration (exploration and evaluation stage)	1,470	1,465
	26,771	26,371

11 Available-for-Sale Investments

	2013	2012
Carrying amount at 1 January	24,681	19,950
Acquisitions	959	-
Profit from fair value revaluation in “other income”	(1,892)	(743)
Sberbank disposal	-	(248)
Disposals	(44)	-
Carrying amount at 31 March	23,704	18,959



The Group has investments in the following companies:

Name	Activity	Country of registration	31 March 2013	31 December 2012
Current				
JSC Uralkali	Potash mining	Russia	17,848	19,857
Total current			17,848	19,857
Non-current				
Grupa Azoty S.A. (Azoty Tarnów)	Fertilizers production	Poland	5,716	4,684
Other			140	140
Total non-current			5,856	4,824
Total			23,704	24,681

Fair value of the investments was determined by reference to the current market value at the close of business on the date of a transaction or on 31 March 2013. At 31 March 2013 the share price quoted by RTS and MICEX for JSC Uralkali amounted to RUB 211 for 1 share (31 December 2012: RUB 234.75 for 1 share).

In the first quarter Polish company Azoty Tarnów (Zakłady Azotowe w Tarnowie-Mościcach SA) made an additional issue of its shares in order to pay for acquisition of another Polish company Zakłady Azotowe „Puławy” S.A. As a result of the acquisition, the company Azoty Tarnów changed its name to Grupa Azoty S.A.

Due to increase of the authorized capital, the Group's stake dropped from 13.78% to 8.91%. However, during the reporting period, the Group acquired additional 1,781,186 shares of the Polish company in the open market. Accordingly, the Group's stake in the authorized capital of Grupa Azoty S.A. changed and resulted 10.7% as at 31 March 2013. At 31 March 2013 the share price quoted at Warsaw Stock Exchange for Grupa Azoty S.A. amounted to RUB 537.34 (31 December 2012: RUB 530.21).

12 Accounts Payable

	31 March 2013	31 December 2012
Trade accounts payable	3,603	3,647
Dividends payable	13	13
Total financial payables	3,616	3,660
Payables to employees	906	806
Accrued liabilities and other creditors	742	883
Total accounts payable and accrued expenses	5,264	5,349

13 Short-Term and Long-Term Borrowings

Borrowings consist of the following:

	31 March 2013	31 December 2012
Bonds issued	11,150	11,150
Credit lines	7,440	10,067
Term loans	43,377	40,342
	61,967	61,559

The Group's borrowings mature as follows:

	31 March 2013	31 December 2012
Borrowings due:		
- within 1 year	22,331	23,383
- between 1 and 5 years	39,350	38,060
- after 5 years	286	116
	61,967	61,559



The Group's borrowings are denominated in currencies as follows:

	31 March 2013	31 December 2012
Borrowings denominated in:		
- RUB	13,182	14,194
- EUR	1,723	1,735
- USD	43,480	41,757
- CNY	3,582	3,873
	61,967	61,559

Bank loans denominated in CNY were collateralised by buildings, machinery and equipment with a net book value of RUB 1,535 (31 December 2012: RUB 1,534) (Note 9) and land use right with a net book value of RUB 286 (31 December 2012: RUB 424). The loans obtained from banks in China are secured by guarantees issued by third parties totalled RUB 1,855 (31 December 2012: RUB 1,889).

The Group does not apply hedge accounting and has not entered into any hedging arrangements in respect of its foreign currency obligations or interest rate exposures.

At 31 March 2013 unused credit lines available under the long-term loan facilities were RUB 5,794 (31 December 2012: RUB 13,644).

The details of the significant short-term loan balances are summarised below:

	31 March 2013	31 December 2012
Short-term borrowings		
RUB		
Loans with fixed interest rates of 8.75% to 11% per annum	2,000	3,010
Bonds with coupon payments of 13.85% to 14.05% per annum	4,057	3,037
EUR		
Loans with floating interest rates of 3M EURIBOR+1.35% per annum	16	16
USD		
Loans with fixed interest rate of 4.35% to 6.82% per annum	1,140	1,189
Loans with floating interest rates of LIBOR+3% to LIBOR + 5.5% per annum	11,660	12,391
CNY		
Loans with fixed interest rates of 4.62% to 9.8% per annum	3,458	3,740
Total short-term borrowings	22,331	23,383

The details of the significant long-term loan balances are summarised below:

	31 March 2013	31 December 2012
Long-term borrowings		
RUB		
Loans with fixed interest rates of 6.316% to 8.85% per annum	32	34
Bonds with coupon payments of 7.95% to 14.05% per annum	7,093	8,113
EUR		
Loans with floating interest rates of 3M EURIBOR+1.35% to +1.75%	1,707	1,560
Loans with fixed interest rates of 4.35% to 4.9% per annum	-	159
USD		
Loans with fixed interest rates of 4.35% to 6.75% per annum	286	888
Loans with floating interest rates of LIBOR+3.5% to LIBOR+5.5% per annum	30,394	27,289
CNY		
Loans with fixed interest rates of 6.2% to 7.98% per annum	124	133
Total long-term borrowings	39,636	38,176

Significant loan agreements contain certain covenants including those which require the Group and Group entities to maintain a minimum level of net assets, equity/total assets ratio, debt/equity ratio, debt/EBITDA ratio and EBITDA/interest expense ratio. The loan agreements provide for the borrower's obligation to maintain the required level of inflows through the accounts opened with the lending banks and stipulate acceleration clauses in case of the borrower's failure to fulfil or appropriately fulfil its obligations to the bank. The loan agreements also contains a number of covenants and acceleration clause in case of the borrower's failure to fulfil its obligations under the loan agreements which include restrictions on material transactions with assets. Also, these covenants permit the respective banks to directly debit the accounts opened by the debtors with the banks to ensure repayment of the borrowings.



14 Finance Income / (Expenses), net

	Three months ended	
	31 March 2013	31 March 2012
Interest income from loans provided and term deposits	239	81
Commissions for bank loans	(162)	(92)
Foreign exchange gain	594	3,286
Foreign exchange loss	(1,655)	(501)
	(984)	2,774

15 Other Operating Income / (Expenses), net

	Three months ended	
	31 March 2013	31 March 2012
Charity expenses	(24)	(75)
Other income / (expenses)	30	2
Foreign exchange gain	1,024	309
Foreign exchange loss	(507)	(1,422)
	523	(1,186)

16 Earnings per Share

Basic earnings/(loss) per share are calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding treasury shares. The Company has no dilutive potential ordinary shares, therefore, the diluted earnings per share equal the basic earnings per share.

	Three months ended	
	31 March 2013	31 March 2012
Weighted average number of shares outstanding	40,534,000	47,687,600
Adjusted for weighted average number of treasury shares	-	(7,153,600)
Weighted average number of shares outstanding	40,534,000	40,534,000
Profit attributable to the equity holders of the Company	2,358	5,123
Basic and diluted earnings per share (in Russian roubles) attributable to the equity holders of the Company	58.17	126.4

17 Income Taxes

	Three months ended	
	31 March 2013	31 March 2012
Income tax expense – current	715	1,365
Deferred tax credit – origination and reversal of temporary differences	34	(377)
Income tax charge	749	988

18 Subsequent events

In April 2013, the Group increased its stake in Polish Grupa Azoty S.A. (formerly Azoty Tarnów) to 14.57% by purchasing 3,835,091 shares on the open market.