



JOINT STOCK COMPANY «GAZPROM NEFT»
(JSC «GAZPROM NEFT»)

PRESS-RELEASE

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Saint Petersburg

Gazprom Neft reports IFRS financial statements for 9M 2014

JSC Gazprom Neft has published its unaudited consolidated financial results, in accordance with International Financial Reporting Standards for 9M 2014.

The increase in crude oil production and product sales, including sales through premium channels (small wholesale and Company retail network, aviation refueling and bunkering) drove a rise in sales* and adjusted EBITDA** for 9M 2014, with an increase of 11.5% (1,246.2 RUB bln) and 13.3% (285.5 RUB bln) respectively.

Net income attributable to the shareholders of JSC Gazprom Neft rose by 3.2% to 139.5 RUB bln due to the moderating effect of foreign exchange losses on the revaluation of the loan portfolio in foreign currency. Operating cash flow for 9M 2014 reached 228.2 RUB bln, an increase of 3.8 Y-o-Y.

Hydrocarbon production volumes in 9M 2014 increased by 5.3% Y-o-Y to over 357 mmbbl (48.5 mtoe), due to continued growth in production at Orenburg region and Priboskoye field, increased stakes in SeverEnergia and Nortgaz, an increase in natural gas production and the rate of associated gas utilization, as well as the growing use of new technologies at brownfields.

Refining throughput for 9M 2014 reached 33.5 million tonnes, up 4.2% Y-o-Y, due to an increase of gas condensate share in refining at Omsk refinery and higher level of maintenance in 2013.

Sales via premium channels rose by 9.5% to reach 19.4 million tonnes, with sales via Company retail sites rising 7.8% to 7.2 million tonnes.

** Sales – revenue before deducting export duties and similar payments*

*** Adjusted EBITDA includes share of EBITDA from associated and jointly controlled companies recorded by equity accounting method*

Key Financial Data

3Q 2014	2Q 2014	Δ, %		9M 2014	9M 2013	Δ, %
431,647	429,338	0.5	Sales* (revenue before deducting export duties and similar payments) (RUB million)	1,246,155	1,117,346	11.5
107,153	94,350	13.6	Adjusted EBITDA** (RUB million)	285,536,	251,919	13.3
94,720	81,127	16.8	EBITDA (RUB million) (net of JV's results)	251,594	226,397	11.1
51,932	49,783	4.3	Profit attributable to the shareholders of Gazprom Neft (RUB million)	139,531	135,154	3.2
82,617	74,582	10.8	Cash flow from operations	228,176	219,912	3.8

Key Operational Data

3Q 2014	2Q 2014	Δ, %		9M 2014	9M 2013	Δ, %
122.85	117.43	4.6	Hydrocarbon production including share in joint ventures production(Mmboe)	357.03	339.04	5.3
11.46	11.15	2.8	Refining throughput at own refineries and joint ventures (MMtonnes)	33.45	32.09	4.2
7.23	6.60	9.5	Sales volumes via premium channels (MMtonnes)	19.43	17.75	9.5
2.59	2.39	8.4	Sales volume via retail network (MMtonnes)	7.20	6.68	7.8

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