

**Management's Discussion and Analysis of Financial Condition and Results
of Operations for the three months ended December 31 and September 30, 2017 and years
ended December 31, 2017 and 2016**

Definitions and conversions

The following discussion is intended to assist you in understanding the Group financial position as of December 31, 2017 and results of operations for the three months ended December 31 and September 30, 2017 and years ended December 31, 2017 and 2016 and should be read in conjunction with the Consolidated Financial Statements and notes thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS").

This report represents Group's financial condition and results of operations on a consolidated basis. In this report the terms "Gazprom Neft", "Company", "Group" represent PJSC Gazprom Neft, its consolidated subsidiaries and joint operations (as defined in IFRS 11) ("Tomskneft", "Salym petroleum development" (SPD) and Yuzhno-Priobskiy GPZ (UGPZ)). The term "Joint ventures" represents entities accounted for by the equity method.

Tonnes of crude oil produced are translated into barrels using conversion rates reflecting oil density from each of our oil fields. Crude oil purchased as well as other operational indicators expressed in barrels are translated from tonnes using a conversion rate of 7.33 barrels per tonne. Translations of cubic meters to cubic feet are made at the rate of 35.31 cubic feet per cubic meter. Translations of barrels of crude oil and liquid hydrocarbon into barrels of oil equivalent ("boe") are made at the rate of 1 barrel per boe and of cubic feet into boe at the rate of 6,000 cubic feet per boe.

Forward-looking statements

This discussion contains forward-looking statements concerning the financial condition, results of operations and businesses of Gazprom Neft and its consolidated subsidiaries. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in these statements.

Forward-looking statements include, among other things, statements concerning the potential exposure of Gazprom Neft to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "objectives", "outlook", "probably", "project", "will", "seek", "target", "risks", "goals", "should" and similar terms and phrases. There are a number of factors that could affect the future operations of Gazprom Neft and could cause those results to differ materially from those expressed in the forward-looking statements contained in this Report, inclusively (without limitation): (a) price fluctuations in crude oil and gas; (b) changes in demand for the Company's products; (c) currency fluctuations; (d) drilling and production results; (e) reserve estimates; (f) loss of market and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) economic and financial market conditions in various countries and regions; (j) political risks, project delay or advancement, approvals, and cost estimates; and (k) changes in trading conditions.

Key financial and operating data

4Q 2017	3Q 2017	Δ, %		12m		Δ, %
				2017	2016	
Financial results (RUB million)						
546,050	513,251	6.4	Sales*	2,003,575	1,695,764	18.2
151,721	153,439	(1.1)	Adjusted EBITDA**	550,967	456,198	20.8
6,684	6,663	0.3	RUB per toe of production	6,139	5,292	16.0
15.44	15.23	1.4	USD*** per boe of production	14.19	10.63	33.5
64,274	77,731	(17.3)	Profit attributable to Gazprom Neft shareholders	253,274	200,179	26.5
Operational results						
168.28	170.72	(1.4)	Hydrocarbon production including our share in joint ventures (MMboe)	665.38	640.17	3.9
22.70	23.03	(1.4)	Hydrocarbon production including our share in joint ventures (MMtoe)	89.75	86.20	4.1
1.83	1.86	(1.6)	Daily hydrocarbon production (MMboepd)	1.82	1.75	4.0
114.83	120.33	(4.6)	Crude oil and condensate production including our share in joint ventures (MMbbl)	465.16	447.03	4.1
320.68	302.38	6.1	Gas production including our share in joint ventures (bcf)	1,201.36	1,158.86	3.7
10.26	11.12	(7.7)	Refining throughput at own refineries and joint ventures (MMtonnes)	40.11	41.89	(4.2)

* Sales includes export duties and sales related excise tax

** EBITDA is a non-IFRS measure. A reconciliation of adjusted EBITDA to profit before income taxes is provided in the appendix

*** Translated to USD at the average exchange rate for the period

2017 highlights

- Obtained exploration and production licenses for:
 - Tazovskoye and Severo-Samburgskoye fields in Yamalo-Nenets Autonomous Okrug
 - Novosamarskoye field in Orenburg region
 - Parabelskiy prospecting block in Tomsk region
 - Ayashskiy block at Okhotskoye Sea shelf
 - Zapadno-Chistinniy block in Khanty-Mansiysk Autonomous Okrug
- In June 2017 the Group acquired a 25.02% stake (with the right to increase its share to 50%) in Evrotek-Yugra from Repsol (Spain company). Evrotek-Yugra holds exploration and production rights to seven license blocks in Khanty-Mansiysk Autonomous Okrug
- In April 2017 export duties exemption was approved for Kuyumba field
- In October 2017 discovered new hydrocarbon field at Ayashskiy block at Okhotskoye Sea shelf with total geological reserves up to 255 MMtoe
- In April, August, October and December 2017 the Group placed ruble bonds with total par value of RUB 70 billion
- Messoyakhaneftegas with active shareholders assistance raised project financing in amount of RUB 100 billion for East-Messoyakhskoye field development
- The Analytical Credit Rating Agency (ACRA) assigned the Group a long-term credit rating of “AAA”(RU) with a stable outlook
- In January 2018 international credit agency Moody’s assigned the Group a credit rating of “Baa3” with a positive outlook
- In February 2018 international credit agency Standard&Poor’s assigned the Group a credit rating of “BBB-” with a stable outlook
- In June 2017 Company’s shareholders approved record dividend payments for 2016 at RUB 10.68 per ordinary share
- In November 2017 the Board of Directors announced 9 months 2017 interim dividend of RUB 10 per ordinary share

Results for 12 months 2017 compared with 12 months 2016

- Total hydrocarbon production, including Group's share in joint ventures, increased by 4.1% to 89.75 MMtoe due to production growth at Novoportovskoye, East-Messoyakhskoye and Prirazlomnoye fields and increased production in Iraq
- Total refining throughput declined by 4.2% due to reconstruction and scheduled maintenance at Group's refineries
- Sales increased by 18.2% due to higher crude oil production and higher prices for crude oil and petroleum products on the domestic and international markets
- Production growth at major fields (Novoportovskoye, Prirazlomnoye and East-Messoyakhskoye), higher premium sales and an increase in crude oil and petroleum products prices have resulted in a 20.8% increase in an adjusted EBITDA
- Net profit attributable to Gazprom Neft shareholders increased mainly due to increase in EBITDA.

Results for 4Q 2017 compared with 3Q 2017

- The decrease in total hydrocarbon production, including Group's share in joint ventures, Q-o-Q by 1.4% is in line with OPEC+ agreement regarding oil cut
- Refining throughput decreased by 7.7% Q-o-Q due to scheduled maintenance of the first technological chain units at Omsk refinery in 4Q 2017
- Sales increased by 6.4% mainly due to higher prices for oil and petroleum products and increased oil export sales volume
- Production constraints and lower refining throughput due to scheduled maintenance at Group's refineries resulted in adjusted EBITDA decrease (1.1%)
- Net profit attributable to Gazprom Neft shareholders decreased, mainly due to foreign exchange loss in 4Q 2017 vs. foreign exchange gain in 3Q 2017.

Operational data and analysis

Oil and Gas Reserves

(MMboe)	Gazprom Neft*	Share in joint operations and joint ventures						Total
		Slavneft	Tomskneft	SPD	Sever Energia	Northgas	Messo yakha	
<i>Proved Reserves (December 31, 2015)</i>	6,324	990	594	180	2,428	707	45	11,268
Production	(366)	(57)	(41)	(23)	(105)	(34)	(3)	(629)
Revision of previous estimates	317	42	39	20	132	(3)	32	579
<i>Proved Reserves (December 31, 2016)**</i>	6,275	975	592	177	2,455	670	74	11,218
Production	(393)	(55)	(40)	(23)	(105)	(28)	(11)	(655)
Revision of previous estimates	525	49	23	20	137	(64)	27	717
<i>Proved Reserves (December 31, 2017)</i>	6,407	969	575	174	2,487	578	90	11,280
Total Group probable reserves	5,046	1,730	413	140	1,427	143	429	9,328
Total Group possible reserves	5,483	1,380	347	82	1,247	199	410	9,148

* Reserves above include reserves of Badra and Kurdistan fields on a working interest basis, which differs from net entitlement basis used in the Group consolidated financial statements

** The Company's proved reserves as of December 31, 2016 includes proved gas reserves partly recalculated into liquid hydrocarbons (includes NGL)

- The Company's proved reserves as of December 31, 2017 totaled 6,407 MMboe, including 4,791 MMbbl of crude oil and liquid hydrocarbons and 9,694 bcf of gas
- The Group proved reserves, including shares in joint operations and joint ventures, were 11,280 MMboe as of December 31, 2017, including 7,099 MMbbl of crude oil and liquid hydrocarbons and 25,090 bcf of gas
- Proved reserves figures exclude reserve volumes related to the Serbian subsidiary, NIS due to limitations on disclosure of this information in Serbia
- Reserve estimates are made by independent reservoir engineers DeGolyer and MacNaughton on the basis of standards of the Society of Petroleum Engineers Petroleum Reserves Management System (PRMS)
- PRMS reserves figures provided in the table differ from those reported in the supplementary information on oil and gas activities included with our consolidated financial statements. Oil and gas reserves included in that supplementary information are prepared using definitions provided by the US Securities and Exchange Commission (SEC), which require the use of a 12-month average of the first day of the month price for each month within the reporting period. The PRMS reserves in the above table use management's best estimate of future crude oil and natural gas prices.

Exploration Drilling and Discoveries

	2017	2016	Δ, %
Consolidated subsidiaries			
Exploration drilling ('000 meters)	40	40	-
Exploration wells drilled	12	16	(25.0)
New fields discovered	4	3	33.3
New reservoirs discovered	31	21	47.6
Joint operations			
Exploration drilling ('000 meters)	16	12	33.3
Exploration wells drilled	3	2	50.0
New fields discovered	1	-	-
New reservoirs discovered	5	-	-
Joint ventures			
Exploration drilling ('000 meters)	39	15	160.0
Exploration wells drilled	10	4	150.0
New reservoirs discovered	6	5	20.0

- Exploration drilling by consolidated subsidiaries in 2017 resulted in the discovery of 31 new reservoirs. Discoveries were made in Western Siberia (25 reservoirs), Orenburg region (3 reservoirs) and Eastern Siberia (3 reservoirs)
- Discovered 4 new fields at consolidated subsidiaries – field named after Alexander Zhagrin (Khanty-Mansiysk Autonomous Okrug), Novozarinskoye (Orenburg region), Kumane and Begeitsy-X (Serbia)
- Discovered Melimovskoye field (Tomsk region) at Tomskneft.

Production drilling

4Q	3Q			12m		
2017	2017	Δ, %		2017	2016	Δ, %
Consolidated subsidiaries						
594	736	(19.3)	Production drilling ('000 meters)	2,530	2,652	(4.6)
186	176	5.7	New production wells	658	692	(4.9)
60.58	64.98	(6.8)	Average new well flow (tonnes per day)	53.27	50.60	5.3
Joint operations						
172	220	(21.8)	Production drilling ('000 meters)	791	785	0.8
38	52	(26.9)	New production wells	175	213	(17.8)
Joint ventures						
412	487	(15.4)	Production drilling ('000 meters)	1,603	1,256	27.6
102	103	(1.0)	New production wells	355	287	23.7

- The decrease in production drilling Q-o-Q was due to seasonal factors
- The decrease in production drilling and number of new production wells by consolidated subsidiaries Y-o-Y was due to the increased number of high-tech wells
- The increase in average new well flow by consolidated subsidiaries by 5.3% Y-o-Y was due to the increased number of high-tech wells and the completion of high-debit wells at Novoportovskoye and Prirazlomnoye fields
- The increase in production drilling by joint operations Y-o-Y was due to drilling intensification at Tomskneft
- The decrease in new wells by joint operations Y-o-Y was due to the increased number of high-tech wells
- The increase in production drilling and new wells by joint ventures Y-o-Y was due to placing East-Messoyakhskoye field on production.

Production

4Q 2017	3Q 2017	Δ, %		12m 2017	2016	Δ, %
(MMtonnes)			Crude oil and condensate	(MMtonnes)		
2.52	3.74	(32.6)	Noyabrskneftegaz	12.22	13.81	(11.5)
3.58	3.76	(4.8)	Khantos**	14.43	14.54	(0.8)
1.09	1.17	(6.8)	Tomskneft	4.58	4.78	(4.2)
0.77	0.78	(1.3)	SPD	3.07	3.08	(0.3)
0.65	0.71	(8.5)	Orenburg***	2.76	2.76	-
0.24	0.25	(4.0)	NIS	0.97	1.02	(4.9)
0.41	0.42	(2.4)	Vostok****	1.65	1.69	(2.4)
1.68	1.60	5.0	Novy Port	5.95	2.92	103.8
0.88	0.14	>200	Prirazlomnoye	2.64	2.15	22.8
0.36	0.34	5.9	Badra & Kurdistan	1.30	0.86	51.2
0.03	-	-	Others	0.08	0.10	(20.0)
12.21	12.91	(5.4)	Total production by subsidiaries and joint operations	49.65	47.71	4.1
1.70	1.83	(7.1)	Share in Slavneft	7.15	7.50	(4.7)
0.93	0.91	2.2	Share in SeverEnergiya (Arcticgas)	3.67	3.77	(2.7)
0.10	0.09	11.1	Share in Northgas	0.38	0.52	(26.9)
0.46	0.42	9.5	Share in Messoyakha	1.58	0.35	>200
3.19	3.25	(1.8)	Share in production of joint ventures	12.78	12.14	5.3
15.40	16.16	(4.7)	Total crude oil and condensate production	62.43	59.85	4.3
(bcm)			Gas*	(bcm)		
2.50	2.47	1.2	Noyabrskneftegaz	10.19	9.95	2.4
0.28	0.27	3.7	Khantos**	1.11	1.07	3.7
0.25	0.24	4.2	Tomskneft	0.94	0.90	4.4
0.03	0.04	(25.0)	SPD	0.13	0.13	-
0.64	0.62	3.2	Orenburg***	2.53	2.36	7.2
0.13	0.13	-	NIS	0.52	0.55	(5.5)
0.04	0.04	-	Vostok****	0.15	0.12	25.0
0.80	0.44	81.8	Novy Port	1.30	0.05	>200
0.05	0.03	66.7	Others	0.11	0.05	120.0
4.72	4.28	10.3	Total production by subsidiaries and joint operations	16.98	15.18	11.9
0.11	0.11	-	Share in Slavneft	0.45	0.47	(4.3)
3.15	3.06	2.9	Share in SeverEnergiya (Arcticgas)	12.25	12.09	1.3
1.09	1.09	-	Share in Northgas	4.29	5.07	(15.4)
0.01	0.02	(50.0)	Share in Messoyakha	0.05	0.01	>200
4.36	4.28	1.9	Share in production of joint ventures	17.04	17.64	(3.4)
9.08	8.56	6.1	Total gas production	34.02	32.82	3.7
(MMtoe)			Hydrocarbons	(MMtoe)		
16.00	16.34	(2.1)	Total production by subsidiaries and joint operations	63.28	59.90	5.6
6.70	6.69	0.1	Share in production of joint ventures	26.47	26.30	0.6
22.70	23.03	(1.4)	Total hydrocarbon production	89.75	86.20	4.1
168.28	170.72	(1.4)	MMtoe	665.38	640.17	3.9
1.83	1.86	(1.6)	MMboe	1.82	1.75	4.0
			Daily hydrocarbon production (MMboepd)			

* Production volume includes marketable gas and gas utilized in the Company's power plants

** Khantos oil production in 2016-2017 includes NGL in the share of Gazprom Neft (50%). Associated gas utilization excludes gas used for NGL production at UGPZ (50%)

*** Orenburg oil production since 3Q 2016 includes LPG. Associated gas utilization excludes gas used for LPG

**** Vostok oil production since 2017 includes DGS. Associated gas utilization excludes gas used for DGS

- Group daily hydrocarbon production increased by 4.0% Y-o-Y
- Group oil and condensate production increased by 4.3% Y-o-Y to 62.43 MMtonnes, driven by increased production at Novoportovskoye, East-Messoyakhskoye, Prirazlomnoye fields and Iraq
- The decrease of Group oil and condensate production Q-o-Q by 4.7% to 15.40 Mmtonnes is in line with OPEC+ agreement regarding oil cut
- Group gas production increased by 3.7% Y-o-Y, primarily due to the increase in associated gas utilization resulted from GPF commissioning at Novoportovskoye field and the 4Q 2016 startup of a compressor station at Eti-Purovskoye field; higher natural gas production in Noyabrsk region according to new sales contracts
- Group natural gas production increased by 6.1% Q-o-Q due to putting in place of complex gas processing plant at Novoportovskoye field in October 2017.

Crude oil purchases

4Q 2017	3Q 2017	Δ, %	(MMtonnes)	12m		
				2017	2016	Δ, %
1.85	1.84	0.5	Crude oil purchases in Russia *	7.34	8.55	(14.2)
0.28	0.67	(58.2)	Crude oil purchases internationally	1.63	1.29	26.4
2.13	2.51	(15.1)	Total crude purchased	8.97	9.84	(8.8)

* Crude oil purchases in Russia:

- exclude purchases from the Group's joint ventures Slavneft and SeverEnergiya (Arcticgas)
- include purchase of stable gas condensate from Novatek (25% of Arcticgas production)

- Crude oil purchases in Russia decreased by 14.2% Y-o-Y due to a decline in effectiveness of domestic trading operations and lower production at own refineries.

Refining

4Q 2017	3Q 2017	Δ, %	(MMtonnes)	12m		
				2017	2016	Δ, %
4.48	5.31	(15.6)	Omsk	19.58	20.48	(4.4)
2.79	2.87	(2.8)	Moscow	9.37	10.71	(12.5)
0.92	0.89	3.4	Pancevo	3.34	3.10	7.7
8.19	9.07	(9.7)	Total throughput at refineries owned by subsidiaries	32.29	34.29	(5.8)
2.02	2.02	-	Share in Yaroslavl	7.74	7.47	3.6
0.05	0.03	66.7	Share in Mozyr	0.08	0.13	(38.5)
10.26	11.12	(7.7)	Total refining throughput	40.11	41.89	(4.2)
Production of petroleum products						
2.13	2.53	(15.8)	Gasoline	8.60	9.18	(6.3)
2.13	2.53	(15.8)	Class 5	8.60	9.18	(6.3)
0.41	0.33	24.2	Naphtha	1.38	1.56	(11.5)
2.93	3.18	(7.9)	Diesel	11.45	12.02	(4.7)
0.03	0.03	-	Class 2 and below	0.12	0.13	(7.7)
2.90	3.15	(7.9)	Class 5	11.33	11.89	(4.7)
1.83	1.27	44.1	Fuel oil	5.70	6.72	(15.2)
0.73	0.89	(18.0)	Jet fuel	3.04	3.04	-
0.65	0.66	(1.5)	Bunker fuel	2.67	2.41	10.8
0.53	1.02	(48.0)	Bitumen	2.57	2.02	27.2
0.13	0.13	-	Lubricants	0.48	0.42	14.3
0.59	0.70	(15.7)	Other	2.74	2.58	6.2
9.93	10.71	(7.3)	Total production	38.63	39.95	(3.3)

- Total throughput decreased by 4.2% Y-o-Y due to reconstruction and scheduled maintenance at Group's refineries
- Refining throughput decreased by 7.7% Q-o-Q due to scheduled maintenance of the first technological chain units at Omsk refinery in 4Q 2017

- High-octane gasoline production decreased and diesel production decreased Q-o-Q due to scheduled maintenance of the first technological chain units at Omsk refinery
- High-octane gasoline production decreased by 6.3% and diesel production decreased by 4.7% Y-o-Y due to a crude oil throughput decline at Omsk and Moscow refineries
- The decrease of bitumen production by 48.0% Q-o-Q primarily due to seasonal factors and stoppage for capital repair of bitumen production plants resulted in the growth of fuel oil production
- Bitumen production increased by 27.2% Y-o-Y due to higher demand on domestic market and geographic expansion of export sales
- Fuel oil production decreased Y-o-Y due to a decline in oil throughput and an increase in bitumen production.

Petroleum product purchases on international markets

	4Q 2017		3Q 2017		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
Diesel	2,147	0.07	2,872	0.09	(25.2)	(22.2)
Jet fuel	2,665	0.07	1,640	0.05	62.5	40.0
Bunker fuel	2,955	0.09	3,028	0.12	(2.4)	(25.0)
Lubricants	265	0.01	263	0.00	0.8	-
Total	8,032	0.24	7,803	0.26	2.9	(7.7)

	12m 2017		12m 2016		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
Diesel	9,460	0.33	12,604	0.46	(24.9)	(28.3)
Jet fuel	7,485	0.21	3,667	0.11	104.1	90.9
Bunker fuel	8,014	0.30	3,115	0.13	157.3	130.8
Lubricants	933	0.01	1,076	0.01	(13.3)	-
Total	25,892	0.85	20,462	0.71	26.5	19.7

- Diesel purchases decreased Y-o-Y due to accumulated diesel stock utilization
- Jet fuel purchases on international markets increased Y-o-Y due to higher demand for international flights
- Bunker fuel purchases on international markets increased Y-o-Y due to higher sales in ports of Romania and Estonia. Bunker fuel purchases on international markets decreased Q-o-Q due to seasonal factors.

Petroleum product purchases in the CIS

	4Q 2017		3Q 2017		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	2,747	0.06	2,368	0.08	16.0	(25.0)
Low octane gasoline	70	0.00	38	0.01	84.2	-
Diesel	901	0.05	700	0.03	28.7	66.7
Other	270	0.01	73	0.01	>200	-
Total	3,988	0.12	3,179	0.13	25.4	(7.7)

	12m 2017		12m 2016		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	7,251	0.21	1,740	0.06	>200	>200
Low octane gasoline	237	0.01	502	0.02	(52.8)	(50.0)
Diesel	4,019	0.17	2,797	0.13	43.7	30.8
Jet fuel	-	-	452	0.02	-	-
Other	529	0.05	269	0.01	96.7	>200
Total	12,036	0.44	5,760	0.24	109.0	83.3

Domestic petroleum product purchases

	4Q 2017		3Q 2017		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	18,255	0.49	16,380	0.44	11.4	11.4
Diesel	12,442	0.32	10,456	0.31	19.0	3.2
Jet fuel	1,983	0.06	3,316	0.10	(40.2)	(40.0)
Bunker fuel	1,108	0.03	893	0.04	24.1	(25.0)
Bitumen	178	0.01	471	0.03	(62.2)	(66.7)
Petrochemicals	107	0.01	-	-	-	-
Other	506	0.04	1,410	0.03	(64.1)	33.3
Total	34,579	0.96	32,926	0.95	5.0	1.1

	12m 2017		12m 2016		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	67,166	1.85	45,012	1.37	49.2	35.0
Low octane gasoline	-	-	409	0.01	-	-
Diesel	42,517	1.21	23,271	0.75	82.7	61.3
Jet fuel	9,205	0.30	5,574	0.21	65.1	42.9
Bunker fuel	3,685	0.15	2,340	0.13	57.5	15.4
Bitumen	805	0.06	-	-	-	-
Lubricants	176	0.01	682	0.01	(74.2)	-
Petrochemicals	162	0.01	248	-	(34.7)	-
Other	5,718	0.17	1,595	0.08	>200	112.5
Total	129,434	3.76	79,131	2.56	63.6	46.9

- Petroleum product purchases increased Y-o-Y due to lower production at own refineries, caused by scheduled maintenance.

Petroleum product marketing through premium channels

4Q 2017	3Q 2017	Δ, %		12m		Δ, %
	(units)			2017	2016	
1,193	1,175	1.5	Active retail stations		(units)	
188	187	0.5	In Russia	1,193	1,197	(0.3)
416	413	0.7	In CIS	188	200	(6.0)
			In Eastern Europe	416	415	0.2
1,797	1,775	1.2	Total retail stations (as at the end of the period)	1,797	1,812	(0.8)
21.25	20.90	1.7	Average daily sales per retail site in Russia (tonnes per day)	20.08	19.27	4.2

	(MMtonnes)		Sales volume through premium channels	(MMtonnes)		
5.22	5.54	(5.8)	Gasoline and Diesel	20.01	19.26	3.9
0.72	0.82	(12.2)	Jet	2.83	2.62	8.0
0.67	0.76	(11.8)	Bunkering	2.71	2.77	(2.2)
0.07	0.07	-	Lubricants	0.29	0.27	7.4
0.08	0.11	(27.3)	Bitumen	0.29	0.24	20.8
6.76	7.30	(7.4)	Total sales volume through premium channels	26.13	25.16	3.9

- The total number of active retail stations decreased by 0.8% Y-o-Y due to Group retail operations reorganisation in CIS
- Average daily sales per retail station in Russia increased by 4.2% Y-o-Y due to active retail business development and Group's marketing activities
- Jet fuel sales increased Y-o-Y due to higher demand for air carriage
- Bunker fuel sales increased Y-o-Y due to higher demand on the domestic market, entry to the new international markets and geographic expansion of outside processing
- Sales volumes through premium channels decreased Q-o-Q primarily due to seasonal factors.

Results of operations

4Q	3Q			12m		
2017	2017	Δ, %	(RUB million)	2017	2016	Δ, %
546,050	513,251	6.4	Sales*	2,003,575	1,695,764	18.2
(39,978)	(33,749)	18.5	Less export duties and sales related excise tax	(145,644)	(150,156)	(3.0)
506,072	479,502	5.5	Total revenue	1,857,931	1,545,608	20.2
Costs and other deductions						
(121,501)	(107,576)	12.9	Purchases of oil, gas and petroleum products	(456,037)	(351,294)	29.8
(58,933)	(57,225)	3.0	Production and manufacturing expenses	(216,530)	(201,862)	7.3
(33,841)	(24,840)	36.2	Selling, general and administrative expenses	(106,629)	(108,981)	(2.2)
(35,730)	(34,858)	2.5	Transportation expenses	(141,982)	(132,984)	6.8
(38,923)	(35,781)	8.8	Depreciation, depletion and amortization	(140,998)	(129,845)	8.6
(135,747)	(130,491)	4.0	Taxes other than income tax	(492,269)	(381,131)	29.2
(694)	(123)	>200	Exploration expenses	(963)	(1,195)	(19.4)
(425,369)	(390,894)	8.8	Total operating expenses	(1,555,408)	(1,307,292)	19.0
80,703	88,608	(8.9)	Operating profit	302,523	238,316	26.9
14,268	12,526	13.9	Share of profit of associates and joint ventures	45,504	34,116	33.4
(8,183)	2,237	-	Net foreign exchange (loss) / gain	(241)	28,300	-
1,832	3,041	(39.8)	Finance income	10,098	11,071	(8.8)
(5,839)	(6,026)	(3.1)	Finance expense	(25,127)	(34,282)	(26.7)
(4,593)	413	-	Other (loss) / gain, net	(7,557)	(17,982)	(58.0)
(2,515)	12,191	-	Total other (expense) / income	22,677	21,223	6.9
78,188	100,799	(22.4)	(Loss) / Profit before income tax	325,200	259,539	25.3
(9,962)	(13,119)	(24.1)	Current income tax (expense)	(43,695)	(21,290)	105.2
953	(5,232)	-	Deferred income tax benefit / (expense)	(11,827)	(28,524)	(58.5)
(9,009)	(18,351)	(50.9)	Total income tax benefit / (expense)	(55,522)	(49,814)	11.5
69,179	82,448	(16.1)	(Loss) / Profit for the period	269,678	209,725	28.6
(4,905)	(4,717)	4.0	Less: Profit attributable to non-controlling interest	(16,404)	(9,546)	71.8
64,274	77,731	(17.3)	Profit attributable to Gazprom Neft shareholders	253,274	200,179	26.5

* Sales include export duties and sales related excise tax

Revenues

4Q	3Q			12m		
2017	2017	Δ, %	(RUB million)	2017	2016	Δ, %
Crude oil						
106,397	79,204	34.3	Export	367,299	225,137	63.1
117,518	86,723	35.5	Export sales	413,662	266,661	55.1
(11,121)	(7,519)	47.9	Less related export duties	(46,363)	(41,524)	11.7
7,487	5,154	45.3	International markets	22,480	12,683	77.2
9,038	6,439	40.4	Export to CIS	29,732	23,528	26.4
9,423	6,439	46.3	Export sales and sales in CIS	30,117	23,657	27.3
(385)	-	-	Less related export duties	(385)	(129)	198.4
20,353	16,869	20.7	Domestic	83,393	94,809	(12.0)
143,275	107,666	33.1	Total crude oil revenue	502,904	356,157	41.2
Gas						
232	298	(22.1)	International markets	1,237	1,853	(33.2)
8,919	9,373	(4.8)	Domestic	36,351	30,116	20.7
9,151	9,671	(5.4)	Total gas revenue	37,588	31,969	17.6
Petroleum products						
55,358	47,067	17.6	Export	198,597	184,272	7.8
64,423	53,548	20.3	Export sales	228,346	215,837	5.8
(9,065)	(6,481)	39.9	Less related export duties	(29,749)	(31,565)	(5.8)
34,041	30,722	10.8	International markets	112,912	99,440	13.5
53,095	50,141	5.9	Sales on international markets	180,803	175,247	3.2
(19,054)	(19,419)	(1.9)	Less sales related excise	(67,891)	(75,807)	(10.4)
20,493	21,205	(3.4)	CIS	75,898	71,838	5.7
20,846	21,535	(3.2)	Export sales and sales in CIS	77,154	72,969	5.7
(353)	(330)	7.0	Less related export duties	(1,256)	(1,131)	11.1
227,835	247,394	(7.9)	Domestic	868,225	743,721	16.7
337,727	346,388	(2.5)	Total petroleum products revenue	1,255,632	1,099,271	14.2
15,919	15,777	0.9	Other revenue	61,807	58,211	6.2
506,072	479,502	5.5	Total revenue	1,857,931	1,545,608	20.2

Sales volumes

4Q	3Q			12m				
2017	2017	Δ, %		2017	2016	Δ, %		
(MMtonnes)			Crude oil			(MMtonnes)		
4.52	3.89	16.2	Export	18.19	12.89	41.1		
0.31	0.26	19.2	Sales on international markets*	1.06	0.73	45.2		
0.45	0.40	12.5	Export to CIS	1.71	1.66	3.0		
1.13	1.19	(5.0)	Domestic sales	5.57	7.43	(25.0)		
6.41	5.74	11.7	Total crude oil sales	26.53	22.71	16.8		
(bcm)			Gas			(bcm)		
0.01	0.03	(66.7)	International markets	0.11	0.18	(38.9)		
3.42	3.50	(2.3)	Domestic sales	13.89	13.28	4.6		
3.43	3.53	(2.8)	Total gas sales	14.00	13.46	4.0		
(MMtonnes)			Petroleum products			(MMtonnes)		
2.44	2.27	7.5	Export	9.54	10.77	(11.4)		
0.99	0.95	4.2	Sales on international markets	3.48	3.30	5.5		
0.67	0.71	(5.6)	Export and sales in CIS	2.50	2.41	3.7		
6.89	8.03	(14.2)	Domestic sales	27.96	27.11	3.1		
10.99	11.96	(8.1)	Total petroleum products sales	43.48	43.59	(0.3)		

* Including production sharing agreements (PSA)

Average realized sales prices

4Q 2017	3Q 2017	Δ, %		12m 2017	2016	Δ, %
(RUB per tonne)			Crude oil	(RUB per tonne)		
26,000	22,294	16.6	Export	22,741	20,687	9.9
20,940	16,098	30.1	Export and sales in CIS	17,612	14,251	23.6
18,012	14,176	27.1	Domestic sales	14,972	12,760	17.3
(RUB per tonne)			Petroleum products	(RUB per tonne)		
26,403	23,589	11.9	Export	23,936	20,041	19.4
31,113	30,331	2.6	Export and sales in CIS	30,862	30,278	1.9
33,067	30,809	7.3	Domestic sales	31,052	27,433	13.2

Crude oil sales

- Crude export volumes increased by 16.2% Q-o-Q due to a growth in crude oil production at Prirazlomnoye field resulted from scheduled stoppage for technical modernization in 3Q 2017
- Crude export volumes increased by 41.1% Y-o-Y due to an increase in crude oil production at Novoportovskoye, East-Messoyakhskoye and Prirazlomnoye fields and reduction of crude oil delivery to refineries
- Oil sales on international markets increased Y-o-Y due to production growth in Iraq
- Domestic crude volumes decreased by 25.0% Y-o-Y mainly due to a decline in effectiveness of domestic trading.

Gas sales

- Domestic gas sales increased by 4.6% Y-o-Y due to increased natural gas production at consolidated subsidiaries.

Petroleum product exports

	4Q 2017		3Q 2017		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
Naphtha	8,159	0.25	5,521	0.21	47.8	19.0
Diesel	16,255	0.49	18,582	0.63	(12.5)	(22.2)
Fuel oil	19,865	1.04	13,165	0.78	50.9	33.3
Jet fuel	4,808	0.13	3,208	0.10	49.9	30.0
Bunker fuel	9,440	0.36	8,605	0.34	9.7	5.9
Bitumen	23	0.00	362	0.02	(93.6)	-
Lubricants	1,612	0.03	1,093	0.01	47.5	200.0
Petrochemicals	2,265	0.07	540	0.04	>200	75.0
Other	1,995	0.07	2,472	0.14	(19.3)	(50.0)
Total	64,422	2.44	53,548	2.27	20.3	7.5

	12m 2017		12m 2016		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	-	-	2,266	0.09	-	-
Naphtha	26,434	0.94	29,577	1.21	(10.6)	(22.3)
Diesel	74,111	2.53	85,187	3.30	(13.0)	(23.3)
Fuel oil	56,618	3.29	59,988	4.63	(5.6)	(28.9)
Jet fuel	13,355	0.39	7,377	0.24	81.0	62.5
Bunker fuel	32,673	1.40	15,455	0.70	111.4	100.0
Bitumen	768	0.05	539	0.04	42.5	25.0
Lubricants	5,062	0.09	5,503	0.12	(8.0)	(25.0)
Petrochemicals	5,073	0.19	5,407	0.20	(6.2)	(5.0)
Other	14,251	0.66	4,538	0.24	>200	175.0
Total	228,345	9.54	215,837	10.77	5.8	(11.4)

- Petroleum product export volumes increased by 7.5% Q-o-Q due to an increase in effectiveness of international trading
- Petroleum product export volumes decreased Y-o-Y due to a decline in production volumes
- Bunker fuel volumes increased twice Y-o-Y due to an increase in effectiveness of trading
- Jet fuel sales on international markets increased by 62.5% Y-o-Y due to higher demand for international flights and geographic expansion.

Petroleum product sales in the CIS

	4Q 2017		3Q 2017		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	7,975	0.22	7,973	0.24	-	(8.3)
Low octane gasoline	141	0.01	154	0.00	(8.4)	-
Naphtha	271	0.01	230	0.01	17.8	-
Diesel	9,504	0.29	8,304	0.25	14.5	16.0
Fuel oil	101	0.01	109	0.01	(7.3)	-
Jet fuel	180	-	794	0.02	(77.3)	-
Bitumen	1,142	0.07	1,754	0.13	(34.9)	(46.2)
Lubricants	712	0.02	820	0.02	(13.2)	-
Petrochemicals and Other	820	0.04	1,397	0.03	(41.3)	33.3
Total	20,846	0.67	21,535	0.71	(3.2)	(5.6)

	12m 2017		12m 2016		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	30,484	0.89	33,168	0.97	(8.1)	(8.2)
Low octane gasoline	641	0.02	2,551	0.08	(74.9)	(75.0)
Naphtha	501	0.02	-	-	-	-
Diesel	30,524	0.93	25,168	0.77	21.3	20.8
Fuel oil	210	0.02	476	0.07	(55.9)	(71.4)
Jet fuel	4,599	0.15	3,946	0.14	16.5	7.1
Bitumen	4,016	0.28	2,087	0.22	92.4	27.3
Lubricants	2,794	0.07	2,766	0.07	1.0	-
Petrochemicals and Other	3,385	0.12	2,807	0.09	20.6	33.3
Total	77,154	2.50	72,969	2.41	5.7	3.7

Domestic sales of petroleum products

	4Q 2017		3Q 2017		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	93,860	2.31	104,195	2.62	(9.9)	(11.8)
Low octane gasoline	172	0.00	279	0.01	(38.4)	-
Naphtha	298	0.01	-	-	-	-
Diesel	77,261	2.10	81,285	2.41	(5.0)	(12.9)
Fuel oil	4,887	0.46	3,910	0.40	25.0	15.0
Jet fuel	23,691	0.69	23,977	0.81	(1.2)	(14.8)
Bunker fuel	10,017	0.47	9,439	0.47	6.1	-
Bitumen	4,857	0.36	10,779	0.81	(54.9)	(55.6)
Lubricants	2,983	0.05	3,839	0.07	(22.3)	(28.6)
Petrochemicals	5,822	0.22	5,616	0.25	3.7	(12.0)
Other	3,987	0.22	4,075	0.18	(2.2)	22.2
Total	227,835	6.89	247,394	8.03	(7.9)	(14.2)

	12m 2017		12m 2016		Δ, %	
	RUB million	MMtonnes	RUB million	MMtonnes	RUB million	MMtonnes
High octane gasoline	363,302	9.23	327,909	9.00	10.8	2.6
Low octane gasoline	815	0.02	1,051	0.03	(22.5)	(33.3)
Naphtha	298	0.01	-	-	-	-
Diesel	292,122	8.44	240,976	7.82	21.2	7.9
Fuel oil	16,027	1.65	10,183	1.62	57.4	1.9
Jet fuel	86,240	2.82	76,164	2.85	13.2	(1.1)
Bunker fuel	36,477	1.89	31,544	2.17	15.6	(12.9)
Bitumen	23,406	1.96	12,444	1.57	88.1	24.8
Lubricants	13,109	0.24	12,171	0.24	7.7	-
Petrochemicals	22,536	0.90	19,900	1.08	13.2	(16.7)
Other	13,893	0.80	11,379	0.73	22.1	9.6
Total	868,225	27.96	743,721	27.11	16.7	3.1

- Petroleum product sales on the domestic market decreased Q-o-Q mainly due to seasonal factors and production decline, caused by scheduled maintenance at Omsk refinery
- Bunker fuel sales decreased Y-o-Y due to shift to higher margin directions (North-East and Black Sea regions) from the Far East
- Bitumen sales increased by 24.8% Y-o-Y due to an increase in market share and geographic expansion of outside processing
- Petrochemicals volumes decreased Y-o-Y due to scheduled maintenance at Group's refineries.

Purchases of oil, gas and petroleum products

- Purchases of oil, gas, and petroleum products increased by 29.8% Y-o-Y due to increased volume of petroleum product purchases (connected with a refining decline) and crude oil and petroleum product prices growth.

Production and manufacturing expenses

4Q 2017	3Q 2017	Δ, %	(RUB million)	12m		
				2017	2016	Δ, %
29,556	29,066	1.7	Upstream expenses	111,837	106,765	4.8
1,847	1,779	3.8	RUB per toe	1,767	1,782	(0.8)
4.31	4.11	4.9	USD* per boe	4.13	3.63	13.8
22,341	22,293	0.2	Consolidated subsidiaries inside Russia including	85,898	80,392	6.8
1,700	1,656	2.7	RUB per toe	1,653	1,647	0.4
3.97	3.83	3.7	USD* per boe	3.87	3.35	15.5
17,186	17,457	(1.6)	Brownfields	67,923	65,960	3.0
1,962	1,718	14.2	RUB per toe	1,812	1,692	7.1
4.58	3.97	15.4	USD* per boe	4.24	3.44	23.3
5,155	4,836	6.6	Greenfields	17,975	14,432	24.5
1,177	1,465	(19.7)	RUB per toe	1,242	1,470	(15.5)
2.75	3.39	(18.9)	USD* per boe	2.90	2.99	(3.0)
2,383	2,127	12.0	Consolidated subsidiaries outside Russia (including PSA)**	8,381	9,655	(13.2)
3,220	3,039	6.0	RUB per toe	3,059	4,144	(26.2)
7.52	7.02	7.1	USD* per boe	7.15	8.43	(15.2)
4,832	4,646	4.0	Joint operations	17,558	16,718	5.0
2,301	2,151	7.0	RUB per toe	2,061	1,924	7.1
5.37	4.97	8.0	USD* per boe	4.82	3.92	23.0
15,205	13,977	8.8	Downstream expenses	55,318	53,132	4.1
8,752	7,877	11.1	Refining expenses at own refineries	31,191	30,619	1.9
1,069	868	23.2	RUB per tonne	966	893	8.2
2.50	2.01	24.4	USD* per bbl	2.26	1.82	24.2
3,370	3,172	6.2	Refining expenses at refineries of joint ventures***	12,259	12,453	(1.6)
1,628	1,547	5.2	RUB per tonne	1,568	1,639	(4.3)
3.80	3.58	6.1	USD* per bbl	3.67	3.34	9.9
3,083	2,928	5.3	Lubricants manufacturing expenses	11,868	10,060	18.0
7,810	8,478	(7.9)	Transportation expenses to refineries	29,265	29,561	(1.0)
6,362	5,704	11.5	Other operating expenses including	20,110	12,404	62.1
58,933	57,225	3.0	Total	216,530	201,862	7.3

* Translated to USD at the average exchange rate for the period

** PSA refers to production sharing agreement

*** Refining expenses of joint ventures is based on processing agreement

- Upstream expenses include expenditures for raw materials and supplies, maintenance and repairs of production equipment, labor costs, fuel and electricity costs, enhanced oil recovery activities and other similar costs at our upstream subsidiaries
- Upstream expenses per toe at consolidated subsidiaries in Russia increased by 0.4% Y-o-Y due to increased brownfields expenses which was partially offset by increased crude production at greenfields
- Upstream expenses per toe at consolidated subsidiaries at brownfields increased by 7.1% Y-o-Y due to:
 - o Production decline in line with OPEC limits
 - o Higher natural monopoly tariffs
 - o Increased share of equipment used under the electric submersible pump (ESP) rental program
 - o Inflationary pressure at cost of services and resources
 - o Increased expenses for associated gas processing.
- Upstream expenses USD per boe at consolidated subsidiaries outside Russia decreased by 15.2% Y-o-Y mainly due to:
 - o Production growth in Iraq
 - o Optimization of well repair costs at Serbia fields.
- Upstream expenses at joint operations increased by 7.1% Y-o-Y mainly due to:
 - o Production decline in line with OPEC limits

- o Higher natural monopoly tariffs
- o Increased share of equipment used under the electric submersible pump (ESP) rental program and growth of its maintenance costs
- o Inflationary pressure at cost of services and resources.
- Refining expenses at the refineries of consolidated subsidiaries include expenditures for raw materials and supplies, maintenance and repairs of production equipment, labor and electricity costs, and other similar costs at Group's refineries
- Refining expenses per tonne at own refineries increased by 23.2% Q-o-Q due to:
 - o Production decrease resulted from scheduled maintenance
 - o Increased expenses for natural gas consumption for own use purposes
 - o Increased energy supply expenses (switch to winter period).
- Refining expenses per tonne at own refineries increased by 8.2% Y-o-Y primarily due to:
 - o Production decrease resulted from scheduled maintenance
 - o Increased MTBE* purchases to sustain gasoline production as a result of scheduled maintenance of "large ring" units at Moscow refinery in 1Q and 2Q 2017
 - o Increased expenses for natural gas consumption for own use purposes.
- Refining expenses per tonne at refineries of joint ventures declined by 4.3% Y-o-Y due to optimized expenses for compounds, chemicals and additives
- Transportation expenses to refineries decreased by 7.9% Y-o-Y and 1.0% Q-o-Q mainly due to decreased crude oil volumes delivered to refineries
- Other operating expenses increased by 62.1% Y-o-Y due to increased services rendered to joint ventures.

Selling, general and administrative expenses

Selling, general and administrative expenses include general business expenses, wages, salaries (except wages and salaries at production subsidiaries and own refineries), insurance, legal fees, consulting and audit services, and other expenses.

- Selling, general and administrative expenses decreased by 2.2% Y-o-Y, driven by optimization procedures and ruble strengthening

Transportation expenses

Transportation expenses include costs to transport crude oil and petroleum products to final customers. These costs consist of pipeline transportation, sea freight, rail, shipping, handling, and other transportation costs.

- Transportation expenses increased by 6.8% Y-o-Y mainly due to higher export crude sales volumes.

Depreciation, depletion and amortization

Depreciation, depletion and amortization expenses include depreciation of oil and gas properties, refining and other assets and impairment provision.

- Depreciation, depletion and amortization expenses increase by 8.6% Y-o-Y in line with an increase in depreciable assets driven by implementation of the investment program and increased production

**MTBE- methyl-tret-butyl-ether. Applied as an motor vehicles additive intended for increasing of gasoline octane number*

Taxes other than income tax

4Q 2017	3Q 2017	Δ, %	(RUB million)	12m		
				2017	2016	Δ, %
93,508	84,683	10.4	Mineral extraction tax	329,579	237,300	38.9
32,271	37,567	(14.1)	Excise tax	128,229	112,102	14.4
5,850	4,723	23.9	Social security contributions	20,433	18,530	10.3
4,118	3,518	17.1	Other taxes	14,028	13,199	6.3
135,747	130,491	4.0	Total taxes other than income tax	492,269	381,131	29.2

- MET increased by 10.4% Q-o-Q due to higher oil prices
- Excise taxes decreased by 14.1% Q-o-Q due to decreased production at refineries of consolidated subsidiaries in Russia 4Q 2017
- MET increased by 38.9% Y-o-Y due to higher rates according to the Tax Code, imposition of additional multiplying ratio, production growth and higher oil prices
- Excise taxes increased by 14.4% Y-o-Y due to higher rates according to the Tax Code.

Share of profit of equity accounted investments

4Q 2017	3Q 2017	Δ, %	(RUB million)	12m		
				2017	2016	Δ, %
2,798	3,372	(17.0)	Slavneft	10,347	13,916	(25.6)
7,189	4,910	46.4	SeverEnergia (Arcticgas)	19,861	14,472	37.2
2,936	2,868	2.4	Messoyakha	9,976	(947)	-
919	884	4.0	Nortgaz	3,433	3,009	14.1
426	492	(13.4)	Other companies	1,887	3,666	(48.5)
14,268	12,526	13.9	Share of profit of associates and joint ventures	45,504	34,116	33.4

- Share of Slavneft profit decreased Y-o-Y mainly due to a production decline, depreciation growth and decreased income from foreign exchange differences
- Share of SeverEnergia (Arcticgas) profit increased by 37.2% Y-o-Y as a result of increased EBITDA and reduction of financial expenses
- Share of Messoyakha profit increased Y-o-Y as a result of started commercial production in 4Q 2016.

Other income and expenses

- Other expenses decreased by 58.0% Y-o-Y. Other expenses in 2016 mainly include impairment provision of advances paid.

Other financial items

- Foreign exchange gains/losses were mainly due to revaluation of the portion of the Group's debt portfolio that is denominated in foreign currencies.

Liquidity and capital resources

Cash flows

(RUB million)	12m		Δ %
	2017	2016	
Net cash provided by operating activities	421,700	321,297	31.2
Net cash used in investing activities	(312,889)	(323,854)	(3.4)
Net cash used in financing activities	(50,521)	(68,430)	(26.2)
Increase / (Decrease) in cash and cash equivalents	58,290	(70,987)	-

Net cash provided by operating activities

(RUB million)	12m		Δ %
	2017	2016	
Net cash provided by operating activities before changes in working capital, income tax, interest and dividends	439,320	361,567	21.5
Net changes in working capital	52,808	15,216	>200
Income tax paid	(36,530)	(22,158)	64.9
Interest paid	(39,449)	(36,476)	8.2
Dividends received	5,551	3,148	76.3
Net cash provided by operating activities	421,700	321,297	31.2

- Net cash provided by operating activities increased by 31.2% Y-o-Y primarily due to higher operating profit and changes in working capital.

Net cash used in investing activities

(RUB million)	12m		Δ %
	2017	2016	
Capital expenditures	(357,090)	(384,817)	(7.2)
Acquisition of subsidiaries, shares in joint operations and equity affiliates	(8,345)	(2,028)	>200
Net changes in deposits	(5,933)	48,517	-
Net changes in loans issued and other investments	44,938	(2,104)	-
Other transactions	13,541	16,578	(18.3)
Net cash used in investing activities	(312,889)	(323,854)	(3.4)

- Net cash used in investing activities decreased by 3.4% Y-o-Y due to lower capital expenditures and repayments of loans issued to Messoyakha.

Net cash used in financing activities

(RUB million)	12m		Δ %
	2017	2016	
Net changes in debt	3,556	(63,929)	-
Payment of dividends to shareholders	(50,382)	(2,598)	>200
Other transactions	(3,695)	(1,903)	94.2
Net cash used in financing activities	(50,521)	(68,430)	(26.2)

- Net cash used in financing activities decreased by 26.2% Y-o-Y mainly due to a decline of net amount of new funds raised and repayments of loans and borrowings. The Group paid dividends for 2016 in 3Q 2017.

Capital expenditures

(RUB million)	12m		Δ, %
	2017	2016	
Exploration and production	223,916	245,256	(8.7)
Consolidated subsidiaries	207,900	228,084	(8.8)
Joint operations	16,016	17,172	(6.7)
Refining	81,370	50,095	62.4
Marketing and distribution	12,466	9,728	28.1
Others	16,227	14,724	10.2
Subtotal capital expenditures	333,979	319,803	4.4
Change in advances issued and material used in capital expenditures, including	23,111	65,014	(64.5)
Total capital expenditures	357,090	384,817	(7.2)

- Capital expenditures for exploration and production decreased by 8.7% Y-o-Y due to:
 - Completion of first stage of infrastructure construction at Novoportovskoye field
 - Completion of oil infrastructure construction at Badra
 - Decreased drilling volumes at brownfields.
- Capital expenditures for refining increased by 62.4% Y-o-Y due to the second stage of modernisation program at Omsk and Moscow refineries (catalytic cracking reconstruction and construction of plant "EURO+" at Moscow refinery).

Debt and liquidity

(RUB million)	December 31, 2017	December 31, 2016
Short-term loans and borrowings	131,760	80,187
Long-term loans and borrowings	548,654	596,221
Cash and cash equivalents	(90,608)	(33,621)
Short-term deposits	(5,779)	(886)
Net debt	584,027	641,901
Short-term debt / total debt, %	19.4	11.9
Net debt / EBITDA for 12 months preceding	1.19	1.60

- The Group's diversified debt structure includes syndicated and bilateral loans, bonds and other instruments
- As at December 31, 2017 average debt maturity remained unchanged from 3.60 years as at December 31, 2016
- The average interest rate increased insignificantly from 5.52% as at December 31, 2016 to 5.54% as at December 31, 2017
- In March 2017 rating agency Standard&Poor's revised its outlook for the Group from stable to positive.
- In September 2017 rating agency Dagong revised its outlook for the Group from negative to stable and rating agency Fitch revised its outlook from stable to positive.

Financial appendix

EBITDA reconciliation

4Q	3Q			12m		
2017	2017	Δ, %	(RUB million)	2017	2016	Δ, %
69,179	82,448	(16.1)	Profit for the period	269,678	209,725	28.6
9,009	18,351	(50.9)	Total income tax benefit / (expense)	55,522	49,814	11.5
5,839	6,026	(3.1)	Finance expense	25,127	34,282	(26.7)
(1,832)	(3,041)	(39.8)	Finance income	(10,098)	(11,071)	(8.8)
38,923	35,781	8.8	Depreciation, depletion and amortization	140,998	129,845	8.6
8,183	(2,237)	-	Net foreign exchange (loss) / gain	241	(28,300)	-
4,593	(413)	-	Other (loss) / gain, net	7,557	17,982	(58.0)
133,894	136,915	(2.2)	EBITDA	489,025	402,277	21.6
(14,268)	(12,526)	13.9	less Share of profit of associates and joint ventures	(45,504)	(34,116)	33.4
32,095	29,050	10.5	add Share of EBITDA of equity accounted investments	107,446	88,037	22.0
151,721	153,439	(1.1)	Adjusted EBITDA	550,967	456,198	20.8

Financial ratios

Profitability

	December 31, 2017	December 31, 2016	Δ, p.p.
Adjusted EBITDA margin, %	29.65	29.52	0.1
Net profit margin, %	14.51	13.57	0.9
Return on assets (ROA), %	9.84	8.33	1.5
Return on equity (ROE), %	17.38	15.58	1.8
Adjusted Return on average capital employed (ROACE), %	13.90	11.77	2.1

Adjusted ROACE calculation

	December 31, 2017	December 31, 2016
For 12 months preceding		
Adjusted EBITDA	550,967	456,198
Depreciation, depletion and amortization	(178,449)	(158,919)
Effective income tax charge on EBIT	(71,605)	(62,429)
Adjusted EBIT*	300,913	234,850
Average capital employed	2,164,614	1,994,626
Adjusted ROACE	13.90	11.77

*Adjusted EBIT represents Group's EBIT and its share in associates and joint ventures' EBIT

Liquidity

	December 31, 2017	December 31, 2016	Δ, %
Current ratio	0.90	1.37	(34.3)
Quick ratio	0.43	0.66	(34.8)
Cash ratio	0.21	0.26	(19.2)

Leverage

	December 31, 2017	December 31, 2016	Δ, p.p.
Net debt/ Total Assets, %	19.93	25.18	(5.3)
Net debt/ Equity, %	35.20	44.45	(9.3)
Gearing, %	25.97	30.80	(4.8)
			Δ, %
Net debt/ Market Capitalization	0.51	0.64	(20.3)
Net debt/ EBITDA	1.19	1.60	(25.6)
Total debt/ EBITDA	1.39	1.68	(17.3)

Main macroeconomic factors affecting operational results

The main factors affecting the Group's operational results include:

- Changes in market prices for crude oil and petroleum products
- Changes in the exchange rate between the Russian Ruble and the US dollar; inflation
- Taxation
- Changes in transportation tariffs for crude oil and petroleum products.

Changes in market prices for crude oil and petroleum products

Prices for crude oil and petroleum products on international and Russian markets are the primary factor affecting the Group's operational results.

Petroleum product prices on international markets are primarily determined by world prices for crude oil, petroleum product supply and demand, and competition on different markets. Petroleum product price trends on international markets in turn determine domestic prices. Price trends are different for different types of petroleum products.

The increase in crude oil and petroleum product prices on international markets in 12 months 2017 had a positive impact on the Group's results.

4Q 2017	3Q 2017	Δ, %		12m 2017	2016	Δ, %
(US\$/ barrel)			International market	(US\$/ barrel)		
60.55	52.08	16.3	Brent	54.09	43.73	23.7
59.65	50.88	17.2	Urals Spot (average Med + NWE)	52.94	42.02	26.0
(US\$/ tonne)				(US\$/ tonne)		
594.59	562.57	5.7	Premium gasoline (average NWE)	557.58	467.05	19.4
547.49	456.84	19.8	Naphtha (average Med. + NWE)	477.10	377.85	26.3
553.85	488.21	13.4	Diesel fuel (average NWE)	493.65	398.58	23.9
541.42	472.29	14.6	Gasoil 0.1% (average Med.)	483.49	391.21	23.6
326.63	287.98	13.4	Fuel oil 3.5% (average NWE)	290.96	199.93	45.5
(RUB/ tonne)			Domestic market	(RUB/ tonne)		
37,402	37,212	0.5	High-octane gasoline	36,820	34,574	6.5
32,847	33,715	(2.6)	Low-octane gasoline	31,931	29,858	6.9
34,643	33,094	4.7	Diesel fuel	32,619	27,965	16.6
10,897	9,698	12.4	Fuel oil	9,594	6,051	58.6

Sources: Platts (international), Kortes (domestic)

where P is the Urals price (USD/tonne) and K is an incremental coefficient equal to 36% for 2016 and 30% for 2017 and following periods.

Resolution of the Russian Government No. 846 (September 26, 2013) sets out the rules for applying specific export duty rates and monitoring their use for crude oil produced, inter alia, at fields located in Sakha Republic (Yakutia), Irkutsk Oblast, Krasnoyarsk Krai, and to north of latitude 65° in Yamalo-Nenets Autonomous Okrug.

Order No. 868 (December 3, 2013) of the Ministry of Energy establishes the application form and methodology to analyze the applicability of these special rates for crude oil.

c) According to Federal Law No. 5003-1 (May 12, 1993) clause 35 subclause 1.1, crude oil produced at offshore fields is exempt from export duties until:

- March 31, 2032 – for fields located entirely in the Sea of Azov, or located 50% or more in the Baltic Sea, Black Sea (at water depths of less than 100 meters), Pechora Sea, White Sea, Sea of Okhotsk (to south of 55° N), or the Caspian Sea
- March 31, 2042 – for fields located 50% or more in the Black Sea (at depths exceeding 100 meters), Sea of Okhotsk (to north of 55°), or Barents Sea (to south of 72°N)
- Indefinitely – for fields located 50% or more in the Kara Sea, Barents Sea (to north of 72° N), or the Eastern Arctic (Laptev Sea, East Siberian Sea, Chukchi Sea, Bering Sea)

According to clause 11.1, subclause 5 of the Russian Tax Code, a new offshore field is a field where commercial hydrocarbon production has commenced no earlier than January 1, 2016.

Export duty rate on petroleum products

In accordance with clause 3.1 of Russian Federal Law No. 5003-1 (May 21, 1993), the export duty rate on petroleum products is determined by the Government. Petroleum products exported to Kazakhstan, Belarus and Kyrgyzstan (till 31 december 2016) are not subject to export duties. Exports of petroleum products to Tajikistan, Armenia and Kyrgyzstan within the indicative limits are not subject to export duties from November 13, 2013, January 19, 2015 and January 1, 2017 respectively.

According to Resolution of the Russian Government No. 276 (March 29, 2013), the export duty rate on petroleum products is calculated using the following formula:

$R = K * R_{\text{crude}}$, where R_{crude} is the export duty rate per tonne of crude oil and K is a coefficient depending on the type of petroleum product.

The coefficients, K, for different petroleum products are as follows:

	2016	from 2017
Light and middle distillates		
Diesel	0.4	0.3
Lubricants oil		
Naphtha	0.71	0.55
Gasoline	0.61	0.3

Excise duties on petroleum products

In Russia, excise duties are paid by producers of refined products. Excise duties are also applied to petroleum products imported into Russia.

Clause 193 of the Russian Tax Code establishes the following excise duty rates for petroleum products (in rubles/tonne):

	2016 January 1-March 31	2016 April 1-December 31	2017	From 2018	
				01.01.-30.06	01.07.-31.12
Gasoline					
Below Class 5	10,500	13,100	13,100	13,100	13,100
Class 5	7,530	10,130	10,130	11,213	11,892
Naphtha	10,500	13,100	13,100	13,100	13,100
Diesel fuel	4,150	5,293	6,800	7,665	8,258
Motor oil	6,000	6,000	5,400	5,400	5,400
Middle distillate	4,150	5,293	7,800	8,662	8,662

Mineral extraction tax (MET) on crude oil

a) According to clause 342 of the Russian Tax Code the MET rate on crude oil (R, in rubles/tonne) is calculated using the following general formula:

	2016	from 2017
MET crude oil	$857 \times Kc - Dm$	$919 \times Kc - Dm$

$Dm = Kmet \times Kc \times (1 - Kv \times Kz \times Kd \times Kdv \times Kkan)$ for 2016.

$Dm = Kmet \times Kc \times (1 - Kv \times Kz \times Kd \times Kdv \times Kkan) - Kk$ from 2017.

$Kmet = 559$ starting from 2016.

Kc reflects the volatility of crude oil prices at the global market. $Kc = (P - 15) \times D / 261$, where P is the average monthly Urals oil price at the Rotterdam and Mediterranean markets (in USD/bbl.) and D is the average monthly ruble/ US dollar exchange rate.

Kv characterizes the degree of depletion of the specific field, providing lower tax rates for highly depleted fields. Depletion is measured by N/V , where N is the cumulative production volume of the field and V is the total volume of initial extractable reserves as at January 1, 2006. For fields with depletion between 0.8 and 1, $Kv = 3.8 - 3.5 \times N / V$. Where depletion is greater than 1, Kv is 0.3. In all other cases $Kv = 1$. Where fields include deposits with $Kd < 1$, Kv is equal to 1.

Kz characterizes the size of the field (by reserves) and provides lower tax rates for small fields. For fields with initial reserves (designated by V_3 , defined as total extractable reserves for all categories as at January 1 of the year preceding the tax period) below 5 MMtonnes and depletion (N/V_3 , where N is the cumulative production volume of the field) less than 0.05, $Kz = 0.125 \times V_3 + 0.375$

Kd is designed for specific deposits with hard-to-recover oil. It varies between 0.2 and 1 depending on the deposit as follows:

- 0.2 – for oil produced from deposits with permeability no greater than $2 \times 10^{-3} \mu^2$ and effective formation thickness no greater than 10 meters
- 0.4 – for oil produced from deposits with permeability no greater than $2 \times 10^{-3} \mu^2$ and effective formation thickness greater than 10 meters
- 0.8 – for oil produced from deposits classified in the state mineral reserves balance as related to the Tyumen formation
- 1 – for oil produced from other deposits

Kdv characterizes the degree of depletion of the deposit, providing lower tax rates for highly depleted deposits. Kdv is applied when the oilfield contains any deposit with Kd less than 1. For deposits with Kd less than 1, depletion is measured by Ndv/Vdv , where Ndv is the cumulative production volume from the deposit and Vdv is

total initial extractable reserves (total reserves for all categories as at January 1 of the year preceding the tax period). For deposits with depletion between 0.8 and 1, $Kdv = 3.8 - 3.5 * Ndv / Vdv$. Where depletion is greater than 1, Kdv is 0.3. In all other cases, Kdv = 1. Kdv for all other deposits (with $Kd = 1$) of the respective field is the value of Kv as calculated for the entire area.

Kkan characterizes the oil production region and oil quality. This coefficient provides lower tax rates for fields located partly or completely in regions with challenging climate and geological conditions (specifically, Yamal Peninsula in Yamalo-Nenets Autonomous Okrug, Irkutsk Oblast, and Sakha Republic (Yakutia)). The Kkan coefficient is set at 0 until the first day of the month following a month in which one of the following conditions is met: (1) Achieving a particular cumulative production level of the field; (2) Expiration of the stipulated term. When the tax exemption period expires Kkan is equal to 1.

Kk – 306 for 2017, 357 for 2018 and 428 for 2019-2020.

b) According to the Russian Tax Code clause 342, subclause 2.1 and clause 338, subclause 6 (subject to the provisions of Federal Law No. 335FZ from 27 November 2017) the following ad valorem MET rates should be used for oil produced at new offshore fields (as a % of price):

- 30% for a five-year period counted from the start of commercial hydrocarbon production – for fields located entirely in the Sea of Azov or for fields located more than 50% in the Baltic Sea
- 15% for a seven-year period counted from the start of commercial hydrocarbon production – for fields located more than 50% in the Black Sea (at water depths of less than 100 meters), the Sea of Japan, Pechora Sea, White Sea, Sea of Okhotsk (to south of 55° N), Caspian Sea
- 10% for a ten-year period counted from the start of commercial hydrocarbon production – for fields located more than 50% in the Sea of Okhotsk (to north of 55° N), Black Sea (at depths exceeding 100 meters), Barents Sea (to south of 72° N)
- 5% production for a 15-year period counted from the start of commercial hydrocarbon production – for fields located more than 50% in the Kara Sea, Barents Sea (to north of 72° N), and Eastern Arctic (Laptev Sea, East Siberian Sea, Chukchi Sea, Bering Sea).

The Russian tax law also provides for a zero MET rate on oil produced from deposits classified in the state mineral reserves balance as related to the Bazhenov formation, provided specific conditions set out in the Tax Code are met.

Effective MET rate for the Group

4Q	3Q		12m			
2017	2017	Δ, %	2017	2016	Δ, %	
9,723	7,818	24.4	Nominal crude oil MET rate, RUB/tonne	8,134	5,770	41.0
7,983	6,813	17.2	Effective crude oil MET rate, RUB/tonne	6,825	5,149	32.6
			Difference between nominal and effective rates, RUB/tonne	1,309	621	
			Difference between nominal and effective rates, %	16.1%	10.8%	

In 12 months 2017, the Group's effective MET rate was 6,825 RUB/tonne, or 1,309 RUB/tonne lower than the nominal MET rate established in Russian legislation. The difference results from the application of certain coefficients (Kv, Kz, Kd and Kkan) that reduce the MET rate.

Mineral extraction tax (MET) on natural gas and gas condensate

Clause 342 of the Russian Tax Code establishes mineral extraction tax rates for natural gas and gas condensate as follows:

MET on natural gas (RUB/mcm) $35 * Eut * Kc + Tg$

MET on gas condensate (RUB/tonne) $42 * Eut * Kc * Kkm$

Eut is the base value per fuel-equivalent unit calculated by the taxpayer depending on natural gas and gas condensate prices and their relative production amounts.

Kc characterizes the degree of difficulty of the extraction of natural gas and gas condensate. The coefficient is designed to reduce the tax rate on natural gas and gas condensate, and is equal to the lowest of the following reducing coefficients: Kr – depending on location, Kvg – for depleted deposits, Kgz – for deposits at depths of more than 1,700 meters, Kas – for deposits related to the regional gas supply system, and Korz – for deposits classified as Turonian formations.

Tg reflects gas transportation costs (set at zero for 2016-2017 according to the Federal Antimonopoly Service of the Russian Federation).

Kkm is a correction coefficient equal to 5.5/Kg for 2016 and 6.5/Kg for 2017, where Kg is a coefficient characterising export return per fuel-equivalent unit.

In 12 months 2017, the Group's effective MET rate for natural gas was 597 RUB per thousand m³, which is 23 RUB per thousand m³ lower than the nominal MET rate established in Russian legislation. The difference results from the application of tax benefits, especially coefficient Kc that reduce the MET rate.

Tax benefits

According to the effective tax legislation, the Group's subsidiaries apply the following tax benefits (including lower tax rates and coefficients that reduce the MET rate):

Tax benefits applied during 12 m 2017	Subsidiaries (Oil Fields) belonging to the Group
MET for gas	
Hard-to-recover coefficient Kc	JSC Gazpromneft-Noyabrskneftegaz Gazpromneft Yamal LLC Gazpromneft Orenburg LLC
MET for oil	
Small fields coefficient Kz	JSC Gazpromneft-Noyabrskneftegaz Gazpromneft Orenburg LLC
Depletion coefficient Kv	JSC Gazpromneft-Noyabrskneftegaz Gazpromneft-Vostok LLC JSC Yuzhuralneftegas
Hard-to-recover coefficient Kd	JSC Gazpromneft-Noyabrskneftegaz Gazpromneft-Vostok LLC Zapolyarneft LLC Gazpromneft-Khantos LLC
Highly depleted deposits coefficient Kdv	JSC Gazpromneft-Noyabrskneftegaz Gazpromneft-Vostok LLC
Oil production region and oil quality factor Kkan	PJSC Gazpromneft Gazpromneft-Angara LLC Gazpromneft-Yamal LLC
Zero MET rate for fields classified as belonging to Bazhenov formation	Gazpromneft-Khantos LLC JSC Gazpromneft-Noyabrskneftegaz
Lower MET rate for new offshore fields in the Pechora Sea	Gazpromneft-Shelf LLC
Profits tax	
16% rate (4% tax rate decrease under Khanty-Mansiysk Autonomous Okrug regional legislation)	Gazpromneft-Khantos LLC
17% rate (3% tax rate decrease under Yamalo-Nenets Autonomous Okrug regional legislation)	JSC Gazpromneft-Noyabrskneftegaz
17% rate (3% tax rate decrease under Orenburg regional legislation)	JSC Yuzhuralneftegas
16.5% rate (3.5% tax rate decrease under Yamalo-Nenets Autonomous Okrug regional legislation)	JSC Gazpromneft-Noyabrskneftegaz Zapolyarneft LLC

Tax benefits applied during 12 m 2017	Subsidiaries (Oil Fields) belonging to the Group
19.475% rate (0.525% tax rate decrease under Tumen regional legislation)	Gazpromneft-Khantos LLC
16.5% rate (3.5% tax rate decrease under St. Petersburg regional legislation)	PJSC Gazpromneft JSC Gazpromneft Aero LLC Gazpromneft-NTC LLC Gazpromneft-Razvitie LLC Gazpromneft-Business Service LLC Gazpromneft-Regionalnie prodazhi LLC Gazpromneft-Marine Bunker LLC Gazpromneft-Shelf LLC *
Property tax	
Property tax exemption for hydrocarbon fields in Khanty-Mansiysk Autonomous Okrug with the first hydrocarbon extraction after January 1, 2011 (under Khanty-Mansiysk Autonomous Okrug regional legislation)	LLC Gazpromneft-Khantos LLC
Reduced tax rate 1.1% on property purchased/constructed for investment projects in Yamalo-Nenets Autonomous Okrug (under Yamalo-Nenets Autonomous Okrug regional legislation)	JSC Gazpromneft-Noyabrskneftegaz Zapolyarneft LLC
Property tax exemption for investment projects in Orenburg region (under Orenburg regional legislation)	Gazpromneft Orenburg LLC
Property tax exemption for investment projects and properties put into operation in Tomsk region in amount under 50% of tax paid to Tomsk region budget (under Tomsk regional legislation)	Gazpromneft Vostok LLC

*Regarding other activities connected with Consolidated taxpayers group PJSC Gazprom

Transportation of crude oil and petroleum products

Transportation tariff policies are established by the state authorities to ensure a balance between the interests of the state and all participants in the transportation process. Transportation tariffs for natural monopolies are set by the Federal Antimonopoly Service of the Russian Federation (FAS). Tariffs are dependent on transport destination, delivery volume, transportation distance, and several other factors. Changes in tariffs depend on inflation forecasts made by the Ministry of Economic Development of the Russian Federation, the investment needs of the owners of transportation infrastructure, other macroeconomic factors, and compensation of economically reasonable expenses incurred by natural monopolies. Tariffs are revised by the FAS periodically, and comprise dispatch, loading, transshipment, pumping, and other tariffs.

The following table shows average transportation costs per tonne for the Group's crude oil for export and use at its refineries, as well as costs per tonne for transportation of its petroleum products from refineries for export:

4Q	3Q			12m		
2017	2017	Δ, %	(RUB per tonne)	2017	2016	Δ, %
Crude oil						
Export						
2,077	2,127	(2.4)	Pipeline	2,054	1,927	6.6
CIS						
1,545	1,539	0.4	Pipeline	1,554	1,508	3.1
Transportation to Refineries						
737	721	2.2	Omsk	721	670	7.6
1,481	1,519	(2.5)	Moscow	1,522	1,442	5.5
1,232	1,221	0.9	Yaroslavl	1,268	1,221	3.8
Petroleum products						
Export from ONPZ						
3,244	2,382	36.2	Gasoline	2,673	1,959	36.4
5,210	5,199	0.2	Fuel oil	5,247	5,604	(6.4)
3,705	3,805	(2.6)	Diesel fuel	3,920	4,859	(19.3)
Export from MNPZ						
3,246	1,931	68.1	Gasoline	2,692	1,670	61.2
3,105	3,137	(1.0)	Fuel oil	3,085	3,208	(3.8)
2,863	2,248	27.4	Diesel fuel	2,302	1,789	28.7
Export from YaNPZ						
2,697	2,822	(4.4)	Gasoline	2,726	2,129	28.0
2,908	2,924	(0.5)	Fuel oil	2,899	2,090	38.7
2,207	1,929	14.4	Diesel fuel	2,061	1,811	13.8

The Group's crude oil export route mix (tonnes) for 12 months 2017 and 12 months 2016 is presented below:

	12m	
	2017	2016
Crude oil export		
Primorsk Baltic Sea port	15.7%	9.6%
Ust-Luga Baltic Sea port	1.0%	0.7%
Druzhba pipeline	11.2%	13.8%
Port of Novorossiysk	15.1%	24.7%
ESPO pipeline and the port of Kozmino	12.0%	15.8%
Meget (pipeline and railway) China	0.4%	0.0%
Exported without using Transneft system, including:	44.5%	35.4%
Prirazlomnoye	13.8%	15.6%
Novoport	30.7%	19.8%
Total	99.9%	100.0%
Crude oil export to CIS countries		
Belarus	96.2%	98.9%
Uzbekistan	3.8%	1.1%
Total	100.0%	100.0%

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